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**BUNGOMA COUNTY REFERRAL
HOSPITAL**

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

COUNTY GOVERNMENT OF BUNGOMA

52



**BUNGOMA COUNTY REFERRAL Level 5 HOSPITAL
(Bungoma 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)**

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

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1. Acronyms & Glossary of Terms

Acronyms

CSR	Corporate Social Responsibility
MED SUP	Medical Superintendent
OSHA	Occupational Health & Safety Act
PFMA	Public Financial Management Act
SHA	Social Health Authority

Glossary of Terms

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

2. Key Entity Information and Management

(a) Background information

Bungoma County Referral Hospital is a level 5 hospital established under gazette notice number.786 and is domiciled in Bungoma County under the Health and Medical services Department. The hospital is governed by a Board of Management.

(b) Principal Activities

The principal activity/ mandate of the hospital is to provide comprehensive healthcare services and training to the citizens of Bungoma County and beyond.

VISION

To be a leading hospital in the provision of quality health care service, medical research and education in the region.

MISSION

To provide accessible, acceptable, sustainable, Quality, curative, preventive, pro-motive rehabilitative and educative health care to our clients.

PHILOSOPHY/ CORE VALUES

- ✓ Efficiency
- ✓ Respect
- ✓ Equity
- ✓ Integrity and Accountability
- ✓ Professionalism/ Work Ethics

(c) Key Management

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

- County department of health and sanitation headed by the County Executive Committee Member, Chief Officer and County Director for Health (and his county health management Team)
- Hospital Management Committee/ Board.
- Hospital Management Team

(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. Simon Kisaka
2.	Accountant	Mrs. Winfrida Simiyu
3.	Supply Chain Management Officer	Mr Dennis Barasa
4.	Nursing Officer in Charge	Mr. Ernest Makokha
5.	Hospital Administrator	Mrs. Kate Barasa Wamocho

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No.	Designation	Name
6.	Pharmacist In Charge	Dr Caroline Naliaka Odeo
7.	Health Records and Information management officer in charge	Mr. Tom Soita mumakwa
8.	Laboratory Manager	Mr. Antony Sangolo Katayi
9.	Head of Radiology and imaging	Mrs Irene Cherotich Sabila
10.	Biomedical Engineer in charge	Mr. Richard Milanya

(e) Fiduciary Oversight Arrangements

- **Quality of care subcommittee:** In charge of overseeing continuous quality improvement at the facility.
- **Audit subcommittee-** charged with the oversight of revenue and risk management at the hospital.
- **County Assembly health subcommittee-** they appropriate funds to facilities, they oversee revenue collection expenditure and implementation.
- **Finance and general-purpose subcommittee** charged with responsibility of revenue collection and expenditure with the facility.
- **County Executive** (County Executive Committee Member for Health and Sanitation (CECM) Chief Officer of Health and Sanitation and County Director of Health; they charged with Approval of Budgets, Overseeing of Revenue Collection and Expenditure.
- **County Treasury-** charged with responsibility of financial com

(f) Bungoma Referral Hospital Headquarters

Bungoma County Referral Hospital
P.O. Box 14-5000
Opposite Bungoma County Commissioner's Office,
Bungoma, KENYA

(g) Bungoma Referral Hospital Contacts

Telephone: +254719648433
E-mail: bcrhospital@gmail.com
Website: www.bungomareferral.go.ke

(h) Bungoma Referral Hospital Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

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2. Kenya Commercial Bank,
P.O. Box 201-50200
Bungoma.

(i) External Auditors

Auditor General
Office of Auditor General
Anniversary Towers, University 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

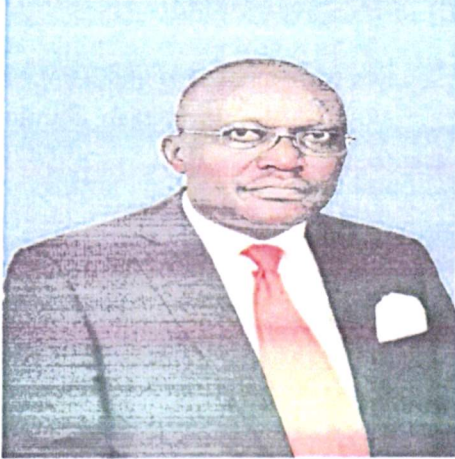


(k) County Attorney

The County Attorney.
Bungoma Municipal Building.
P.O. Box 437 50200
Bungoma, Kenya.

3. The Board of Management

Ref	Members	Details
1.		<p>Prof. Mabel Nangami She is a distinguished Kenyan scholar and the Dean of the School of Public Health at Moi University. She holds a PhD from the University of North Carolina at Chapel Hill and has extensive experience in health systems research and policy.</p> <p>Her career spans over 20 years, during which she has led numerous research projects and published over 30 papers in peer-reviewed journals. She has also developed 31 public health-related training manuals. Her work has significantly influenced health policy and capacity-building initiatives in Kenya and the broader East African region.</p> <p>She has a wealth of experience on hospital management having served as a member of Kimilili Hospital board from 2019 to 2022. Currently serving as board chair of Bungoma referral hospital (term will end on 19th June 2026). She provides strategic leadership and governance to the hospital.</p>
2.		<p>Lucy Nasimiyu Makokha She completed her O level in 1985 She is a woman leader in union of Kenya Civil servants Bungoma branch.</p> <p>She was employed as an assistant chief in Khasolo Sub location from year 2000-2022 From year 2022 to date she was appointed as senior chief Napara Location. Currently serving as a member of the full board from 2023 to date (term expires on 19th June, 2026) as well as a member of quality of healthcare subcommittee.</p>




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Ref	Members	Details
3.		<p>FESTUS WEKESA JUMA He holds degree of bachelor of Education from Kenyatta University. The year 1993-1997 worked as a teacher in Kimilili Boys, year 1997-2010 worked as a teacher at Ndengelwa secondary school and as head of co-curricular activities, year 2010-2012 served as a lecturer in Kibabii Diploma Teachers Training College, year 20104-to date served as Public Service Management Administration and ICT, Kanduyi subcounty. Currently serving as a member of the full board from 2023 to date (term expires on 19th June, 2026) as well as a member of Finance and general-purpose subcommittee.</p>
4.		<p>Daisy Nabututu Wekesa She is a holder of Bachelor's degree in Law at Moi University She served as oral communicator in the year 2013 at Ocharo Kebira & CO. Advocate. Currently serving as a member of the full board from 2023 to date (term expires on 19th June, 2026) as well as a chair of quality of healthcare subcommittee</p>
5.		<p>VICTOR SAMBA WAKA He holds diploma in Education primary. He has a working experience of 7 years as a teacher. He is Currently serving as a member of the full board from 2023 to date (term expires on 19th June, 2026) as well as a member of Audit subcommittee.</p>


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Ref	Members	Details
6.		<p>Mrs. Joyce Misiko She is a trained copy typist who worked for over 19 years in the department of Agriculture at KARI, Kakamega, Bungoma (Mabanga ATC) and finally at Amagoro. She later underwent Animal Health Assistant from AHITI Ndomba before retrenchment in 2000. She is currently a private practitioner on Animal Health as well as herbal medicine. She is also a politician. She won accolades to be among the pioneers of ASK Harambee Show - Bungoma in 2005.</p> <p>She is actively participating in church administration where is a chairlady of Catholic Women Association, Christ the King Cathedral Bungoma as well as holds positions in church fellowship.</p> <p>Besides, she is on various Boards of Management for schools within Bungoma County having served for many years and serving as a board member at Bungoma county Referral Hospital effective 2023(term ending on 19th June, 2026).</p> <p>She is also a member of the Audit subcommittee.</p>
7.		<p>EDWARD BARASA WAMUNYOKOLI He is trained in Business management at Moi University, also trained as an animal health and production at AHITI-Kabete. He worked as an animal inseminator. He is Currently serving as a member of the full board from 2023 to date (term expires on 19th June, 2026) as well as chair of Audit subcommittee.</p>


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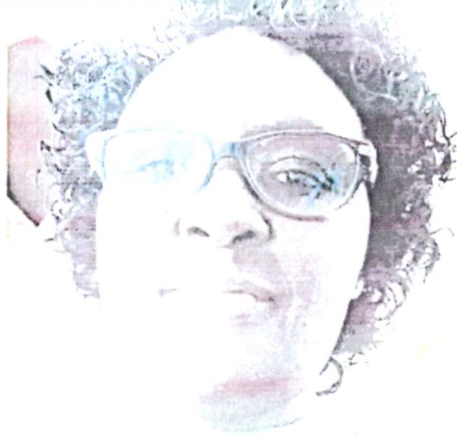
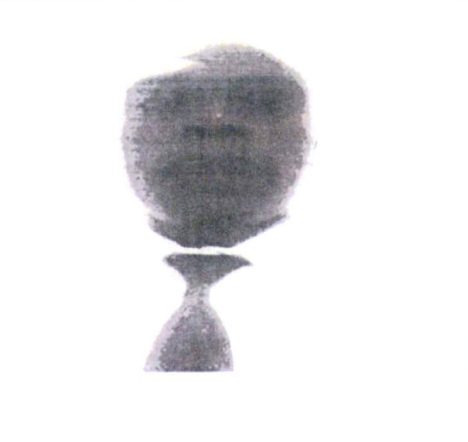
Ref	Members	Details
8.		<p>Mr. Musa Wangila Makhabila He is trained in public administration with 3 years of working experience as an artisan at National cereal and produce Board. Later on, he worked as a Councillor from 2002 to 2007 and finally as a member of County Assembly in the County Government of Kakamega at Lugari Ward. Currently serving as a member of the full board from 2023 to date (term expires on 19th June, 2026) as well as chair of Finance and general-purpose subcommittee.</p>
9.		<p>JANE NASIMIYU MISIKO She is a trained teacher at Mosoriot teachers training college. She served at Kibabii primary, Bukusu primary, Munget primary and Musokho primary as a teacher.</p> <p>Currently serving as a member of the full board from 2023 to date (term expires on 19th June, 2026) as well as a member of Finance and general-purpose subcommittee.</p>
10.		<p>Dr. Simon Kisaka- Hospital Management Board, Secretary Dr. Kisaka has 20 years working experience as a Medical Practitioner. Professionally, he holds a Masters of Medicine in Family and Emergency Medicine from Moi University and a Bachelor of Medicine and Bachelor of Surgery from Chuvash State University in Russia.</p> <p>Responsibilities:</p> <ul style="list-style-type: none"> • Provision of visionary and transformational leadership in the management of the hospital. • He oversees the implementation of Boards resolutions. • Ensures prudent management of resources. • Formulation of long-term strategies and

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Ref	Members	Details
		<p>business plans participating in various committees in the Institution and overseeing all clinical services. He is the Accounting Officer hence a Mandatory signatory to facility account.</p>
11.		<p>Dr. Emmah Nyaboke Ong'era Board Member representing Department. She is the current Deputy Director in the department of health. She holds Masters of Science in Health Systems Management-AMREF International University- Ongoing. Masters of Pharmacy-Epidemiology and Pharmacovigilance, UON- 2019. Bachelors of Pharmacy- DR. M.G.R -TamilNadu University-India, 2009.</p> <p>She has worked as a Sub county health products and Technology lead, Sub county medical officer of Health and Sanitation.</p> <p>Currently serving as a member of the full board from 2023 to date (term expires on 19th June, 2026) as well as a member of quality of healthcare subcommittee.</p>



4. Key Management Team

Ref	Management	Details
1.		<p>Dr. Simon Kisaka- Hospital Management Board, Secretary</p> <p>Dr. Kisaka has 20 years working experience as a Medical Practitioner. Professionally, he holds a Masters of Medicine in Family and Emergency Medicine from Moi University and a Bachelor of Medicine and Bachelor of Surgery from Chuvash State University in Russia.</p> <p>Responsibilities:</p> <ul style="list-style-type: none"> • Provision of visionary and transformational leadership in the management of the hospital. • He oversees the implementation of Boards resolutions. • Ensures prudent management of resources. • Formulation of long-term strategies and business plans participating in various committees in the Institution and overseeing all clinical services. • He is the Accounting Officer hence a Mandatory signatory to facility account. • He is the Chairperson to Hospital Management Team (HMT) and facility Executive Expenditure Committee (EEC).


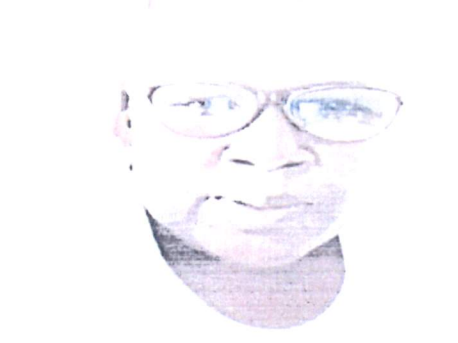
<p>2.</p>		<p>Mrs. Kate Barasa Wamocho - Health Administrative Officer She is a holder of a degree in political science/Government and Anthropology in Nairobi University. She also holds a degree in Project Management from MDFESA-Dutch, Arusha Tanzania. She has 25 years working experience.</p> <p>Responsibilities:</p> <ul style="list-style-type: none"> • Coordination of services within the hospital while liaising with fellow team members. • Estate management in liaison with the public health officer(s). • Supervision of non-medical staff, • Offers secretarial duties to various committees in the establishment and • Ensures security of staff, patients and hospital property. • She is the alternative signatory to facility account. • She is a Secretary to Hospital Management Team (HMT) and facility Executive Expenditure Committee (EEC). <p>A co-opted member of the board and finance and general-purpose subcommittee.</p>
<p>3.</p>		<p>Mr Arnest Wafula- Head of Nursing Services He holds a Bachelor of Science in Nursing from University Nairobi. He has 16 years' experience in nursing leadership.</p> <p>Responsibilities:</p> <ul style="list-style-type: none"> • Formulation, review and interpretation of Bungoma County Referral Hospital health care policies relating to nursing services. • Ensuring adherence to Nursing Statutory and regulatory requirements. • Facilitating development and review of training programs for nurses in the Hospital. • He is also a member of the Hospital Management Team (HMT) and facility Executive Expenditure Committee (EEC).


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		He is a co-opted member of the board as well as quality of care subcommittee.
4.		<p>CPA Winfrida Simiyu-Accountant She has over 8 years working experience in financial management. She is a CPA and holds a Bachelor of Commerce (finance option) from Kibabii University.</p> <p>Responsibilities:</p> <ul style="list-style-type: none"> • Coordinating preparation of budgets • She plays a critical role in the ensuring the financial health and compliance of the Hospital. • She is also a member of the Hospital Management Team (HMT) and facility Executive Expenditure Committee (EEC). • She monitors expenditures against the approved budget to prevent overspending.
5.		<p>Mr Tom Soita - Head of Health Records and Information Department He holds a Diploma in Health Records and Information Management from Siaya KMTC. He has 10 years working experience.</p> <p>Responsibilities:</p> <ul style="list-style-type: none"> • Compile, Organize, maintain and protect confidential medical records. • Designing health information systems to comply with medical, legal and ethical standards. • Analyse clinical data for research, processes improvement and reporting. • Participate in developing facility work and strategic plans and setting performance targets. • Participating in various committees in the Institution. • He is also a member of the Hospital Management Team (HMT) and facility Executive Expenditure Committee (EEC).

6.		<p>Mr Denis Simiyu Barasa – Supply Chain Management Officer 1 He holds a Bachelor’s degree of commerce in Supply Chain Management from Kibabii University and a Diploma in supplies management from Mombasa technical Training institute. Work Experience:</p> <ul style="list-style-type: none"> • County government of Bungoma • Ministry of education. • Health and sanitation • Public administration. • Environment, tourism and climate change. <p>Responsibilities:</p> <ul style="list-style-type: none"> • Reviewing procurement evaluation reports and provides procurement professional opinion. • Asset disposal interpretation. • Implementation and enforcement of the Public Procurement regulations. <p>He is also a member of the Hospital Management Team (HMT) and facility Executive Expenditure Committee (EEC).</p>
7.		<p>Dr Caroline Naliaka Odeo – Pharmacist in charge She holds a Master’s degree in Clinical pharmacy from University of Nairobi and a Bachelor’s degree in Pharmacy from Makerere University. She has 16 years working experience. Responsibilities:</p> <ul style="list-style-type: none"> • Ensure quality provision of effective medication services as per the needs of individual patients and institution as a whole. • Coordinating quality improvement initiatives and clinical governance • Participating in developing work plans and budgets for the division and setting performance targets. <p>She is also a member of the Hospital Management Team (HMT) and facility</p>

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8.		<p>Executive Expenditure Committee (EEC).</p> <p>Mr Antony Sangolo Katayi – Laboratory Manager</p> <p>Has a Bachelor’s degree in Medical Laboratory Sciences from Mt Kenya University and a Diploma in Medical Laboratory Technology.</p> <p>He has 15 years working experience.</p> <p>Responsibilities:</p> <ul style="list-style-type: none"> • Coordination of Laboratory services within the facility. • Participating in developing work plans and budgets for the division and setting performance targets. <p>He is also a member of the Hospital Management Team (HMT) and facility Executive Expenditure Committee (EEC).</p>
9.		<p>Mrs. Irene Cherotich Sabila – Chief Radiographer</p> <p>She has 19 years’ working experience and a holder a Diploma in Medical Imaging from Kenya Medical Training College.</p> <p>Responsibilities:</p> <ul style="list-style-type: none"> • Carry out managerial duties in the department. • Performs radiological and imaging duties. • Enhancing radiation protection in the unit/ or wherever imaging is conducted within the facility. • Participating in developing work plans and budgets for the division and setting performance targets. <p>She is also a member of the Hospital Management Team (HMT) and facility Executive Expenditure Committee (EEC).</p>

10.		<p>Mr. Richard Milanya – Head of Department of Medical Engineering. He is a holder of Bachelor of Science in Control and instrumentation and Diploma in Medical Engineering.</p> <p>Responsibilities:</p> <ul style="list-style-type: none">• He ensures timely planned plant maintenance of machines and equipment.• He updates and maintains an asset inventory.• Assess equipment suitability and advises on the same.• A member of the idle assets committee. <p>He is also a member of the Hospital Management Team (HMT) and facility Executive Expenditure Committee (EEC).</p>
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5. Chairman's Statement

It is yet another end to a Financial Year (2024/2025) that development has been evident at the Bungoma County Referral Hospital. There has been expansion of service delivery with introduction of more specialized services. These include;

- Equipping of 300 Bed mother and baby hospital (require piping, equipment and staffing) - courtesy of Executive
- Oncology centre was ope-rationalized and its up running.
- Shelving of Commodity store constructed -courtesy of Executive
- Blood bank is still work in progress - courtesy of Executive
- Renovation of Laboratory, Occupation Therapy department, Theatre and Mortuary through facility's own revenue

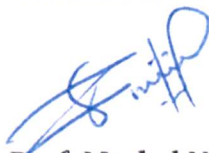
Some of the challenges faced include;

- High inflation challenges hence the need to review hospital charges to cater for inflation costs.
- Staff attrition due to retirement, seeking greener pasture, transfers, resignation and expansion of services which has greatly impacted on service delivery.
- Strike for doctors, clinical officers and laboratory scientists

On infrastructure development, there is need to complete the 300 mother and baby hospital to reduce the effects of overcrowding in the wards, need for installation of a CT scan and MRI, completion and equipping of regional blood bank and commodity store.

Finally, amid all the gains, there is need for quality care and avoidance of burn out on the otherwise lean staff, this requires employment of more personnel which includes; Nurses, Medical Officers, Specialists, Registered Clinical Officers, Health Records and Information Officers, Nutritionists, Ortho Trauma Technologists, Orthopaedic Technologists among others.

We look forward to the new financial year with hope.



Prof. Marbel Nangami
Chairperson of the Board.



6. Report of The Medical Superintendent

The facility has continued to grow in all aspects courtesy of support from the Executive, Partnerships and cohesion in the hospital leading to increased workload from within and outside the catchment area.

On Maternal and Neonatal front, we are looking forward to completion, equipping and staffing of 300 bed mother and baby hospital that comes with a package of assorted services under one roof geared towards mothers' care, this will be a milestone once complete and operational; it will tremendously reduce the effects of overcrowding in the wards.

However, the hospital is still in dire need of diagnostic services; Computerized Tomography Scan (CT scan) and Magnetic Resonance Imaging (MRI) that will boost our radiology services. Currently, clients outsource the services hence delayed management of patients.

Equally, there is need to complete ongoing projects for better service delivery. A Regional blood bank will cater for blood and blood products closer home while a commodity store will ensure proper management of our health products/ commodities more effectively.

The facility had some notable achievements as summarized below;

- The hospital acquired a new anaesthetic machine in theatre leading to increased service delivery
- The hospital was able to run smoothly during the industrial strike through the support of Executive approvals for engaging staffs on locum basis.
- There were repairs and renovations in the Laboratory, Occupational therapy, Outpatient, Theatre and Mortuary departments through own source revenue funds.
- There was an improvement and increase in SHA reimbursed amounts due to increased SHA clientele base and claims.

Despite these milestones, the facility faced some challenges as listed below;

- Staff shortage is a key challenge, which has been majorly caused by lack of replacement of retired staff, and we received less staff personnel after the County Public Service Board awarded them six months contract. The hospital has had to engage staff on locum in order to mitigate staff burnouts.
- High consumption rates of oxygen; the need to set up an oxygen generating plant.
- Inadequate financial resources.

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- High poverty levels from the populace leading to waivers/ exemptions hence “loss” of revenue.
- Inadequate space leading to overcrowding in the wards.
- Political patronage.
- High inflation rates affecting pricing of commodities; the need to revise user charges to cushion the hospital.
- Strike for doctors, clinical officers and laboratory scientists
- Unpredictable SHA reimbursements caused the hospital not to achieve 100 % budget absorption.
- There was a slight decrease in the outpatient attendance of 9.3% in the year 23/24 while in the year under review 2024/25, there was a slight decrease of 3.3% due to introduction of SHA in the hospital.

Financially, the hospital performed well which implied that revenue collection and banking accounting systems improved as well as strengthened internal control measures.

There was a very high teamwork among staff coupled with self-motivation, which led to improved quality of service delivery.



Dr. Simon Kisaka
Secretary to the Board



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7. Statement of Performance Against Predetermined Objectives

Bungoma county Referral Hospital has 6 strategic pillars and objectives within the current work Plan for the FY 2024- FY 2025 These strategic pillars are as follows;

- To eliminate Communicable Conditions.
- To halt and reverse the increasing burden of non-communicable conditions.
- To reduce the burden of violence and injuries.
- To provide essential health services
- To minimize exposure to health risk factors
- To strengthen collaboration with health-related sectors

Bungoma Referral Hospital develops its annual work plans based on the above 6 pillars/Themes/Issues. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Referral Hospital has achieved its performance targets set for the FY 2024/2025 period for its 6 strategic pillars, as indicated in the diagram below:

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Pillar/ theme/ issue 1: Quality Healthcare services delivery	❖ To provide high quality accessible and affordable effective healthcare services	<ul style="list-style-type: none"> ❖ Patient satisfaction rate – (percentage) ❖ Reduction of patient waiting time- in minutes. ❖ Percentage of clinical guidelines followed effectively 	<ul style="list-style-type: none"> ❖ Enhanced diagnostic and treatment protocols ❖ Provide continuous medical education for staff. CME ❖ Expand specialized services e.g. cardiology, MRI, CT Scan, mental, Oncology ❖ Conduct patient satisfaction surveys 	<ul style="list-style-type: none"> ❖ Improved patient satisfaction to 85% ❖ Reduced average waiting time from 60 minutes to 40 minutes ❖ 98% adherence to clinical guidelines
Pillar/ theme/ issue 2: Human Resource	❖ To develop and maintain a skilled	<ul style="list-style-type: none"> ❖ Staff retention rate (percentage) ❖ Number of 	<ul style="list-style-type: none"> ❖ Recruit additional medical staff; specialists, nurses RIOs 	<ul style="list-style-type: none"> ❖ Retained 95% of trained staff ❖ Conducted 15 training

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capacity building	motivated health care workforce	staff trained in specialized areas ❖ Employee satisfaction survey results	etc. ❖ To offer continuous professional development programs	programs, 200 of health care workers trained in various programs ❖ 80% of staff reported satisfaction
Pillar/ theme/ issue 3: Infrastructure and facility improvement	❖ To improve hospital infrastructure and enhance patients care environment	❖ Number of renovated/expanded department ❖ Availability of essential medical equipment (percentage) ❖ Hospital occupancy rate (percentage)	❖ Renovate key departments e.g. maternity, ICU, Emergency, records ENT, oncology ❖ Procure new medical equipment e.g. ultrasound, e.g., MRI CT scan. ❖ Improve sanitation and waste management system	❖ Expanded ICU and maternity wards by 25% ❖ Increased availability of medical equipment to 90% ❖ Hospital bed occupancy increased to 98%
Pillar/ theme/ issue 4: Patient centered care and community engagement.	❖ Improve patient experience and community engagement with health services	❖ Patient satisfaction rate (percentage) ❖ Percentage of Community health programs delivered ❖ Number of community outreach programs held	❖ Conduct health education and awareness campaigns ❖ Improve communication with patients and families ❖ Organize regular community health camps	❖ 90% patients' satisfaction. ❖ 20 community health outreach programs completed ❖ Increased community participation by 40%

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Pillar/theme/issue 5: Financial sustainability and resource management	<ul style="list-style-type: none"> ❖ To improve hospital financial management and sustainability 	<ul style="list-style-type: none"> ❖ Hospital revenue growth (percentage) ❖ Reduction in operational costs (percentage) ❖ Percentage of payments collected on time 	<ul style="list-style-type: none"> ❖ Implement efficient billing and revenue collection system ❖ Reduce medical supply wastage ❖ Develop partnership for additional funding e.g. donors, insurance 	<ul style="list-style-type: none"> ❖ Increased hospital revenue by 15%
Pillar/theme/issue 6: Emergency preparedness and disaster management	<ul style="list-style-type: none"> ❖ To strengthen emergency response and preparedness for disaster 	<ul style="list-style-type: none"> ❖ Time taken to respond to emergencies ❖ Number of disaster drills conducted ❖ Percentage of emergency equipment functional 	<ul style="list-style-type: none"> ❖ Conduct regular disaster response drills ❖ Ensure essential emergency equipment is functional ❖ Develop a hospital wide disaster preparedness plan 	<ul style="list-style-type: none"> ❖ Reduced average emergency time to 15 minutes ❖ Conducted 4 disaster preparedness drills ❖ 100% functionality of emergency equipment
Pillar/theme/issue 7: Health Information management and Technology	<ul style="list-style-type: none"> ❖ To leverage technology for better health data management and service delivery 	<ul style="list-style-type: none"> ❖ Number of electronic health records (CHR) implemented ❖ Percentage of staff trained in health information 	<ul style="list-style-type: none"> ❖ Implement electronic health records systems (EHR) ❖ Train staff on (EHR) and data management ❖ Integrate Telemedicine 	<ul style="list-style-type: none"> ❖ 60% of patients records digitized ❖ Trained 65% of clinical staff in EHR ❖ Introduced telemedicine consultation

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

		<ul style="list-style-type: none"> ❖ Reduction in patient data entry errors (%) 	<ul style="list-style-type: none"> services rural consultants 	<ul style="list-style-type: none"> , services,300 rural patients monthly
Pillar/theme/issue 8. Governance and leadership	<ul style="list-style-type: none"> ❖ To enhance governance and leadership for effective hospital management 	<ul style="list-style-type: none"> ❖ Staff and patient satisfaction with leadership (%) ❖ Number of leadership training programs conducted ❖ Number of audits conducted 	<ul style="list-style-type: none"> ❖ Conduct leadership and governance trainings for hospital managers ❖ Strengthen internal audits and accountability systems ❖ Encourage a culture of transparency and openness in decision making 	<ul style="list-style-type: none"> ❖ 85% staff and 90% patient satisfaction with leadership ❖ Conducted 6 leadership trainings ❖ 3 successful internal audits completed
Pillar/theme/issue 9: Preventive and public health initiatives	<ul style="list-style-type: none"> ❖ To reduce the burden of preventable diseases through education and outreach 	<ul style="list-style-type: none"> ❖ Percentage of population vaccinated ❖ Number of health education campaigns held ❖ Reduction in cases of preventable diseases e.g. Malaria , TB 	<ul style="list-style-type: none"> ❖ Launch vaccination campaigns ❖ Conduct regular public health education sessions ❖ Increase screening for common diseases e.g. hypertension, diabetes 	<ul style="list-style-type: none"> ❖ Achieved 95% vaccination rate for children ❖ Held 30 public health education forums ❖ Reduced malaria cases/burden by 20% and TB by 10%
Pillar/theme/issue 10: Research and innovation	<ul style="list-style-type: none"> ❖ To foster a culture of research and innovation 	<ul style="list-style-type: none"> ❖ Number of research projects initiated ❖ Number of new medical 	<ul style="list-style-type: none"> ❖ Collaborative with academic institutions for clinical research 	<ul style="list-style-type: none"> ❖ Initiated 5 research project ❖ Established COSECSA(College of

Bungoma County Referral Hospital (Bungoma County Government)
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	on in health care	practices adopted ❖ Percentage of patients benefiting from new treatment	❖ Pilot new treatment methods on technologies ❖ Publish findings in local and international journals	Surgeons of East, Central and Southern Africa) center. ❖ Adopted 3 new medical practices e.g. minimal invasive surgeries, WALANT ❖ 15% of patients benefited from new treatment
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8. Corporate Governance Statement

The Hospital Management Committee/ Board met regularly throughout the year as stipulated. There were 5 meetings held. Four (4) meeting were held in the 1st, 2nd ,3rd and 4th quarter 2024/2025 financial year plus one special sitting. The board's term will expire on 19th June 2026. Some of the main issues that were deliberated and resolved in the year included.

- Resolution to sink a second borehole to resolve a perennial water problem.
- Approving of budget to ensure smooth hospital operations
- There was an exit interviews that were carried to evaluate patient satisfaction.

There was good progress in guiding hospital achieve its objectives through rigorous planning, oversight and advice to the hospital management.

There were good plans in succession management in place with the current hospital management board's term expired in November, 2022. The board members were appointed by County Executive Committee Member for Health and Sanitation and there were clear ways of removing a member, induction and training on roles and functions of board members and there was clear distribution of roles to the various members.

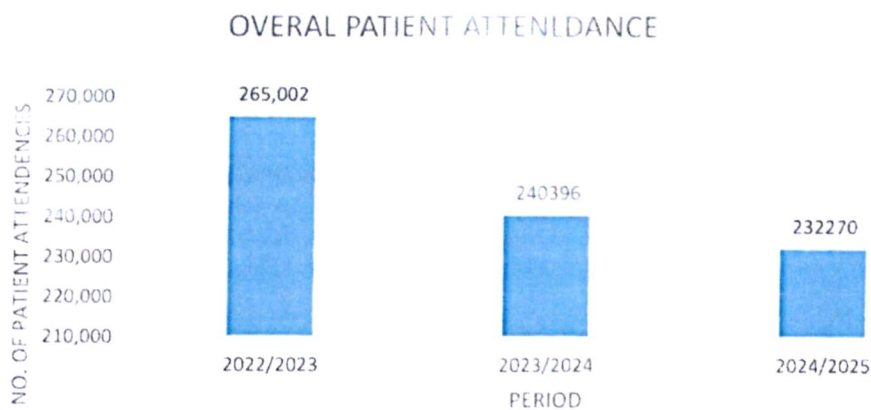
The hospital has charters on service delivery displayed strategically around the hospital.

9. Management Discussion and Analysis
Clinical Performance

Bungoma County Referral Hospital provides a wide range of specialized services to residents of Bungoma County and the neighbouring counties of Busia, Kakamega and Trans Nzoia plus the neighbouring country of Uganda. Some of these specialized services include accident and emergency, outpatient specialist clinics, inpatient care and day care procedures for surgery, renal, endoscopy, ENT, ophthalmology, dental amongst other services. In addition, the hospital provides clinical support services that include pharmacy, laboratory, radiology etc. The hospital strives to ensure that the clinical services provided throughout the organisation are efficient, effective, appropriate, innovative, evidence-based and in line with modern technological advances. Clinical governance has been strengthened to ensure patient safety and quality healthcare.

The Hospital's workload analysis over the last five years is as depicted in the charts below.

Figure 1: Hospital Workload



There has been general steady decrease in the number of patient attendance in the hospital for the period under review.

There was a slight decrease in the outpatient attendance of 9.3% in the year 23/24 while in the year under review there was a slide decrease of 3.3% in the year 2024/25 due to introduction of SHA in the hospital.

Patient admissions

Maternal health service continues to be the leading source of admission to the hospital.

Figure 2: Admissions by speciality

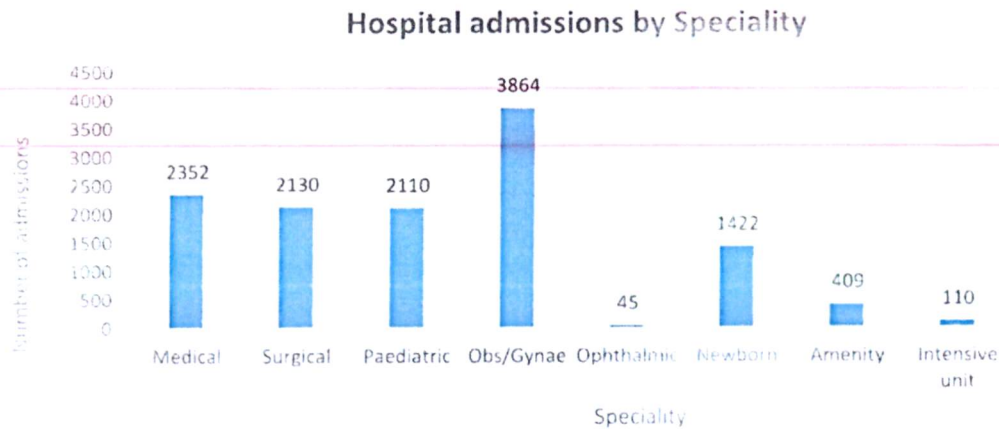
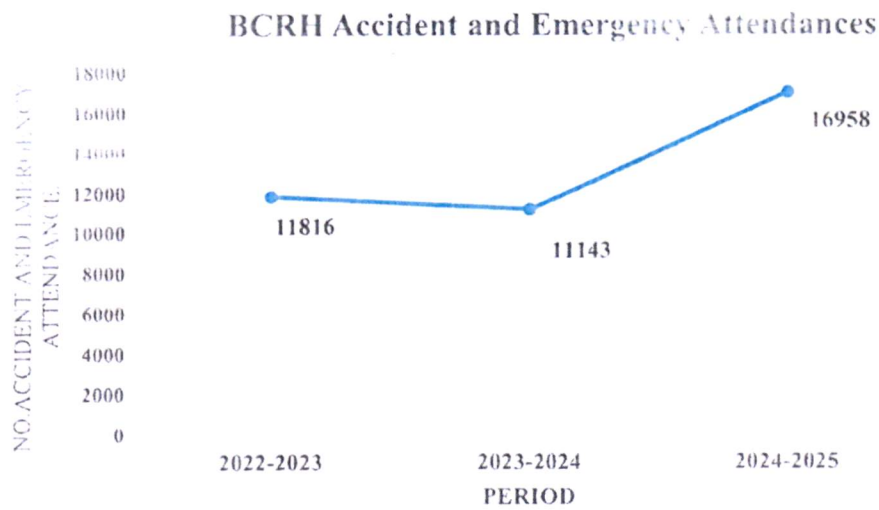


Figure 3: Accident and Emergency Attendances

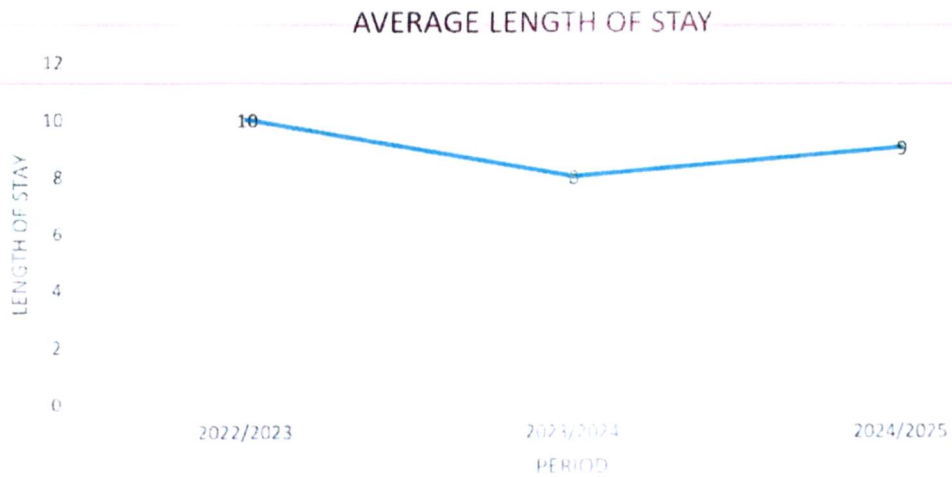


Accident and emergency attendances had to decrease in the year 2023-2024 by 5.7% due to industrial strikes, then in the year under review there was an increase in patient attendances of 52% due to the end of industrial strikes of staffs.

Average Length of Stay (ALOS)

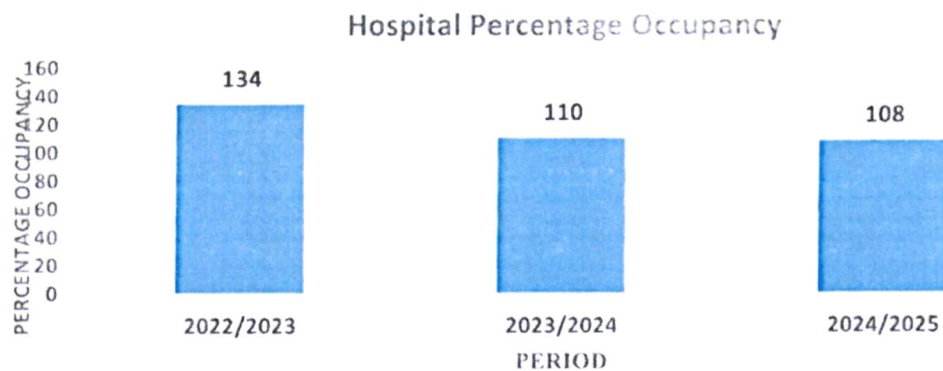
Figure 4: Average Length of Stay

The hospital has continuously strived to improve on its average length of stay. This has been enforced through improved service delivery, clinical governance and enhanced performance monitoring.



Bed occupancy

Figure 5: Percentage Bed Occupancy

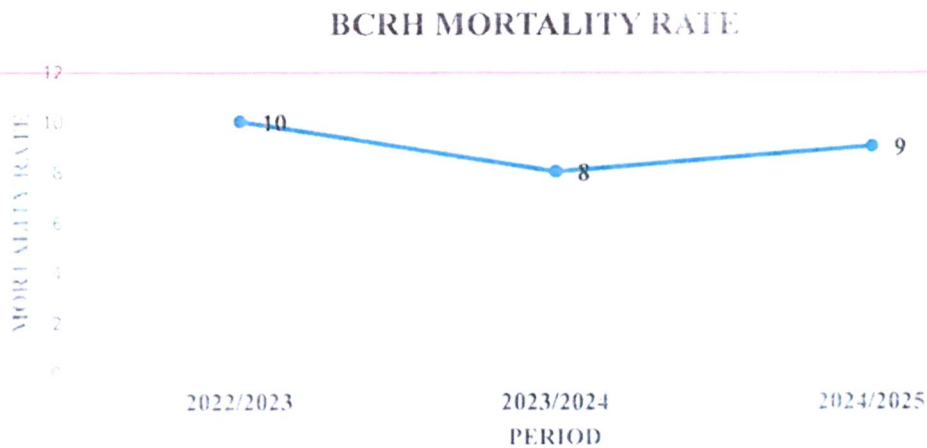


The hospital has continuously operated above capacity, causing a constraint on existing facilities. This is because the neighbouring facilities both within the county and the

neighbouring counties are not operating optimally coupled with the clients' perspective of better services at the county referral hospital. Year 2023-2024 had drop in percentage occupancy due strikes that was there in the months of March to May 2025.

Mortality Rate

Figure 6: Mortality Rate

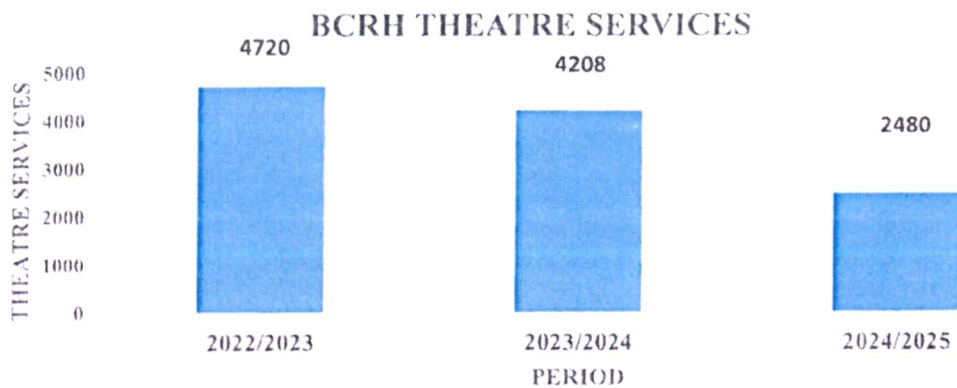


During the period under review the death rate averaged 9. %. This is attributed to the critically ill patients referred to and managed in the hospital.

Operating Theaters

Theatre activities during the three-year period are depicted in the figure below.

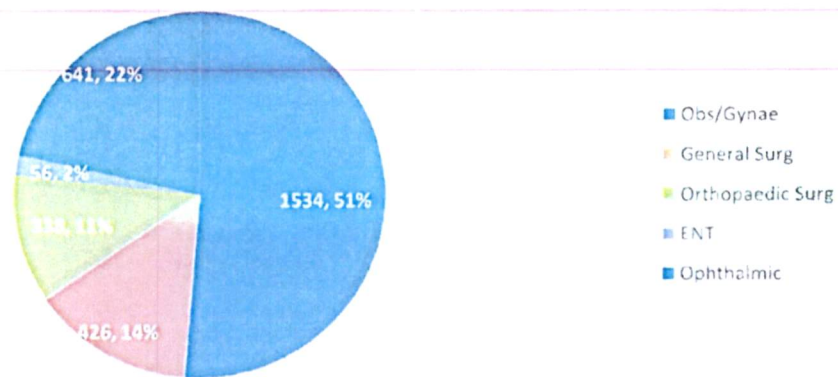
Figure 7: Theatre Services



The hospital has five theatres: 2 main theatres, eye unit theatre, minor theatre and the accident and emergency unit WALANT theatre which operate on a twenty-four-hour basis.

Figure 8: Surgical Operations by Specialization

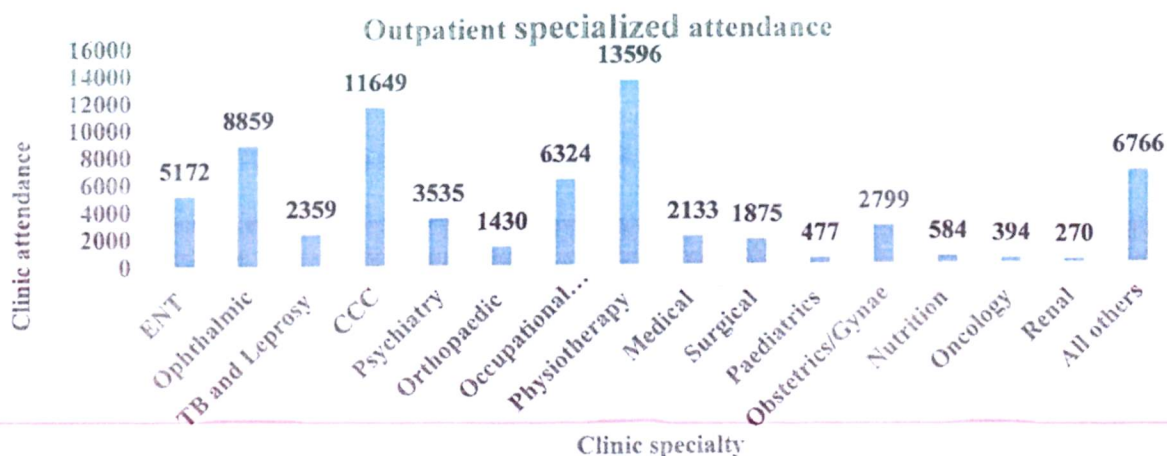
SURGICAL SERVICES BY SPECIALIZATION



Specialized Clinics

The hospital runs specialized clinics that includes the following: Family and community health, Eye clinic, Medical outpatient clinic (MOPC), Surgical clinic (SOPC), Paediatric Outpatient Clinic (POPC), Paediatric surgical outpatient clinic, Oncology Clinic, Diabetic Outpatient Clinic, Urology Clinic, Audiology Clinic, Dental Clinic, Orthopaedic clinic , Reproductive Health that include specialized ante-natal and post-natal clinics, specialized gynaecology clinics, ENT clinic among others.. The hospital prides in having specialists in all these areas and has a continuous plan for maintaining the specialist numbers by allowing the Doctors advance their training in various specialties both local and international.

Figure 9: Outpatient specialized clinics attendance 2024/2025 was (68,222 Patients)



Financing of the Bungoma county Referral Hospital.

Article 202 of the Constitution of Kenya provides that revenue raised nationally shall be shared equitably among the National Government and the County Governments. Each County Government's equitable share of revenue raised nationally, is determined yearly through the County Allocation of Revenue Act (CARA). The revenue sharing formula is developed by the Commission on Revenue Allocation and approved by Parliament in accordance with Article 217 of the Constitution.

The main source of financing for the Hospital is through own generated revenues. These are revenues collected within the Hospital departments as per the sale of consultation services offered that include Pharmaceuticals, Laboratory, Non-pharmaceuticals and other Services.

In the period ended 30th June 2025, the hospital had projected revenues of Kshs.375,328,308. After supplementary reallocation the final approved budget was shs.227,604,883 of which a total of ksh. 325,156,027 was collected showing 42% over-achievement, not inclusive of the Receivable amounts. Receivables amount was shs.115,738,453 . The county Government paid for the casual salaries for the Hospital an amount of Ksh.22,280,840 thus revenue in kind from the county Government.

The total expenditure budget for the financial year was Kshs.375,328,308 In addition, total actual expenditure amounted to Kshs.333,552,123 representing 146% budget absorption

10. Environmental And Sustainability Reporting

Bungoma county referral hospital exists to transform lives. Its main objective is to provide quality comprehensive quality health care services through provision of patient centred health care services. Our clients are our priority. We aim to improve client experience through regular staff meetings mortality reviews lab clinical data interface, data reviews and also by partnering with various stakeholders to improve service delivery.

i) Revenue/reploughed back

All revenue collected at facility is budgeted and spent within the hospital for facility improvement and service delivery. We aim to ensure availability of appropriate health products and technologies, expansion of services, upgrading of amenities to improve work environment etc.

ii) Minimize corruption

The hospital has devised various strategies to minimize corruption. These includes strengthening of internal control mechanisms like clear segregation of duties with roles, strengthening the hospital advisory and disciplinary committee whose recommendations have been fully implemented. There is openness and team work in accountability. The facility has also installed CCTV cameras in the entire hospital to monitor all staff, minimizing corruption. There has also been digitization of the services and direct banking of revenue by clients either through KCB agents, M-pesa, EFT, and cheques being acceptable modes of payment.

iii) No political affiliations

The Hospital management does not pay any allegiance or homage to any political relations. Its sole mandate is on service delivery.

iv) Staff shortages

The hospital management board and the county health executives have allowed the hospital to curb shortages of staff through hiring of staff on short contracts. These has immensely improved service delivery

v) Plant/mental unit

The hospital does not have the above. It is the desire of the hospital to invest on these services so that to provide timely services.

vi) Environmental performance

The hospital boasts of a robust infection prevention committee which is charged with the role of ensuring safe environment for healthcare workers, clients and hospital visitors.

There is a clear policy on waste segregation and disposal both for drugs, non-pharms, human waste and bodies. The committee meets regularly to discuss and implement its findings. The hospital has also implemented all NEMA policies

vii) Employee welfare

The employees are mainly hired and posted by the County Public Service Board. The hospital management role is to raise concern on shortages and needs. It engages casual employees through a competitive process and puts into consideration gender ratio. The hospital management encourages and supports its staff members to train and capacity build in various courses, both technical and professional to improve service delivery. Some of the trainings include Kenya School of Government leadership courses, seminars, Continuous Medical Education, and defence driving. It also recommends staff for diploma and masters programmes. There is an annual staff recognition and reward system whose main role is to reward excellence in performance. The staff get presents, certificates, and leadership positions and get to share a meal. The facility observes the policy on safety and compliance with occupational and safety health act of 2007 (OSHA). The hospital also observes safety and adherence to HIV Policy on Post Exposure Prophylaxis, testing and treatment for HIV. It also adheres to the guidelines on occupational health and safety.

viii) Market place practices-

a) Responsible competition practice.

The hospital management has adopted an anti-corruption crusade messaging and interventions. It only engages in responsible political engagement. As a government Bungoma Referral Hospital it involves in fair competition and respects its competitors. The hospital offers quality health care services in collaboration with its partners. It adheres to EACC guidelines which apply to all staff. The hospital has a disciplinary and advisory committee which handles all corruption cases appropriately.

b) Responsible Supply chain and supplier relations

Bungoma County Referral Hospital offers fair competition to all its suppliers. It practices fairness by honouring contracts and respecting timely payments. The facility has opened up business to all who qualify as per public procurement and disposal act through prequalification award and payment. All suppliers are paid within stipulated time line.

c) Responsible marketing and advertisement

As a government hospital and as per ethical guidelines we do not advertise our health services.

d) *Product stewardship*

The hospital observes patient rights and interest and offers patient centred care. Patient service charters are available clearly outlining services available, timelines and cost.

ix) *Corporate Social Responsibility / Community Engagements*

The hospital in this current year did not engage in Corporate Social Responsibility activities however it provided waivers and exemptions to the vulnerable members in the community. It has also carried out home based care to its clients. The hospital offers subsidised hospital cost services to its clients to prevent catastrophic events. During the year multiple eye camps were held in Cheptais, Sirisia, Bungoma Mt. Elgon and Bumula.

11. Report of The Board of Management

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

Principal activities

The principal activities of the hospital are to provide comprehensive health care services to its clients.

Results

The results of the Bungoma Referral Hospital for the year ended June 30 2025 are set out on pages 1 to 37.

Board of Management

The members of the Board who served during the year are shown on page VI to X. During the year, 2024/2025 there was no board member who retired or resigned. The hospital operated with a board of management for all the four quarters.

Auditors

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



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

The Board of Management is responsible for the preparation and presentation of the Bungoma Referral Hospital's financial statements, which give a true and fair view of the state of affairs of the Bungoma Referral 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 Bungoma Referral 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 Bungoma Referral Hospital; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

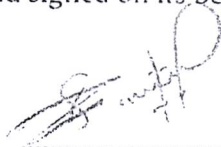
The Board of Management accepts responsibility for the Bungoma Referral Hospital's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS),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

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

Approval of the financial statements

The Hospital's financial statements were approved by the Board on 15/7/2025
and signed on its behalf by:



.....
Prof. Marbel Nangami
Chairperson
Board of Management



.....
Dr. Simon Kisaka
Accounting Officer



REPUBLIC OF KENYA

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Anniversary Towers
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON BUNGOMA COUNTY REFERRAL HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2025 – COUNTY GOVERNMENT OF BUNGOMA

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 Bungoma County Referral Hospital - County Government of Bungoma set out on pages 1 to 34, 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 Bungoma County Referral Hospital - County Government of Bungoma 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 Bungoma County Health Services Act, 2019, the Health Act, 2017, and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Incomplete Disclosure of In-Kind Contributions from the County Government

The statement of financial performance and Note 6 to the financial statements reflect in-kind contributions from the County Government revenue amounting to Kshs.22,280,840 in respect to salary payments to hospital staff for the months of July, 2024 to December, 2024. However, the hospital did not recognize in the financial statements the staff salaries for the remaining six (6) months of the financial year from January, 2025 to June, 2025 as in-kind contributions from the County Government.

In the circumstances, the accuracy and completeness of in-kind contributions from the County Government amount of Kshs.22,280,840 could not be confirmed.

2. Incomplete Disclosure of Employee Costs

The statement of financial performance and Note 11 to the financial statements reflect employee costs amounting to Kshs.22,280,840 in respect to wages to contractual and casual employees for the period of July, 2024 to December, 2024. However, the employee costs for the remaining six (6) months period of January, 2025 to June, 2025 were not disclosed in the financial statements.

Further, the salary for four hundred and thirteen (413) permanent staff who are deployed in the hospital was not determined and not included in the financial statements.

In the circumstances, the accuracy and completeness of employee costs amounting to Kshs.22,280,840 could not be confirmed.

3. Inaccuracy of Property, Plant and Equipment Balance

The statement of financial position and Note 20 to the financial statements reflects property, plant and equipment balance of Kshs.129,157,098. Review of hospital records and physical inspection revealed that the hospital had several assets including land,

buildings and medical equipment which had not been valued for inclusion in the financial statements. Further, Appendix II of the financial statements in respect to projects implemented by the hospital shows an ongoing construction of a 300-bed mother and baby hospital amounting to Kshs.280,447,357 which is approximately 97% complete, and whose value was not included in the work in progress balance.

In the circumstances, the accuracy and completeness of property, plant and equipment balance of Kshs.129,157,098 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Bungoma County Referral Hospital - County Government of Bungoma 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 revenue final budget and actual on comparable basis amounts of Kshs.227,604,883 and Kshs.382,003,945 respectively, resulting to an excess-funding of Kshs.154,399,062 or 68% of the budget. This was attributed to over collection of revenue during the financial year and inclusion of opening balance of Kshs.56,967,918 which was not included in the budget for expenditure during the year.

In addition, the hospital expended Kshs.309,284,938 against the budget of Kshs.203,304,883 resulting to over-expenditure of Kshs.105,980,055 or 48% of the budget.

The excess-funding indicate lack of proper budgeting process while the over-expenditure indicates lack of proper budgetary controls.

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 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 previous year's audit report, issues were raised under Report on the Financial Statements, and Report on Lawfulness and Effectiveness in the Use of Public Resources. The Management had indicated under the progress on follow up of Auditor's

recommendations section of the financial statements that three issues were resolved, two partially resolved and one not resolved. However, no supporting documents were provided for audit review to show how the resolved issues were resolved and no reasons were given for not resolving the other issues as detailed in the table below:-

Reference No. of the Auditor-General's Report	Title of Audit Issue
	Report on the Financial Statements
1	Unsupported Grants from Donors and Development Partners
2	Unsupported Inventory Adjustment
	Report on Lawfulness and Effectiveness in the Use of Public Resources
1	Non-Compliance with Kenya Quality Model for Health Policy Guidelines on Staffing of Health Workers
2	Failure to Transfer Revenue to the County Revenue Fund
3	Failure to Maintain a Fixed Assets Register

Other Information

The Management is responsible for the Other Information set out on page iii to xxxvii which comprise of Key Entity Information and Management, The Board of Management, Key Management Team, Chairman's Statement, Report of The Medical Superintendent, Statement of Performance Against Predetermined Objectives, 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. Doubtful Recoverability of Defunct National Health Insurance Fund and Long Outstanding Social Health Authority Claims

The statement of financial position and Note 18 to the financial statements reflect receivables from exchange transactions balance of Kshs.115,738,454. The balance include defunct National Health insurance Fund (NHIF) claims of Kshs.33,197,315, and Social Health Authority (SHA) claims of Kshs.82,541,139 which had been outstanding for more than the recommended ninety (90) days. This was contrary to the contract entered with Social Health Authority for the provision of healthcare which states that clean claims shall be paid within ninety days.

In the circumstances, the recoverability of receivables from exchange transactions balance of Kshs.115,738,454 could not be confirmed.

2. Non-Compliance with Kenya Quality Model for Health Policy Guidelines on Staffing of Health Workers

Review of records provided for audit revealed inadequate staffing of health workers at Bungoma County Referral Hospital. Therefore, the hospital did not meet the requirements of Kenya Quality Model for Health Policy Guidelines due to staff deficits as analyzed in the table below: -

Personnel	Level 5 Standard	Actual Numbers	Deficit
Medical Officers	50	23	27
Anesthesiologists	7	1	6
General Surgeons	4	2	2
Gynecologists	4	2	2
Pediatrics	4	3	1
Radiologists	4	2	2
Kenya Registered Community Health Nurses	250	176	74
TOTAL	323	209	114

In the circumstances, the understaffing may hinder hospital's ability to deliver medical services adequately.

3. Bungoma Referral Hospital Automated Health Management Information System

The county executive of Bungoma acquired the Bungoma Referral Hospital Automated Health Management Information System at a cost of Kshs.32,900,000 in the previous financial year 2023-2024, for the operations and maintenance of the automated health management system.

Audit inspection was done on 1 October, 2025 and the following anomalies were noted:-

- i. The system takes too long to start.
- ii. Partial data was captured which does not contain full details in required reports.
- iii. The system does not update on real time basis resulting in incomplete and inaccurate reports, and financial reports could not be generated.
- iv. Laboratory request for revisiting patients was not captured causing the patient to start from registration and repay for services.
- v. Lack of interface among hospital's departments causing the service delivery and communication to be made verbally to a large extent.
- vi. Lack of functionality to manage walk in patients in critical service areas.
- vii. Slow response on the part of the vendor and/or no physical presence in real time to address ground issues causing uncertainty.

In the circumstances, value for money may not have been achieved in respect of the expenditure incurred in procurement of the system.

4. Non-Compliance with Facilities Improvement Financing Act, 2023

Review of the bank accounts documents revealed that although the hospital had opened a facility improvement bank account on 7 June, 2023, monies in respect to the facility improvement fund were not paid into this account. Further, the bank account was not disclosed in the financial statements. This was contrary to Section 5(2) of the Facilities Improvement Financing Act, 2023 which provides that there shall be opened a facility improvement financing account for each public health facility into which shall be paid all monies received by or on behalf of the respective public health facility.

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 a Strategic Plan and Health Plan

During the year under review, the hospital did not have a strategic plan in place. The health facility had no approved plan and guidelines on how to make investment in physical infrastructure in the county health unit, human resource strategy and development, strategies for controlling key risk factors including tobacco use and alcohol abuse, specific and targeted strategies for controlling and mitigating the impact of communicable and non-communicable diseases and conditions as well as injuries prevention.

Further, the hospital had not put in place strategies for community engagement and action as prescribed by the Bungoma County Health Services Act, 2019.

In the circumstances, the Hospital may not achieve its long-term objectives.

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

Responsibilities of the Management and Board of Management

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

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

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

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

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

16 December, 2025

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

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

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Revenue from non-exchange transactions			
In-kind contributions from the County Government	6	22,280,840	49,448,236
		22,280,840	49,448,236
Revenue from exchange transactions			
Rendering of services- Medical Service Income	8	415,654,930	363,644,014.00
Revenue from rent of facilities	9	120,000	140,000.00
Revenue from exchange transactions		415,774,930	363,784,014
Total revenue		438,055,770	413,232,250
Expenses			
Medical/Clinical costs	10	198,335,113	171,968,312.00
Employee costs	11	22,280,840	49,448,236.00
Board of Management Expenses	12	2,530,000	3,539,415.00
Depreciation and amortization expense	13	10,601,275	12,053,325.00
Repairs and maintenance	14	20,064,422	16,384,267.00
General expenses	15	83,256,310	61,267,261.00
Total expenses		337,067,960	314,660,816.00
Other gains/(losses)			
Medical services contracts Gains/Losses	25	(22,929,306)	(34,576,448.00)
Total other gains/(losses)		(22,929,306)	(34,576,448)
Net Surplus / (Deficit) for the year		78,058,504	63,994,986

(The notes set out on pages 1 to 37 form an integral part of the Annual Financial Statements.)

The Hospital's financial statements were approved by the Board on 15/7/2025 and signed on its behalf by:



.....
Prof. Marbel Nangami
Chairman
Board of Management



.....
CPA Winfrida Simiyu
Head of Finance
ICPAK No:33330



.....
Dr. Simon Kisaka
Medical Superintendent

Bungoma County Referral Hospital (Bungoma 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	17	47,411,687	56,967,918.00
Receivables from exchange transactions	18	115,738,454	48,048,856.00
Inventories	19	35,655,519	20,649,537.00
Total Current Assets		198,805,660	125,666,311.00
Non-current assets			
Property, plant, and equipment	20	129,157,098	114,331,052.40
Total Non-current Assets		129,157,098	114,331,052.40
Total assets (A)		327,962,757	239,997,363.40
Liabilities			
Current liabilities			
Trade and other payables	21	9,906,890	-
Total Current Liabilities		9,906,890	-
Total Liabilities (B)		9,906,890	-
Net assets (A-B)		<u>318,055,867</u>	<u>239,997,363.40</u>
Represented by:			
Revaluation reserve		-	-
Accumulated surplus/Deficit		300,755,867	222,697,363.05
Capital Fund		17,300,000	17,300,000.00
Net Assets		<u>318,055,867</u>	<u>239,997,363.05</u>

(The notes set out on pages 1 to 37 form an integral part of the Annual Financial Statements.)

The Hospital's financial statements were approved by the Board on 15/7/2025
and signed on its behalf by:

Prof. Marbel Nangami
Chairman

CPA Winfrida Simiyu
Head of Finance

Dr. Simon Kisaka
Medical Superintendent



Bungoma County Referral Hospital (Bungoma County Government)
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16. Statement of Changes in Net Assets for The Year Ended 30 June 2025

Description	Revaluation reserve	Accumulated surplus/Deficit	Capital	Total
			Fund	
As at July 1, 2023 (previous year)	-	174,853,982	-	174,853,982
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	63,994,986	-	63,994,986
Capital/Development grants	-	(16,151,605)	17,300,000	1,148,395
As at June 30, 2024 (previous year)	-	222,697,363	17,300,000	239,997,363
At July 1, 2024 (current year)	-	222,697,363	17,300,000	239,997,363
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	78,058,504	-	78,058,504
Capital/Development grants	-	-	-	-
At June 30, 2025 (current year)	-	300,755,867	17,300,000	318,055,867

Bungoma County Referral Hospital (Bungoma 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			
Rendering of services- Medical Service Income		325,036,027	287,347,071
Revenue from rent of facilities		120,000	140,000
Total Receipts		325,156,027	287,487,071
Payments			
Medical/Clinical costs		204,968,629	192,617,849
Board of Management Expenses		2,530,000	3,539,415
Repairs and maintenance		18,214,878	16,384,267
General expenses		83,571,431	61,267,261
Total Payments		309,284,938	273,808,792
Net cash flows from operating activities	22	15,871,089	13,678,280
Cash flows from investing activities			
Purchase of property, plant, equipment		(25,427,320)	(4,234,374)
Net cash flows used in investing activities		(25,427,320)	(4,234,374)
Net increase/(decrease) in cash and cash equivalents		(9,556,231)	9,443,906
Cash and cash equivalents as at 1 July 2024	17	56,967,918	47,524,012
Cash and cash equivalents as at 30 June 2025	17	47,411,687	56,967,918

Direct method of cashflow is the prescribed method in use by the Psasb.

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

Description	Original budget a Kshs	Adjustments b Kshs	Final budget c=(a+b) Kshs	Actual on comparable basis d Kshs	Performance difference e=(c-d) Kshs	% of utilisation f=E/C%
Budget carryovers from the previous year	-	-	-	56,967,918	(56,967,918)	0%
Receipts						
Rendering of services- Medical Service Income	375,328,308	(147,723,425)	227,604,883	325,036,027	(97,551,144)	143%
Revenue from rent of facilities				120,000	(120,000)	0%
Total receipts	375,328,308	(147,723,425)	227,604,883	382,123,945	(154,519,062)	168%
Payments						
Medical/Clinical costs	269,197,778	(135,331,760)	133,866,018	204,968,629	(71,102,611)	153%
Remuneration of directors	3,000,000	(470,000)	2,530,000	2,530,000	-	100%
Repairs and maintenance	19,413,265	(1,197,980)	18,215,285	18,214,878	407	100%
General expenses	83,717,265	(35,023,685)	48,693,580	83,571,431	(34,877,851)	172%
Total Operational Expenditure paid	375,328,308	(172,023,425)	203,304,883	309,284,938	(105,980,055)	152%
Capital Expenditure paid		24,300,000	24,300,000	24,267,185	32,815	100%
Surplus	-	-	-	48,571,822	(48,571,822)	0%

Budget notes

- The over-collection of was caused by the adjustments of medical service income from original budget of ksh.375,328,308 to ksh.147,723,425 after supplementary budget. We collected a total of ksh.325,156,027 causing an over collection of 87%
- We had a budget carry over from financial year 2023-2024 amounting to ksh.56,967,918 which was caused by late payments from NHIF, BRITAM and AON.
- The over utilization on Medical/Clinical costs and general expenditure was caused by the adjustments made in the supplementary budget. The Hospital expenditure was dully approved by the Hospital Management board as per the original annual budget.

Budget Reconciliation.

Description of Particulars	Amount in Kshs
Actual Surplus Amounts as per the statement of Budget	48,571,822
1 Retain amount in the Account	(1,160,135)
Closing Cash and Cash Equivalent as per the statement of Cash flows	47,411,687

19. Notes to the Financial Statements

1. General Information

Bungoma county Referral Hospital is established by and derives its authority and accountability from PFM Act. The Bungoma Referral Hospital is wholly owned by the Bungoma County Government and is domiciled in Bungoma County in Kenya. The Bungoma Referral Hospital's principal activity is provision of health Services.

2. Statement of Compliance and Basis of Preparation

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

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 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 cashflow of an Bungoma Referral Hospital.</p> <p>The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities.</p>

Bungoma County Referral Hospital (Bungoma County Government)
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Standard	Effective date and impact:
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p>Applicable 1st January 2025 The Standard requires, 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: 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>
<p>IPSAS 45- Property Plant and Equipment</p>	<p>Applicable 1st January 2025 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>Applicable 1st January 2025 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>Applicable 1st January 2026 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 Bungoma Referral Hospital shall</p>

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

Standard	Effective date and impact:
	apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48- Transfer Expenses	Applicable 1st January 2026 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.
IPSAS 49- Retirement Benefit Plans	Applicable 1st January 2026 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.

iii) Early adoption of standards

The Bungoma Referral Hospital adopted IPSAS accrual basis of accounting in preparation of financial statements for the financial year 2024-2025.

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 *Bungoma Referral Hospital* and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realized 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 Bungoma Referral Hospital recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

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 Bungoma Referral Hospital.

Interest income

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

Rental income

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

b. Budget information

The original budget for FY 2024/2025 was approved by Board on 18th July 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 Bungoma Referral Hospital upon receiving the respective approvals in order to conclude the final budget. Accordingly, Bungoma County Referral Hospital recorded additional appropriations of Ksh227604,883 on the FY 2024-2025 budget following the Hospital's Board's approval. The Bungoma Referral 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 financial performance has been presented on page 38 under section Appendix of these financial statements.

c. Taxes

Sales tax/ Value Added Tax

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

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

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 Bungoma Referral Hospital 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.

f. Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Bungoma Referral Hospital. 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 Bungoma Referral Hospital 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 Bungoma Referral Hospital 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 Bungoma Referral Hospital.

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.

h. Research and development costs

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

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

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

i. Financial instruments

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

A financial instrument is any contract that gives rise to a financial asset of one Bungoma Referral Hospital and a financial liability or equity instrument of another

Bungoma Referral Hospital. At initial recognition, the Bungoma Referral Hospital 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 Bungoma Referral Hospital 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 Bungoma Referral Hospital'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 Bungoma Referral Hospital 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 Bungoma Referral Hospital 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.

Notes to the Financial Statements (Continued)

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 Bungoma Referral Hospital 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 Bungoma Referral Hospital 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 Bungoma Referral Hospital recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in Note xx.

Financial liabilities

Classification

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

j. Inventories

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

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

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

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

k. Provisions

Provisions are recognized when the Bungoma Referral Hospital 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 Bungoma Referral Hospital expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

l. Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The Bungoma Referral Hospital 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 Bungoma Referral Hospital will incur in fulfilling the present obligations represented by the liability.

m. Contingent liabilities

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

n. Contingent assets

The Bungoma Referral Hospital 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 Bungoma Referral Hospital in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

o. Nature and purpose of reserves

The Bungoma Referral Hospital creates and maintains reserves in terms of specific requirements.

p. Changes in accounting policies and estimates

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

q. Employee benefits

Retirement benefit plans

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

contributions on a proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

r. Foreign currency transactions

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

s. Borrowing costs

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

t. Related parties

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

u. Service concession arrangements

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

v. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three

months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

w. Comparative figures

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

x. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2024

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Bungoma Referral Hospital'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 Bungoma Referral Hospital 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 Bungoma Referral Hospital. 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 Bungoma Referral Hospital.
- 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.

The method of Deprecation Current in Use is Reducing Balance, The Rates are as below:

Buildings & Property - 2.5%	Furniture & Fittings - 12.5%
Medical Equipment's - 2.5%	Motor vehicle - 10%
Computers - 30%	Work in Progress - 2.5%

6. In Kind Contributions from The County Government

Description	2024/2025	2023/2024
	KShs	KShs
Salaries and wages	22,280,840	49,448,236
Total grants in kind	22,280,840	49,448,236

These include payments made directly by the County Governments through the Ministry of Health for staffs contracted by Bungoma County Referral Hospital.

7. Transfers From Other Government Entities

Description	2024/2025	2023/2024
	KShs	KShs
Other grants Emergency Medicine Foundation		14,500,000
Infection Disease Detection and Surveillance		2,800,000
Total Transfers	-	17,300,000

8. Rendering of Services-Medical Service Income

Description	2024/2025	2023/2024
	Kshs	Kshs
Pharmaceuticals	15,019,743	13,303,548
Non-Pharmaceuticals	5,006,476	4,189,531
Laboratory	22,840,403	20,615,017
Radiology	11,203,612	10,576,551
Orthopedic and Trauma Technology	2,158,280	1,613,756
Theatre	4,102,417	5,791,564
Accident and Emergency Service	4,945,825	6,015,166
Ear Nose and Throat service	749,600	580,750
Nutrition service	417,123	265,398
Cancer centre service	127,054	114,581
Dental services	1,276,350	1,237,453
Reproductive health	582,960	3,215
Paediatrics services	3,872,945	4,159,248
Farewell home services	8,011,745	8,402,300
Ambulance services	969,739	1,141,541
Other medical services income (specify)	39,628,347	285,634,395
OTHER MEDICAL SERVICES INCOME FROM CORPORATE CLIENTS	271,813,005	
Waivers and Exemptions	22,929,306	
Total revenue from the rendering of services	415,654,930	363,644,014

9. Revenue From Rent of Facilities

Description	2024/2025	2023/2024
	Kshs	Kshs
Residential property	120,000	140,000
Commercial property		
Total Revenue from rent of facilities	120,000	140,000

Bungoma County Referral Hospital (Bungoma County Government)
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This is rent income paid from the shop rented out to the Hospital's Welfare fund.

Notes to the Financial Statements (Continued)

10. Medical/ Clinical Costs

Description	2024/2025	2023/2024
	Kshs	Kshs
Laboratory chemicals and reagents	23,264,413	23,200,051
Food and Ration	41,755,526	35,124,947
Uniform, clothing, and linen	3,560,828	3,782,555
Dressing and Non-Pharmaceuticals	66,257,844	60,872,415
Pharmaceutical supplies	35,055,997	25,586,778
Health information stationery	2,854,482	4,692,716
Sanitary and cleansing Materials	4,229,508	4,092,905
Purchase of Medical gases	12,571,200	9,280,000
X-Ray/Radiology supplies	8,785,315	5,335,945
Total medical/ clinical costs	198,335,113	171,968,312

11. Employee Costs

Description	2024/2025	2023/2024
	Kshs	Kshs
Salaries, wages, and allowances	22,280,840	49,448,236
Employee costs	22,280,840	49,448,236

12. Board of Management Expenses

Description	2024/2025	2023/2024
	Kshs	Kshs
Sitting allowance	2,530,000	3,539,415
Total	2,530,000	3,539,415

13. Depreciation and Amortization Expense

Description	2024/2025	2023/2024
	Kshs	Kshs
Property, plant and equipment	9,837,283	12,053,325.00
Total depreciation and amortization	9,837,283	12,053,325

14. Repairs And Maintenance

Description	2024/2025	2023/2024
	Kshs	Kshs
Property- Buildings	11,122,798	7,523,450
Medical equipment	4,657,715	4,868,162
Furniture and fittings	385,523	
Computers and accessories	500,040	1,878,605
Motor vehicle expenses	3,398,346	2,114,050
Total repairs and maintenance	20,064,422	16,384,267

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

Notes to the Financial Statements (Continued)

15. General Expenses

Description	2024/2025	2023/2024
	Kshs	Kshs
Catering expenses	5,586,322	5,822,690
Insecticides and rodenticides	148,820	232,900
Bank charges	37,050	19,413
Contracted services	7,318,339	6,264,000
Electricity expenses	12,521,656	14,965,195
Fuel and Lubricants	6,984,575	7,318,616
Insurance	344,165	-
Travel and accommodation allowance	30,674,832	14,229,790
Legal expenses	3,446,325	2,155,814
Courier and postal services	43,930	45,030
Printing and stationery	8,424,592	6,667,855
Water and sewerage costs	1,524,234	1,079,506
Household	1,435,130	1,105,012
Rent expenses	-	395,639
Telephone and mobile phone services	1,223,019	613,250
Internet expenses	272,371	303,751
Staff training and development	2,689,750	48,800
Subscriptions to professional bodies	581,200	-
Total General Expenses	83,256,310	61,267,261

16. Medical Services Contracts Gains /Losses

Description	2024/2025	2023/2024
	Kshs	Kshs
Waivers and Exemptions	22,929,306	34,576,448
Total Gain/Loss	22,929,306	34,576,448

17. Cash And Cash Equivalents

Description	2024/2025	2023/2024
	Kshs	Kshs
Current accounts	47,204,083	56,923,943
Others(<i>specify</i>)- Mobile money	207,604	43,975
Total cash and cash equivalents	47,411,687	56,967,918

17 (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	1106239652	47,204,083	56,923,943
Equity Bank, etc			
Sub- total		47,204,083	56,923,943
d) Others(<i>specify</i>)			
cash in hand			
Mobile money- Mpesa, Airtel money		207,604	43,975
Sub- total		207,604	43,975
Grand total		47,411,687	56,967,918

Bungoma County Referral Hospital (Bungoma County Government)
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Notes to the Financial Statements (Continued)

18. Receivables From Exchange Transactions

Description	2024/2025	2023/2024
	KShs	KShs
Medical services receivables	115,738,454	48,048,856
Total receivables	115,738,454	48,048,856

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	115,738,454	100%	48,048,856	100%
Total (a+b)	115,738,454	100%	48,048,856	100%

19. Inventories

Description	2024/2025	2023/2024
	KShs	KShs
Pharmaceutical supplies	6,849,371	6,836,340
Nonpharm	11,612,945	6,355,630
Laboratory	12,642,757	6,404,537
Cleaning materials	457,820	410,830
Maintenance supplies	206,590	
Food supplies	2,139,690	642,200
Xray supplies	951,000	
General supplies	795,346	
Less: provision for impairment of stocks		
Total	35,655,519	20,649,537

Detailed disclosure on inventories

	2024/2025	2023/2024
	KShs	KShs
Opening balance	20,649,537	
Additional Inventory in the year	334,712,257	
Inventory expensed in the year	(319,706,275)	
Write-downs in the year		
Others specify		
Closing balance	35,655,519	-

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 Notes to the Financial Statements (Continued)

20. Property, Plant and Equipment

Cost	Leasehold KSh	Buildings and Civil works KSh	Motor vehicles KSh	Furniture and Office equipment KSh	ICT Equipment KSh	Plant and machinery equipment KSh	Other Assets (specify) KSh	Capital assets KSh	Total KSh
Rate	-	2.5	10.0	12.5	30.0	2.5	2.5	-	-
At 1 July 2023 (previous year)	-	37,436,251	-	6,000,000	42,133,423	34,283,347	-	-	119,853,021
Additions	-	14,500,000	-	391,634	1,365,520	5,277,220	-	-	21,534,374
Disposals	-	-	-	-	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-
Revaluation Adjustments	-	-	-	-	-	-	-	-	-
At 30 th Jun 2024	-	51,936,251	-	6,391,634	43,498,943	39,560,567	-	-	141,387,395.00
At 1 July 2024 (current year)	-	51,936,251	-	6,391,634	43,498,943	39,560,567	-	-	141,387,395
Additions	-	-	-	1,518,460	2,828,560	9,478,950	-	11,601,350	25,427,320
Disposals	-	-	-	-	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-
Revaluation Adjustments	-	-	-	-	-	-	-	-	-
At 30 th Jun 2025	-	51,936,251	-	7,910,094	46,327,503	49,039,517	-	11,601,350	166,814,715
Depreciation and impairment	-	-	-	-	-	-	-	-	-
At 1 July 2023 (previous year)	-	935,906	-	570,000	12,640,027	857,083	-	-	15,003,016
Depreciation for the year	-	1,275,039	-	555,055	9,257,675	967,587	-	-	12,053,326
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
At 30 June 2024	-	2,210,915	-	1,123,055	21,897,702	1,824,670	-	-	27,056,343
At July 2024 (current year)	-	2,210,915	-	1,123,055	21,897,702	1,824,670	-	-	27,056,343
Depreciation	-	1,243,133	-	848,830	7,328,940	1,180,371	-	-	10,601,275
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer/adjustment	-	-	-	-	-	-	-	-	-
At 30 th June 2025	-	3,454,049	-	1,971,885	29,226,642	3,005,041	-	-	37,657,617
Net book values	-	-	-	-	-	-	-	-	-
At 30 th Jun 2024 (Previous)	-	49,725,336	-	5,268,579	21,601,241	37,735,897	-	-	114,331,052
At 30 th Jun 2025 (current)	-	48,482,202	-	5,938,209	17,100,861	46,034,476	-	11,601,350	129,157,098

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

Notes to the Financial Statements (Continued)

21. Trade and other Payables

Description	2024/2025		2023/2024	
	KShs		KShs	
Trade payables	9,906,890		-	
Employee dues				
Third-party payments (e.g. unremitted payroll des				
Audit fee				
Doctors' fee				
Total trade and other payables	9,906,890		-	
Ageing analysis:	2024/2025	% of the Total	2023/2024	% of the total
Under one year	9,906,890	100%		%
1-2 years		%		%
2-3 years		%		%
Over 3 years		%		%
Total	9,906,890	100%	0	%

22. Cash Generated from Operations

Description	2024/2025	2023/2024
	KShs	KShs
Surplus for the year before tax	74,974,411	63,994,986
Adjusted for:		
Depreciation	13,681,241	12,053,325
Working Capital adjustments		
Increase in inventory	(15,005,982)	(4,497,931)
Increase in receivables	(67,689,598)	(41,720,495)
Increase in payables	9,906,890	-
Net cash flow from operating activities	15,866,962	29,829,885

Bungoma County Referral Hospital (Bungoma County Government)
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Notes to the Financial Statements (Continued)

23. Financial Risk Management

The Bungoma Referral Hospital'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 minimize 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.

The Bungoma Referral Hospital's financial risk management objectives and policies are detailed below:

(i) Credit risk

The Bungoma Referral Hospital 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 Bungoma Referral Hospital'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 2024 (previous year)				
Receivables from exchange transactions	48,048,859	48,048,859		
Bank balances	56,967,918	56,967,918		
Total	105,016,777	105,016,777		
At 30 June 2025 (current year)				
Receivables from exchange transactions	115,738,454	115,738,454		
Bank balances	47,411,687	47,411,687		
Total	163,150,141	163,150,141		

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 Bungoma Referral Hospital has significant concentration of credit risk on amounts due from NHIF. 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 Bungoma Referral Hospital's short, medium and long-term funding and liquidity management requirements. The Bungoma Referral Hospital manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

(iii) Market risk

The hospital has put in place an internal audit function to assist it in assessing the risk faced by the Bungoma Referral Hospital 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 Bungoma Referral Hospital'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 Bungoma Referral Hospital's exposure to market risks or the way it manages and measures the risk.

iv). Capital Risk Management

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

Bungoma County Referral Hospital (Bungoma County Government)
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Description	2024/25	2023/24
	Kshs	Kshs
Revaluation reserve		
Retained earnings	328,726,749	239,997,363
Capital reserve		
Total funds	328,726,749	239,997,363
Total borrowings		
Less: cash and bank balances	(56,967,918)	(56,902,012)
Net debt/ (excess cash and cash equivalents)	56,967,918	56,902,012
Gearing	17%	24%

2.4. Related Party Balances

Nature of related party relationships

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

Bungoma County Government is the principal shareholder of the *Bungoma Referral Hospital*, holding 100% of the *Bungoma Referral Hospital's* equity interest. The National Government of Kenya has provided full guarantees to all long-term lenders of the Bungoma Referral Hospital, 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	2023/24
	Kshs	Kshs
Transactions with related parties		
a) Grants from the Government		
Donations in kind	-	17,300,000
Total	-	17,300,000
b) Expenses incurred on behalf of related party		
Payments of salaries and wages for xxx employees	22,280,840	49,448,236
Total	22,280,840	49,448,236
c) Key management compensation		
Compensation to the medical Sup	4,800,000	4,800,000
Compensation to key management	14,400,000	14,400,000

Bungoma County Referral Hospital (Bungoma County Government)
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Description	2024/2025	2023/24
	Kshs	Kshs
Total	19,200,000	19,200,000

25. Events after the Reporting Period

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

26. Ultimate and Holding Bungoma Referral Hospital

The Bungoma Referral Hospital is a Semi- Autonomous Government Agency under the Department of health & sanitation. Its ultimate parent is the County Government of Bungoma.

27. Currency

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

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

20. Appendices

Appendix 1: Progress on Follow Up of Auditor Recommendations for FY 2023-2024

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	Timeframe												
Basis for Qualified Opinion																
REPORT ON THE FINANCIAL STATEMENTS																
1.	<p>Unsupported Grants from Donors and Development Partners Unsupported Grants from Donors and Development Partners The statement of financial position, statement of changes in net assets and, as disclosed in Note 7 to the financial statements, reflect capital/development grants balance of Ksh.17,300,000 which relates to grants from Emergency Medicines Kenya Foundation of Kshs.14,500,000 and Infectious Diseases Detection Surveillance of Kshs. 2,800,000 received during the year under review. However, the general ledgers, delivery notes, or letters of donations for the capital grants were not provided for audit review. In the circumstances, the validity, accuracy and completeness of capital/development grants balances of ksh.17,300,000 could not be confirmed.</p>	Management provided general ledgers, delivery notes and letters of donations for the audit review	Resolved													
2.	<p>Unsupported Inventory Adjustment. The statement of changes in net assets reflects net assets and liabilities balances of Kshs.239,997,363 which includes accumulated surplus balance of Kshs.222,697,363. However, during the year under review, the accumulated surplus was reduced by an unexplained opening inventory adjustment of Ksh.16,151,605. In addition, the journal entry and other</p>	<table border="1"> <thead> <tr> <th>Description</th> <th>2022/2023</th> </tr> </thead> <tbody> <tr> <td></td> <td>Kshs.</td> </tr> <tr> <td>Pharmaceuticals</td> <td>14,449,784</td> </tr> <tr> <td>Non-pharmaceuticals</td> <td>475,112</td> </tr> <tr> <td>Food supplies</td> <td>222,950</td> </tr> <tr> <td>Laboratory</td> <td>251,100</td> </tr> </tbody> </table>	Description	2022/2023		Kshs.	Pharmaceuticals	14,449,784	Non-pharmaceuticals	475,112	Food supplies	222,950	Laboratory	251,100	Resolved	
Description	2022/2023															
	Kshs.															
Pharmaceuticals	14,449,784															
Non-pharmaceuticals	475,112															
Food supplies	222,950															
Laboratory	251,100															

Bungoma County Referral Hospital (Bungoma County Government)
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status	Timeframe																
	supporting documents for the adjustment were not provided for audit review. In the circumstances, the accuracy and completeness of inventory adjustment of Ksh.16,151,605 could not be confirmed.	<table border="1"> <tr> <td>Linen and clothing</td> <td>220,460</td> </tr> <tr> <td>Cleaning materials supplies</td> <td>348,100</td> </tr> <tr> <td>General supplies</td> <td>184,100</td> </tr> <tr> <td>Total</td> <td>16,151,605</td> </tr> </table> <p>The journal entry and supporting documents for the adjustments were provided for verification.</p>	Linen and clothing	220,460	Cleaning materials supplies	348,100	General supplies	184,100	Total	16,151,605										
Linen and clothing	220,460																			
Cleaning materials supplies	348,100																			
General supplies	184,100																			
Total	16,151,605																			
OTHER MATTERS																				
3.	Unresolved prior year matters In the previous year audit, several issues were raised under Report on the Financial Statements, Report on lawfulness and Effectiveness in use of public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. Management has indicated under the progress on follow up on Auditor's recommendations section that the issues were not resolved. No explanation was provided for not resolving the issues which are indicated to have been resolved by the month of June, 2025.	Management is committed to resolve prior year audit matters.	Partially resolved																	
REPORT ON LAWFULLNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES																				
4	Non-Compliance with Kenya Quality Model for Health Policy guidelines on staffing of Health Workers Review of personnel records provided for audit revealed inadequate staffing of health workers at the Hospital as analyzed in the table below:	The management in collaboration with the County Government is working progressively to ensure that the hospital is sufficiently staffed and equipped. Meanwhile the Hospital has implemented reverse referrals where facilities share specialists as per the Kenya Health Sector Referral Strategy.																		
	<table border="1"> <thead> <tr> <th>Personnel</th> <th>Level 5 standard</th> <th>Actual</th> <th>Deficit</th> </tr> </thead> <tbody> <tr> <td>Medical officers</td> <td>50</td> <td>11</td> <td>39</td> </tr> <tr> <td>Anesthesiologists</td> <td>7</td> <td>1</td> <td>6</td> </tr> <tr> <td>General Surgeons</td> <td>4</td> <td>3</td> <td>1</td> </tr> </tbody> </table>	Personnel	Level 5 standard	Actual	Deficit	Medical officers	50	11	39	Anesthesiologists	7	1	6	General Surgeons	4	3	1			
Personnel	Level 5 standard	Actual	Deficit																	
Medical officers	50	11	39																	
Anesthesiologists	7	1	6																	
General Surgeons	4	3	1																	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments				Status	Timeframe																																				
	<table border="1"> <tr> <td>Gynecologists</td> <td>4</td> <td>2</td> <td>2</td> </tr> <tr> <td>Pediatrics</td> <td>4</td> <td>2</td> <td>2</td> </tr> <tr> <td>Radiologists</td> <td>4</td> <td>2</td> <td>2</td> </tr> <tr> <td>Kenya Registered community Health Nurses</td> <td>250</td> <td>150</td> <td>100</td> </tr> <tr> <td>Total</td> <td>323</td> <td>171</td> <td>152</td> </tr> </table>	Gynecologists	4	2	2	Pediatrics	4	2	2	Radiologists	4	2	2	Kenya Registered community Health Nurses	250	150	100	Total	323	171	152																						
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Personnel	Level 5 standard	Actual	Deficit																																								
Medical officers	50	11	39																																								
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Total	323	171	152																																								
5	Failure to Transfer Revenue to the County Revenue Fund	Art.207(1) of the the Constitution of Kenya provides that certain sources of revenue may				Resolved																																					

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status	Timeframe
	<p>The statement of financial performance reflects rendering services-medical services income amounting to ksh.363,644,014 and disclosed in Note 8 to financial statements. However, it was observed that the Hospital's management made direct payments using own generated revenue without first transferring the same to the County Revenue Fund for approval by the Controller of Budget before any withdrawal. This is contrary to Regulation 81(i) of Public Finance Management (County Governments) Regulations, 2015 which states that receivers of Revenue shall promptly deposit into the county exchequer account all receipts due to the County Revenue Fund.</p> <p>In the circumstances, the management was in breach of the law.</p>	<p>be reasonably excluded by Act of parliament from being paid into the County Revenue Fund.</p> <p>The Hospital applies Facility Improvement Financing Act, 2023 which states that there shall be opened a facility improvement account for each public health facility into which shall be paid all monies received by respective public health facility. The hospital fees were budgeted as Appropriations-In_aid for use by the County health facilities in enhancing health services.</p> <p>The County Government had enacted and passed the Bungoma County Health Services Act, 2019 to allow facilities utilize the collections. The Hospitals also uses the Facility Improvement Fund Operation Manual, Health Centers of 2002 that allows the hospital to improve the quality of patient care and strengthen preventive and primary health care in the hospital.</p>		
6.	<p>Failure to maintain a Fixed Assets Register The statement of financial position reflects a balance of Kshs.114,331,952 in respect of property, plant and equipment. However, the Hospital's Management did not maintain an updated fixed asset register for detailed recording of assets contrary to the provisions of Regulation 136(i) of the Public Finance Management (County governments) Regulations, 2015 which provides that the Accounting Officers shall be responsible as prescribed by the relevant laws.</p>	<p>Management has since updated the fixed assets register in compliance with Regulation 136(i) of the Public Finance Management (County Governments) Regulations, 2015</p>	Partially resolved	June 2026

Bungoma County Referral Hospital (Bungoma County Government)
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status	Timeframe
	In the circumstances, Management was in breach of the law.			



.....
Dr. Simon Kisaka
Medical Superintendent



Bungoma County Referral Hospital (Bungoma County Government)
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Appendix II: Projects Implemented by The Bungoma County Referral Hospital
Projects

The department of health and Donor (grants) funded project are the ones on-going during the year and they include:

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. 300 Mother & baby Hospital		Kdsp & County -Ministry of Health				
2. Construction of County Blood Bank		County-Ministry of Health				
3. Radiology Unit		BUNGOMA COUNTY REFERRAL HOSPITAL				

SN	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	300 Mother & baby Hospital	299,370,039	280,447,357	97%	299,370,039	0	KDSP and Ministry of health
2	Blood Bank	7,306,370		0%	8,000,000	0	Ministry of health
3	Radiology Unit	24,798,532	11,601,351.40	56%	26,000,000	11,601,351.40	Ministry of Health and Bungoma County Referral Hospital

Appendix III: Reporting of Climate Relevant Expenditures

Notes

For the financial year 2024-2025 under review, the Hospital did not incur expenditures related to Climate. Nevertheless, there was proper waste management segregation to organic and clinical waste.

Appendix IV: Disaster Expenditure Reporting Template

For the financial year 2024-2025 under review, the Hospital did not have disaster expenditures.

**Appendix i: Statement of Performance vs Statement of cashflow Reconciliation
Reconciliation of SFP vs Cashflow**

Statement of Financial Performance	Rendering of Services-Medical service Incom(Kshs.)
Receipts received in current year relating to prior year (NHIF & Sha)	415,774,930
Claims for the year not receipted (receivables)	48,048,856
Waivers and exemptions applied during the year	(115,738,454)
Net Adjustment Total	(22,929,306)
	(90,618,904)
Statement of cashflows	325,156,026
Statement of Financial Performance	Medical/Clinical costs (Kshs.)
Consumed inventory from prior year during the year	198,335,113
Inventory purchased during the year	(20,649,537)
Payables	34,653,583
Net Adjustment Total	(7,370,530)
	6,633,516
Statement of cashflows	204,968,629
Statement of Financial Performance	Repairs And Maintanance Costs Kshs.
	20,064,422

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Add:Closing inventory during the year	206,590
Less:Payables during the year	(2,056,135)
Net Adjustment Total	(1,849,545)

Statement of cashflows 18,214,878

General Expenses Ksh.


Statement of Financial Performance	83,256,310
Add:Closing inventory during the year	795,346
Less:Payables during the year	(480,225)
Net Adjustment Total	315,121

Statement of cashflows 83,571,431

Repairs And Maintanance Costs Kshs.

Statement of comparison of budget	19,375,013.00
Less: Retention fee	(1,160,135.00)
Statement of Cashflow	18,214,878.00

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

	NAME OF HOSPITAL: BUNGOMA COUNTY REFERRAL HOSPITAL		
	COUNTY: BUNGOMA		
	SUB-COUNTY: KANDUYI		
	WARD: KANDUYI		
		FO 30	
	BANK RECONCILIATION AS AT 30TH OF JUNE 2025		
		KSHS	
	Balance as per Bank Certificate	63,467,790	
	LESS 1. Payment in cash book not yet recorded in Bank Statement(Unpresented Cheques)(Note 1)	16,263,707	
	2. Receipts in Bank Statement not yet recorded in Cash Book.(Note 2)	0	
	ADD		
	3. Payments in Bank Statement not yet recorded in the Cash Book(Note 3)	0	
	4. Receipts in Cash Book not yet recorded in Bank Statement (Note 4)	207,604	
	Bank Balance as per Cash Book as at 30.6.2025	47,411,687	
	Signature..... 	Designation.....ACC.....	Date 30/6/2025
Note 1	UNPRESENTED MAY		
DATE	PAYEE	CHQ. NO	AMOUNT
3.6.2025	WALUKHUCHI GENERAL SUPPLIERS	17528	957,276
27.6.2025	KEMSA	17505	900,000
30.6.2025	BLACK TIMBER COMPANY LIMITED	17527	788,200
26.6.2025	CHEM LABS	17495	843,163

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30.6.2025	MAASUSWA CHEMISTS	17520	945,414
30.6.2025	SINAWA ENTERPRISE LTD	17524	731,000
30.6.2025	MYLAMY INVESTMENTS	17537	680,650
27.6.2025	KEMSA DRUGS	17506	678,480
30.6.2025	KENWEST INVESTMENT	17555	570,000
30.6.2025	MALCOMS AGENCES	17552	538,552
30.6.2025	HASS SCIENTIFIC AND MEDICAL SUPPLIES	17538	515,229
10.6.2025	SOBREMEX SUPPLIES LIMITED	17549	505,000
30.6.2025	GOLDEN EDILS LTD	17559	481,552
23.6.2025	CHAT AFRICA (STRATEGIC PLAN)	17432	478,800
23.6.2025	BULLS SECURITY	17525	454,034
27.6.2025	KEROMI INVESTMENTS	17514	425,534
30.6.2025	GLADLEEN AGENCIES	17517	422,586
30.6.2025	MAKAMA AGENCY	17540	378,000
30.6.2025	JOLIFE HEALTHCARE LTD	17554	315,000
26.6.2025	SHREEJI OIL LIMITED	17483	300,000
30.6.2025	JANLINK SUPPLIES	17542	277,138
30.6.2025	MEDIONICS HEALTHCARE LTD	17493	252,176
27.6.2025	WASSER E A SYSTEMS	17503	242,928
30.6.2025	BIOTEC LABORATORIES	17556	173,555
27.6.2025	F&S SCIENTIFIC LTD	17512	159,600
30.6.2025	BARFIELD HOSPITAL	17541	155,000
30.6.2025	PHINEROCK VENTURES	17532	106,787
30.6.2025	ERNEST WAFULA MAKOKHA	17544	86,000
30.6.2025	ABSAI KIBOI	17530	84,000
30.6.2025	KAULILA ENTERPRISE	17519	75,000
30.6.2025	KHETIA DRAPERS LTD	17269	63,000
27.6.2025	PHILLY KANGU	17516	58,500
30.6.2025	DEVINE HOMES	17545	47,762

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

30.6.2025	NEW UMOJA TAILORING	17522	24,569
27.6.2025	SAFARICOM PLC	17508	24,050
30.6.2025	IRENE NGUTI	17531	21,000
27.6.2025	BUNGOMA ROYAL SUITS	17510	15,331
23.6.2025	BARFIELD HOSPITAL	17434	15,000
26.6.2025	CDT	17496	14,792
30.6.2025	CDT	17529	11,724
26.6.2025	CDT	17553	9,448
30.6.2025	CDT	17539	9,039
30.6.2025	CDT	17551	8,448
20.6.2025	CDT	17557	3,045
26.6.2025	CDT	17535	2,586
27.6.2025	CDT	17533	1,873
17.6.2025	CDT	17547	1,810
23.6.2025	CDT	17498	1,200
3.6.2025	CDT	17546	838
23.6.2025	CDT	17500	745
23.6.2025	CDT	17523	431
3.6.2025	CDT	17511	269
9.6.2025	CDT	17487	3,103
17.6.2025	CDT	17492	5,706
20.6.2025	CDT	17513	2,800
30.6.2025	CDT	17504	4,262
3.6.2025	POSTAL CORPORATION OF KENYA	17472	5,480
26.6.2025	CDT	17543	4,862
23.6.2025	CDT	17515	7,466
24.6.2025	CDT	17311	8,615
30.6.2025	GREEN WELLS ENERGIES	17509	75,800
26.6.2025	CIT	17479	72,700

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

26.6.2025	CDT	17478	46,424
5.6.2025	CDT	17518	7,414
3.6.2025	CDT	17485	5,724
5.6.2025	COREEN LIMITED	17534	147,414
10/3/2025	ASHANCE ENTERPRISES LTD-CDT	16941	5,224
21/3/2025	GEINEOSIS LIMITED-CDT	16967	5,127
6/3/2025	GLADLEEN AGENCIES-CDT	16911	3,690
6/3/2025	GEOVIM CONTRACTORS LIMITED-CDT	16916	2,514
21/3/2025	HUQAS-CDT	16965	1,818
20/3/2025	KENSEA ENVIRONMENTAL -CDT	16961	1,471
24/3/2025	JOLLY FURNITURE	16995	172
8/5/2025	CDT	17165	11,534
5/5/2025	CDT	17140	1,724
6/5/2025	CDT	17147	345
19/5/2025	CDT	17208	290
30.6.2025	MEDBIO SUPPLIES LTD	17536	735,000
30.6.2025	BLACK TIMBER COMPANY LIMITED	17360	508,000
10/6/2025	WALUKHUCHI GENERAL SUPPLIERS	17356	342,500
5/6/2025	CIT	17334	159,029
9.6.2025	CIT	17342	94,803
10.6.2025	PHETRUS WANJALA	17364	24,000
10.6.2025	CDT	17521	16,586
30.6.2025	CDT	17526	7,966
3.6.2025	CDT	17271	6,541
17.6.2025	CDT	17408	5,950
17.6.2025	CDT	17412	5,905
30.6.2025	NEW UMOJA TAILORING	17280	5,800
17.6.2025	CDT	17385	5,600
26.6.2025	CDT	17324	5,172

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

12.6.2025	CDT	17451	4,528
24.6.2025	CDT	17352	4,361
5.6.2025	CDT	17392	4,310
23.6.2025	CDT	17346	4,259
9.6.2025	CDT	17424	3,328
12.6.2025	CDT	17292	3,310
27.6.2025	CDT	17417	3,276
3.6.2025	CDT	17410	3,000
30.6.2025	CDT	17402	2,555
17.6.2025	CDT	17471	2,207
30.6.2025	CDT	17440	1,848
24.6.2025	CDT	17419	1,792
30.6.2025	CDT	19297	1,790
23.6.2025	PPRA	17336	1,767
30.6.2025	CDT	17304	1,752
20.6.2025	CDT	17436	1,728
3.6.2025	CDT	17322	1,536
5.6.2025	CDT	17468	1,317
3.6.2025	CDT	17283	1,293
5.6.2025	PPRA	17344	1,053
24.6.2025	CDT	17279	1,035
3.6.2025	CDT	17438	1,017
			16,263,707
	I certify that I have verified bank balance in the cash book with the bank statement and that the above reconciliation is correct		
	Prepared by:.....		
	Approved by:..... 