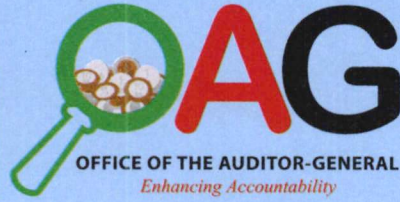


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REPORT

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OF

THE AUDITOR-GENERAL

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KIRWARA SUB-COUNTY HOSPITAL

FOR THE YEAR ENDED
30 JUNE, 2025

COUNTY GOVERNMENT OF MURANG'A

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Kirwara Sub-County HOSPITAL (Murang'a 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)**

OFFICE OF THE ATTORNEY GENERAL
STATE OF TEXAS
AUGUST 1, 1914
DALLAS, TEXAS

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Table of Contents

1. Acronyms & Glossary of Terms	ii
2. Key Entity Information and Management	iii
3. The Board of Management	v
4. Key Management Team	vii
5. Chairman's Statement	ix
6. Report of The Medical Superintendent	x
7. Statement of Performance Against Predetermined Objectives	xi
8. Corporate Governance Statement	xiv
9. Management Discussion and Analysis	xv
10. Environmental And Sustainability Reporting	xvii
11. Report of The Board of Management	xviii
12. Statement of Board of Management's Responsibilities	xix
13. Report of the Independent Auditor (<i>on the financial statements for Kirwara Sub-County Hospital</i>)	xx
14. Statement of Financial Performance for The Year Ended 30 June 2025	1
15. Statement of Financial Position As At 30 th June 2025	3
16. Statement of Changes in Net Assets for The Year Ended 30 June 2025	5
17. Statement of Cash Flows for The Year Ended 30 June 2025	6
18. Statement of Comparison of Budget and Actual Amounts for Year Ended 30 June 2025	8
19. Notes to the Financial Statements	11
20. Appendices	53
1.5 Unsupported Trade Payable	54

1. Acronyms & Glossary of Terms

CSR	Corporate Social Responsibility
OSHA	Occupational Health & Safety Act
PFMA	Public Financial Management Act
MED SUP	Medical Superintendent
KEMSA	Kenya Medical Supplies Authorities
MEDS	Mission for Essential Drugs Supplies
OSHA	Occupational Health & Safety Act
PFMA	Public Financial Management Act
Fiduciary Management	Key management personnel who have financial responsibility in the entity.

2. Key Entity Information and Management

(a) Background information

Kirwara sub-county hospital is in Gatanga Sub-county Muranga. County. The hospital started off as a dispensary (1989), and was then upgraded to health-Center (1992). Currently the hospital is a level 4 sub-county hospital, the only one in Gatanga sub-county serving a population of approximately 200,000 persons.

(b) Principal Activities

Vision

To be a healthy, reproductive and nationally competitive hospital.

Mission

To deliberately build a progressive and sustainable technologically driven evidence based and client centered health system so as to attain the highest standard of health for citizens.

Goal

Good health for all.

(c) Key Management

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

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

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30 June 2024 and who had direct fiduciary responsibility were

No.	Designation	Name
1.	Medical Superintendent	Dr. Esther Wanjiru Maina
2.	Head of finance	Mr. James Mbugua Kimotho
3.	Head of supply chain	Ms. Christabel Muringo Gathogo
4.	Health Administrative Officer	Ms. Jillys Muthoni Mureithi
5.	Nursing Services Manager	Ms. Pascalia Mbinya Francis

(e) Fiduciary Oversight Arrangements

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

(f) Kirwara Sub-County Hospital Headquarters

P.O. Box 6227-0100, Thika

Thika - Gatura Road

KENYA

(g) Kirwara Sub-County Hospital Contacts

Telephone: (+254) 707648775

E-mail: hospital@yahoo.com

(h) Kirwara Sub-County Hospital Bankers

Kenya Commercial Banks Thika Branch.

(i) Independent Auditors

Auditor General

Office of Auditor General Anniversary Towers, Institute Way

P.O. Box 30084- 00100 GPO

Nairobi, Kenya

(j) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue P.O. Box 40112

City Square 00200 Nairobi, Kenya

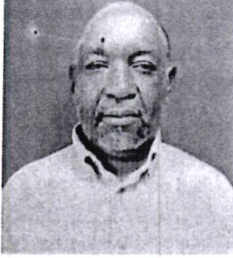



(k) County Attorney

P.O. Box. 52-10200




Murang'a, Kenya

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025




3. The Board of Management

Ref	Directors	Details
1.	 <p>Mr. Joseph Kamau Muiruri</p>	<p>Board Chair KCSE Certificate D.O.B 1969</p>
2.	 <p>Mr. Mathew Gitau Kamau</p>	<p>Member KCSE Certificate D.O.B 1989</p>
3.	 <p>Mrs. Julia Wachu</p>	<p>Member Certificate of Teacher Education D.O.B 1949</p>
4.	 <p>Mr. James Njuguna</p>	<p>Member KCSE Certificate D.O.B 1984</p>



Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

5.	 <p>Dr. Esther Wanjiru Maina</p>	<p>Board Secretary</p> <p>Bachelors of Pharmacy</p> <p>D.O.B 1981</p>
6.	 <p>Maggie Wanjiku Gachao</p>	<p>Member</p> <p>Secretarial Studies and Office Administration</p> <p>D.O.B 1985</p>
7.	 <p>Philomena Wangari</p>	<p>Member</p> <p>Diploma</p> <p>D.O.B 1992</p>

4. Key Management Team

Ref	Management	Details
1.	 <p>Dr. Esther Wanjiru Maina</p>	<p>Medical Superintendent</p> <p>Bachelors of Pharmacy.</p> <p>D.O.B 1981</p>
2.	 <p>Mr. James Mbugua Kimotho</p>	<p>Head of Finance</p> <p>Bachelor of Arts in Economics</p> <p>Certified Public Accountant (CPA)</p> <p>D.O.B 1968</p>
3.	 <p>Ms. Christabel Muringo Gathogo</p>	<p>Head of Supply Chain</p> <p>Diploma in Supply Chain Management</p> <p>D.O.B 1994</p>

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Ref	Management	Details
4.	 <p>Ms Pascalia Mbinya Francis</p>	<p>Nursing Services Manager</p> <p>Bachelor of Science in Nursing D.O.B 1982</p>
5.	 <p>Ms Jillys Muthoni Murethi</p>	<p>Health Administrative Officer</p> <p>Bachelor of Arts In Administration D.O.B 1968</p>

5. Chairman's Statement

In the financial year 2024/2025, Kirwara Sub-County hospital achieved several milestones including the launch of mobile dialysis thus able to offer renal dialysis twice a week. The radiology department was renovated and equipped with an ultra-modern ultrasound machine; theatre services and surgical procedures were greatly improved by procurement and installation of a new theatre bed and high-capacity autoclave machine.

We have indemnified Kirwara Sub-County hospital as a facility with a potential from its strategic location and its catchment areas is vast where patients come for the services that have been beneficial in realizing healthy members of the community.

The county government launched a Health Management Information System (HMIS) last financial year, which, despite its rudimentary initial stages, has since been upgraded to provide real-time data on facility workload, diagnoses, daily departmental performance, inventory, and other critical metrics for informed decision-making that enhances the delivery of medical services. This automation, a pioneering initiative for level IV hospitals in the country, facilitates the electronic registration of patients and the digital storage of their treatment records. Revenue collection has seen a remarkable threefold increase since its implementation.

The major challenge encountered during this financial year has been the frequent breakdown of the hospital ambulance, leading to delayed referrals. The county has earmarked a budget for the procurement of a new ambulance, which we eagerly anticipate to address the referral delays. Thankfully, we did not encounter any disease epidemics during the reporting period.



.....

Name: Joseph Muiruri

Chairman to the Board

6. Report of The Medical Superintendent

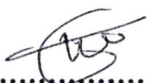
The 2024/2025 financial year has been marked by significant transformations throughout the county. For Kirwara Sub-County Hospital, several major milestones have been achieved, which have already begun to exert a positive influence on the quality of care provided to our clients.

The introduction of mobile dialysis, the first of its kind in both Africa and Kenya has substantially enhanced our service capacity, allowing us to offer renal dialysis services biweekly to eligible patients. This innovative approach is not only ground breaking but also cost-effective. Infrastructure improvements have also been noteworthy, with the radiology department undergoing extensive renovations and being equipped with a state-of-the-art ultrasound machine and a high-capacity x-ray machine.

Additionally, we received a generous donation of an AI digital machine specifically designed for the diagnosis of tuberculosis cases. Surgical services have seen considerable enhancement through the procurement and installation of a new operating table and a high-capacity autoclave machine. Patient care and sustainability remain at the forefront of all initiatives within Kirwara Sub-County Hospital. In the near future, we anticipate the implementation of several exciting initiatives aimed at realizing these objectives.

Kirwara Sub-County Hospital, in alignment with Murang'a County and the Kenyan government at large, is prioritizing the reduction of losses and wastage while optimizing revenue collection in a bid to achieve self-sufficiency. The enactment of the FIF ACT has proven to be a transformative measure in enhancing the availability of health products and technologies, hospital maintenance, and the timely payment of utility bills. This has subsequently improved our services, resulting in a threefold increase in revenue compared to the previous financial year. The county government launched a Health Management Information System (HMIS) last financial year, which, despite its rudimentary initial stages, has since been upgraded to provide real-time data on facility workload, diagnoses, daily departmental performance, inventory, and other critical metrics for informed decision-making that enhances the delivery of medical services. This automation, a pioneering initiative for level IV hospitals in the country, facilitates the electronic registration of patients and the digital storage of their treatment records. Revenue collection has seen a remarkable threefold increase since its implementation.

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.....
Name: Dr Esther Maina

Secretary to the Board

7. Statement of Performance Against Predetermined Objectives

ACHIEVEMENTS AND CHALLENGES 2024/2025

S/N O	HEALTH BUILDING BLOCKS	OBJECTIV E	PLANNED ACTIVITIES	ACHIEVEM ENT	CHALLENGES	RECOMMENDAT IONS
1	HEALTH CARE FINANCING	To ensure adequate budget for health	<ul style="list-style-type: none"> ✓ Social insurance ✓ Kangata care ✓ Budget for health department 	<p>Increased revenue collection both cash and insurance</p> <p>-New ultramodern ultrasound machine</p> <p>-Digital portable xray</p> <p>-Renovation of x-ray room complete</p> <p>-Procurement and installation of heavy workload x-ray machine done</p>	<p>Ill equipped new infrastructure</p> <p>Inadequate furniture</p> <p>Un-serviced/poorly maintained laundry equipment</p>	<p>1. Allocate adequate budget for buildings, plant and equipment maintenance</p> <p>2. Procure adequate furniture/nursing station and other medical equipment for the new hospital block</p> <p>3. Renovation of old OPD block</p>
2	HEALTH PRODUCTS AND TECHNOLOGY	Availability of adequate, quality and affordable Health Products and technologies	<ul style="list-style-type: none"> ✓ Capacity build HCWs on commodity management ✓ Support supervision and OJT 	<p>Installation of digital system done</p> <p>HMIS system implementation</p>	<p>-Non cabled Mouse and keyboard</p> <p>-Inadequate ICT hardware</p>	<p>-Buy and replace the non-cabled mouse and keyboard with cabled ones</p> <p>Allocate enough budget for ICT hardware</p> <p>Recruit and deploy qualified supply</p>

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

			✓ Digitization	E-procurement implementation	Inadequate supply chain officers	chain officers to manage HPTs stores
3	HUMAN RESOURCE FOR HEALTH	Adequate well trained HCWs	✓ Mentorship ✓ Training	-Conducted ICME on staff mental wellness	Inadequate staffs	Deployment as per workload
4	LEADERSHIP AND GOVERNANCE	✓ Stewardship and coordination of health services	✓ Supervising staffs ✓ Coordination of services	Increased workload and revenue collected	Lack of motivation for health managers Knowledge gap on some management issues e.g FIF utilization Lack of front office personnel Lack of office equipment (computer, scanner, photocopier)	Plan for team building activities and allocate an allowance Mentorship and training the hospital managers on their expected roles/leadership modules on Afya.ke, digital procurement platform, NHIF/SHIF, digital revenue platform and others Deploy front office personnel Procure office equipment
5	HEALTH SERVICE DELIVERY		✓ Upgrade ultrasound machine ✓ Avail xray machine ✓ Launch mobile		Inadequate lab officers Lack of basic dental services Lack of basic Eye services	Renovate and expand lab services to include microbiology Procure equipment for dental department and deploy HR

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

			dialysis services		Lack of NBU services	Procure equipment for Eye department and deploy HR Deploy at least 2 medical officers to operationalize NBU and male ward
6	HEALTH INFORMAT ION SYSTEM	Improved efficiency	<ul style="list-style-type: none"> ✓ Surveillance ✓ Record keeping ✓ research 	Quality data for decision making is available HMIs in place	<ul style="list-style-type: none"> Few trained staffs (HRIO) Lack of data consumption for decision making Knowledge gap/limited knowledge on the use of Afya.ke and other digital platforms 	<ul style="list-style-type: none"> Deploy more HRIOs Establish monitoring and evaluation departments Training /OJT on Afya.ke system and other digital platforms

8. Corporate Governance Statement

During the year 2024/2025, four board meetings were held during quarter 1, 2, 3 and 4. The board came into effect on June 20th, 2023. In quarter 3, 8 out of 9 members attended and participated in the meeting. In the quarter 4 meeting 6 out of 9 members attended the meeting.

The process of appointment and removal of a board member is done at the county level and once a member is appointed, a gazette notice is made at the Kenya Gazette. Upon appointment an induction and training were done on June 19th-20th, 2023 at Sun star Hotel in Thika to enlighten them on their duties, ethics as well as code of conduct.

Conflict of interest rarely will occur due hospital automation even including in areas of procurement whereby Murang'a county government has an E-procurement system that fights the challenges of a manual procurement system.

The hospital board is well remunerated as stated in their letters of appointment, and this is done on time.

The board held four meetings during the financial year 2024-2025

15/7/2024

18/10/2024

28/1/2025

11/4/2025.

Roles and Functions of the Board

1. To oversee hospital performance improvement.
2. Participate in planning of the hospital.
3. Mobilize resources for hospital improvement.
4. Oversee the financial operations of the hospital.
5. Ensure development of the hospital human resource.
6. Ensure community's rights are fulfilled and their needs are adequately met.
7. Maintain a positive public image.
8. Ensure compliance with environmental regulations and standards.
9. Enhance relationships and partnerships.
10. Mitigate potential conflict of interest.
11. Risk management.
12. Regulate compliance

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

9. Management Discussion and Analysis

Clinical/ Operational performance

Kirwara Sub County Hospital	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	TOTAL S
MOH 711 Normal Deliveries	101	95	102	122	90	110	107	76	99	102	101	113	1218
MOH 711 CS	35	19	26	45	36	38	27	36	28	35	20	36	381
MOH 711 Breach Delivery	1	0	1	1	1	0	0	0	0	0	0	1	5
Inpatient Admissions Over Five	21	33	43	39	44	68	36	31	46	59	42	49	511
Inpatient Admissions Under Five	15	19	19	20	37	28	40	33	54	61	39	35	400
OPD Casualty attendance	24	19	17	14	8	16	16	14	23	17	20	23	211
OPD attendance >5yrs Female	163	1263	141	128	137	993	163	152	1548	124	1434	126	16612
OPD Attendance <5yrs Female	498	347	358	433	319	329	403	460	697	538	513	521	5416
OPD attendance >5yrs Male	931	691	765	742	795	661	881	880	900	712	891	773	9622
OPD Attendance <5yrs Male	503	429	392	459	384	339	414	536	751	575	571	557	5910
OVER 60	722	701	444	564	559	542	618	325	620	242	599	579	6515
PNC Attendance	241	195	314	277	144	267	285	260	234	344	363	314	3238
TB and Leprosy attendance	131	112	105	105	105	19	91	113	147	188	172	173	1461
FP Attendance	166	132	147	187	138	145	156	128	131	153	187	168	1838
ANC Attendance	290	287	315	344	292	333	395	331	330	356	354	329	3956
CWC Attendance	623	597	624	613	555	564	574	587	609	649	693	646	7334
All other special clinics attendance	224	208	201	202	164	167	208	190	239	273	278	279	2633
STI Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Psychiatry Attendance	280	245	55	76	32	0	2	33	63	64	70	71	991
Physiotherapy Attendance	165	173	361	266	342	194	253	301	247	344	286	252	3184
Obstetrics/Gynaecology Attendance	56	27	4	65	52	38	74	79	70	61	62	0	588
Medical Attendance	489	397	358	338	338	190	338	361	291	337	402	348	4187
Totals	7146	5989	6066	6199	5812	5041	6549	6302	7127	6354	7097	6529	76211

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Financial Performance includes:

MONTHS	KANGATA	MPESA	SHIF	WAIVER	PHCF	MINET
JULY	311,403	3,161,464	438,392	18,140	0	0
AUGUST	320,394	3,327,627	451,339	9,850	0	0
SEPTEMBER	302,129	3,309,325	367,206	17,195	0	0
OCTOBER	76,554	3,515,833	0	14,700	0	0
NOVEMBER	45,393	3,276,009	391,960	0	0	0
DECEMBER	86,443	2,165,282	1190,520	3,910	0	0
JANUARY	54,350	1,960,231	833,980	6,446	0	0
FEBRUARY	167,479	77,745	331,760	3,200	1,400	0
MARCH	141,421	2,361,936	647,156	7,650	11,393	0
APRIL	227,063	2,684,397	944,855	45,327	46,215	1,330
MAY	206,215	2,828,449	1,286,590	56,055	48,400	200
JUNE	222,439	2,670,753	1,051,630	46,175	165,408	0
	2,161,283	32,035,051	7,935,388	228,648	272,816	1,530

10. Environmental And Sustainability Reporting

1. Sustainability strategy and profile

Kirwara Sub-County Hospital is recognized as a trusted provider of Healthcare services in Murang'a County serving the Gatanga constituency. The hospital is operational and committed to delivering essential medical care. To be able to provide this, the hospital through the Facility Improvement Financing bill was able to maintain its sustainability strategy.

2. Waste management

The hospital's waste management is handled within the public health policies and guidelines. Having its incinerator in place and in good condition, the hospital's waste is collected every two weeks for incineration.

3. Infection prevention

Kirwara Sub-County Hospital has an established Infection Prevention and Control (IPC) committee. Healthcare workers are provided with preventive protective gears, inclusive of masks, surgical gloves and sterile gloves. Additionally, waste segregation protocols and other IPC standards are adhered to.

4. Employee welfare

The recruitment of human resource is done by the Murang'a Public Service Board. The facility, through the approval of the county government has engaged volunteers in the delivery of service. Skills and managing careers are done by the County Human Resource Administration Committee situated at the county headquarters. Appraisal of employees is done at the facility but rewarding is done at the county level. The hospital is in the process of adopting the Occupational Safety and Health policy, according to the Occupational Safety and Health Act of 2007.

5. Procurement and Tendering

Tendering is done through the county procurement which follows the Procurement Act. Responsible competition is enhanced by open tendering, clear evaluation criteria, and devolution of opportunities to small medium enterprises, youth and women. The procurement encourages long term frameworks, timely payments and supplier monitoring to enhance supply chain and supplier relations.

11. Report of The Board of Management

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

Principal activities

The principal activity of the Kirwara Sub-County Hospital is to offer comprehensive healthcare solutions to meet the diverse needs of its patients. As a designated healthcare facility in Murang'a, Kirwara Sub-County Hospital plays a vital role in delivering healthcare. It is dedicated to upholding high standards of medical practice and patient care.

Results

The results of the Kirwara Sub-County Hospital for the year ended June 30 2025 are set out on pages 1 to 10.

Board of Management

The members of the Board who served during the year are shown on page v to vi. During the year, no director(s) retired/ resigned, and no director (s) was appointed.

Auditors

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

By Order of the Board



.....
Name: Dr Esther Maina

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

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


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


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

Nothing has come to the attention of the Board of management to indicate that the 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 21 AUGUST 2025 and signed on its behalf by


.....
Name: Joseph Muiruri
Chairperson
Board of Management


.....
Name: Dr Esther Maina
Accounting Officer

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KIRWARA SUB-COUNTY HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2025 - COUNTY GOVERNMENT OF MURANG'A

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 Kirwara Sub-County Hospital set out on pages 1 to 55, which comprise of the statement of financial position as at

Report of the Auditor-General on Kirwara Sub-County Hospital for the year ended 30 June, 2025 - County Government of Murang'a

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

Basis for Qualified Opinion

Undisclosed Property, Plant and Equipment

The statement of financial position and as disclosed in Note 32 to the financial statements reflects plant and equipment balance of Kshs.92,352,597 which excludes furniture, fittings and office equipment of undisclosed amount which was not included in the financial statement.

In the circumstances, the accuracy, completeness and fair statement of property, plant and equipment balance of Kshs.92,352,597 as at 30 June, 2025 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts for the year ended 30 June, 2025 reflects a revenue budget of Kshs.56,723,807 and actual on comparable basis totalling Kshs.47,097,146 respectively resulting to an under funding of Kshs.9,626,661 or 17% of the approved budget.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the prior years' audit reports, several issues were raised under the Report on Financial Statements. Review of the status during audit of the university in 2024/2025 revealed that the following sixteen (16) issues raised in the previous year's audit report remained unresolved as at 30 June, 2025;

- i. Unsupported Transfers from the County
- ii. Undisclosed In-Kind contributions
- iii. Unsupported Revenue from Exchange Transactions
- iv. Unsupported Clinical costs
- v. Unsupported Waivers and exemptions
- vi. Unsupported Property, Plant and Equipment
- vii. Unsupported Trade Payable
- viii. Unsupported Inventory
- ix. Errors in Annual Report and Financial Statements
- x. Irregular Board of Management
- xi. Lack of an Approved Budget for the hospital
- xii. Unbalanced Budget
- xiii. Non-Compliance with Quality Model for Health Policy Guidelines
- xiv. Failure to provide internal audit report
- xv. Lack of Fixed Assets Register
- xvi. Failure to provide internal audit report.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to submit Quarterly Financial Reports

Quarterly financial statements and reports for quarter one, two, three and four were not prepared, nor submitted 15 days after end of each quarter to the County Treasury contrary to section 166 of the Public Finance Management Act, 2012 which requires accounting officers to prepare the reports and submit them to the County Treasury.

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

2. Non-Compliance with Kenya Quality Model for Health Policy Guidelines

Verification of services offered, equipment used and number of personnel at the Hospital revealed that during the year under review, the Hospital did not meet the requirements of Kenya Quality Model for Health Policy Guidelines due to staff deficits of four hundred and seventy-nine (479) out of the required six hundred and eleven (611).

In the circumstances, the classification of the Hospital as a Level 4 Hospital may be irregular and the Universal Health Coverage may not be delivered as envisioned.

3. Failure to Insure Property, Plant and Equipment

The statement of financial position reflects Property, Plant and Equipment (PPE) amounting to Kshs.92,352,597 as disclosed under Note 32 to the financial statements. However, it was observed that the Hospital has not insured its assets against risks such

as fire, theft, or other potential losses. This is contrary to Section 132. (1) (a) of the Public Finance Management (County Government) Regulation, 2015.

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 effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Failure to Establish an Internal Audit Function

The Hospital did not have an internal audit function. There was no evidence of internal audit reports from the internal audit department of Murang'a County Government contrary to regulation 167 of the Public Finance Management (County Government) Regulations, 2015. Further, the board did not have various subcommittees, including internal audit committee. In the circumstances, risk assessment and financial oversight was not undertaken as required by the law.

In the circumstances, the existence and effectiveness of a system of internal controls with checks and balances could not be confirmed.

2. Lack of Policy Documents

Review of internal control measures in the Hospital revealed that the following policy documents were not in place as at the time audit;

- i. Approved Training Policy/Program
- ii. Approved Business Continuity Plan/Disaster Recovery Plan
- iii. Approved Risk Management Policy
- iv. Approved Finance Manual/Policy
- v. Approved IT Security Policy

In the circumstances, absence of critical policy documents inhibits the optimal performance of the Hospital.

3. Incomplete Asset Register and Lack of Ownership Documents

The asset register provided for audit review was a listing of assets without key details such as the date or year of acquisition, historical cost, asset categories, additions during the year, and depreciation charges, as required. In addition, the assets were not tagged for identification, and ownership documents for the motor vehicles and the parcel of land on which the Hospital is situated were not availed for audit verification.

In the circumstances, the existence and effectiveness of the asset management system could not be confirmed.

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

Responsibilities of Management and Board of Management

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

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

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

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

The Board of Management is responsible for overseeing the Hospital's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance

and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

05 December, 2025

Kirwara Sub-County Hospital (Murang'a 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			
Transfers from the County Government	6	-	1,782,000
In-kind contributions from the County Government	7	-	-
Grants from donors and development partners	8	6,556,611	14,225,144
Transfers from other Government entities	9	-	-
Public contributions and donations	10	-	-
		6,556,611	16,007,144
Revenue from exchange transactions			
Rendering of services- Medical Service Income	11	41,281,149	11,586,108
Revenue from rent of facilities	12	-	-
Finance /Interest Income	13	-	-
Miscellaneous Income	14	-	-
Revenue from exchange transactions		41,281,149	11,586,108
Total revenue		47,837,760	27,593,252
Expenses			
Medical/Clinical costs	15	29,040,725	2,664,356
Employee costs	16	132,120	-
Board of Management Expenses	17	424,000	60,000
Depreciation and amortization expense	18	5,757,296	-
Repairs and maintenance	19	1,631,958	66,210
Grants and subsidies	20	6,556,611	14,225,144
General expenses	21	6,335,321	2,053,736
Finance costs	22	-	-
Total expenses		49,878,030	19,069,446
Other gains/(losses)			
Gain/Loss on disposal of non-Current assets	23	-	-
Unrealized gain on fair value of investments	24	-	-
Medical services contracts Gains/Losses	25	(228,648)	-
Impairment loss	26	-	-
Gain on foreign exchange transactions		-	-
Total other gains/(losses)		(228,648)	-
Net Surplus / (Deficit) for the year		(2,268,918)	8,523,806

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

The Hospital's financial statements were approved by the Board on 21 August 2025 and signed on its behalf by:



.....
Chairman: J MUIRURI
Board of Management



.....
Head of Finance: J Kimotho
ICPAK No:3701



.....
Medical Superintendent
Dr Esther Maina

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

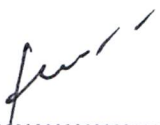
15. Statement of Financial Position As At 30th June 2025

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	27	1,158,414	8,523,806
Prepayments	28	-	-
Receivables from exchange transactions	29	5,064,771	-
Receivables from non-exchange transactions	30	-	-
Inventories	31	5,627,398	726,946
Total Current Assets		11,850,582	9,250,752
Non-current assets			
Property, plant, and equipment	32	92,352,597	94,851,393
Intangible assets	33	-	-
Investment property	34	-	-
Biological Assets	35	-	-
Total Non-current Assets		92,352,597	94,851,393
Total assets (A)		104,203,180	104,102,145
Liabilities			
Current liabilities			
Trade and other payables	36	259,500	3,396,469
Refundable deposits from Patients/Prepayments	37	-	-
Provisions	38	-	-
Finance lease obligation	39	-	-
Current portion of deferred income	40	-	-
Current portion of borrowings	41	-	-
Total Current Liabilities		259,500	3,396,469
Non-current liabilities			
Provisions	38	-	-
Non-Current Finance lease obligation	39	-	-


Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Non-Current portion of deferred income	40	-	-
Non - Current portion of borrowings	41	-	-
Service concession Arrangements	42	-	-
Total non-current liabilities		-	-
Total Liabilities (B)		5,767,422	3,396,469
Net assets (A-B)		98,435,758	100,705,676
Represented by:			
Revaluation reserve		-	-
Accumulated surplus/Deficit		6,254,888	8,523,806
Capital Fund		92,180,870	92,180,870
Net Assets		98,435,758	100,704,676


The Hospital's financial statements were approved by the Board on 21 August 2025 and signed on its behalf by:



Chairman: J Muiruri
Board of Management



Head of Finance: J Kimotho
ICPAK No: 3701



Medical Superintendent
Dr Esther Maina

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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

Description	Revaluation reserve	Accumulated surplus/Deficit	Capital Fund	Total
As at July 1, 2023	-	-	-	-
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	8,523,806	92,180,870	100,704,676
Capital/Development grants	-	-	-	-
As at June 30, 2024	-	8,523,806	92,180,870	100,704,676
At July 1, 2024	-	8,523,806	92,180,870	100,704,676
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	(2,268,918)	-	(2,268,918)
Capital/Development grants	-	-	-	-
At June 30, 2025	-	6,254,888	92,180,870	98,435,758

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from the County Government		-	1,782,000
Grants from donors and development partners		6,556,611	14,225,144
Transfers from other Government entities		-	-
Public contributions and donations		-	-
Rendering of services- Medical Service Income		33,197,730	11,586,108
Revenue from rent of facilities		-	-
Finance / interest income		-	-
Miscellaneous receipts(<i>specify</i>)		-	-
Total Receipts		39,754,341	27,593,252
Payments			
Medical/Clinical costs		28,853,225	2,664,356
Employee costs		132,120	-
Board of Management Expenses		424,000	60,000
Repairs and maintenance		1,631,958	66,210
Grants and subsidies		6,556,611	14,225,144
General expenses		6,263,321	2,053,736
Finance costs		-	-
Refunds paid out		-	-
Total Payments		43,861,234	19,069,446
Net cash flows from operating activities	43	(4,106,894)	8,523,806
Cash flows from investing activities			
Purchase of property, plant, equipment		3,258,500	6,390,000
Purchase of intangible assets		-	-
Proceeds from the sale of PPE		-	-
Acquisition of investments		-	-
Net cash flows used in investing activities		(3,258,500)	(6,390,000)
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		-	-

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Capital grants received		-	-
Net cash flows used in financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(7,365,394)	14,913,806
Cash and cash equivalents as at 1 July	27	8,523,806	-
Cash and cash equivalents as at 30 June	27	1,158,414	8,523,806

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	a	b	c=(a+b)	d	e=(c-d)	f=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs	
Budget Carryovers from the previous year	-	8,523,807	8,523,807	8,523,806	1	100
Receipts						
Transfers from the County Government	1,200,000	-	1,200,000	-	1,200,000	-
Grants from donors and development partners	7,000,000	-	7,000,000	6,556,610	443,390	94
Transfers from other Government entities	-	-	-	-	-	-
Public contributions and donations	-	-	-	-	-	-
Rendering of services- Medical Service Income	40,000,000	-	40,000,000	41,281,149	(1,281,149)	103
Revenue from rent of facilities	-	-	-	-	-	-
Finance / interest income	-	-	-	-	-	-
Miscellaneous receipts (<i>specify</i>)	-	-	-	-	-	-
Total receipts	48,200,000	8,523,807	56,723,807	56,361,565	362,242	99
Payments						
Medical/Clinical costs	32,750,000	6,523,807	39,273,807	29,040,725	10,233,082	74
Employee costs	-	-	-	132,120	(132,120)	

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Remuneration of directors	450,000	-	450,000	424,000	26,000	94
Repairs and maintenance	2,000,000	-	2,000,000	1,631,958	368,042	82
Grants and subsidies	7,000,000	-	7,000,000	6,556,610	443,390	94
General expenses	6,000,000	2,000,000	8,000,000	6,335,321	1,664,680	79
Finance costs	-	-	-	-	-	
Refunds	-	-	-	-	-	
Total Operational Expenditure paid	48,200,000	8,523,807	56,723,807	44,120,734	12,603,074	78
Capital Expenditure paid	-	-	-	3,258,500	(3,258,500)	-
Surplus	-	-	-	8,982,332	(8,982,332)	

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	8,982,332
1	depreciation	5,757,296
2	trade payables	259,500
3	sha receipts less transfers to maragua	1,181,000
4	outsranding receipts	626,122
	Closing Cash and Cash Equivalent as per the statement of Cash flows	1,158,414

19. Notes to the Financial Statements

1. General Information

Kirwara Sub-County Hospital is established by and derives its authority and accountability from FIF Act. The entity is wholly owned by the Murang'a County Government and is domiciled in Gatanga Sub-County in Murang'a County in Kenya. The entity's principal activity is to provide healthcare services.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant, and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the hospital's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note xx. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the hospital. The financial statements have been prepared in accordance with the PFM Act, and 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: Leases	<i>Applicable 1st January 2025</i> The standard has not been adopted.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard has not been adopted.
IPSAS 45- Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard has not been fully implemented.
IPSAS 46 Measurement	<i>Applicable 1st January 2025</i> The standard has not been fully implemented.
IPSAS 47- Revenue	<i>Applicable 1st January 2026</i> This standard has not been adopted.
IPSAS 48- Transfer Expenses	<i>Applicable 1st January 2026</i> The standard has not been adopted.
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The standard has not been adopted.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The standard has not been adopted.

iii) Early adoption of standards

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

4. Summary of Significant Accounting Policies

a. Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other Government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

Notes to the Financial Statements (Continued)

b. Budget information

The original budget for FY 24/25 was approved by Board on 15/7/2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the hospital recorded additional appropriations of -x on the FY 24/25 budget following the Board's approval. The hospital's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

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

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

c. Taxes

Sales tax/ Value Added Tax

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

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

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 - years. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

e. Property, plant and equipment

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

f. Leases

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

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

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

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

g. Intangible assets

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

h. Biological Assets

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

i. Research and development costs

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

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

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

j. Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The entity 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 entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

k. Inventories

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

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

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

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

l. Provisions

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

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

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

m. Social Benefits

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

n. Contingent liabilities

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

o. Contingent assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future

events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

p. Nature and purpose of reserves

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

q. Changes in accounting policies and estimates

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

r. Employee benefits

Retirement benefit plans

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

s. Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are

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

t. Borrowing costs

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

u. Related parties

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

v. Service concession arrangements

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

w. Cash and cash equivalents

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

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

x. Comparative figures

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

y. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

- The condition of the asset based on the assessment of experts employed by the Entity.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.

- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset.

Provisions

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

Notes to Financial Statements Continued

6. Transfers from the County Government

Description	2024-2025	2023-2024
	KShs	KShs
Unconditional grants		
Operational grant	-	1,782,000
Level 4/5 grants	-	-
Unconditional development grants	-	-
Other grants (<i>specify</i>)	-	-
Total Unconditional Grants	-	1,782,000
Conditional grants		
User fee forgone	-	-
Transforming health services for Universal care project (THUCP)	-	-
DANIDA	-	-
Wards Development grant	-	-
Paediatric block grant	-	-
Administration block grant	-	-
Laboratory grant	-	-
Total Conditional Funds	-	-
Total government grants and subsidies	-	1,782,000

6 b Transfers from The County Government

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

7. In Kind Contributions from The County Government

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

8. Grants From Donors and Development Partners

Description	2024-2025	2023-2024
	KShs	KShs
Cancer Centre grant- DANIDA	-	-
World Bank grants	-	-
Paediatric ward grant- JICA	-	-
Research grants	-	-
Other grants (<i>specify</i>)	6,556,611	14,225,144
Total grants from development partners	6,556,611	14,225,144

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

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

9. Transfers From Other Government Entities

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

10. Public Contributions and Donations

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

10 (a) Reconciliations of amortised grants

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

11. Rendering of Services-Medical Service Income

Description	2024-2025	2023-2024
	Kshs	Kshs
Pharmaceuticals	-	-
Non-Pharmaceuticals	-	-
Laboratory	-	-
Radiology	-	-

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Orthopedic and Trauma Technology	-	-
Theatre	-	-
Accident and Emergency Service	-	-
Anesthesia Service	-	-
Ear Nose and Throat service	-	-
Nutrition service	-	-
Cancer centre service	-	-
Dental services	-	-
Reproductive health	-	-
Paediatrics services	-	-
Farewell home services	-	-
Ambulance services	-	-
Other medical services income (<i>specify</i>)	41,281,149	11,586,108
Total revenue from the rendering of services	41,281,149	11,586,108

12. Revenue From Rent of Facilities

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

13. Finance /Interest Income

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

14. Miscellaneous Income

Description	2024-2025	2023-2024
	KShs	KShs
Insurance recoveries	-	-

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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

15. Medical/ Clinical Costs

Description	2024-2025	2023-2024
	Kshs	Kshs
Dental costs/ materials	-	-
Laboratory chemicals and reagents	3,741,640	1,267,106
Public health activities	-	-
Food and Ration	3,148,590	60,000
Uniform, clothing, and linen	80,000	-
Dressing and Non-Pharmaceuticals	12,042,322	681,020
Pharmaceutical supplies	8,384,019	471,130
Health information stationery	-	-
Reproductive health materials	-	-
Sanitary and cleansing Materials	454,154	15,100
Purchase of Medical gases	1,130,000	-
X-Ray/Radiology supplies	60,000	-
Purchase of Medical equipment	-	170,000
Total medical/ clinical costs	29,040,725	2,664,356

16. Employee Costs

Description	2024-2025	2023-2024
	Kshs	Kshs
Salaries, wages, and allowances	-	-
Basic wages	132,120	-
Service gratuity	-	-
Performance and other bonuses	-	-
Staff medical expenses and Insurance cover	-	-
Group personal accident insurance and WIBA	-	-
Social contribution	-	-
Other employee costs (<i>specify</i>)	-	-
Employee costs	132,120	-

17. Board of Management Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
Chairman's Honoraria	-	-
Sitting allowance	424,000	60,000
Mileage	-	-
Insurance expenses	-	-
Induction and training	-	-
Travel and accommodation allowance	-	-
Airtime allowances	-	-
Total	424,000	60,000

18. Depreciation and Amortization Expense

Description	2024-2025	2023-2024
	Kshs	Kshs
Property, plant and equipment	5,757,296	-
Intangible assets	-	-
Investment property carried at cost	-	-
Total depreciation and amortization	5,757,296	-

19. Repairs And Maintenance

Description	2024-2025	2023-2024
	Kshs	Kshs
Property- Buildings	444,465	56,950
Medical equipment	106,200	-
Office equipment	-	-
Furniture and fittings	-	-
Computers and accessories	-	-
Motor vehicle expenses	1,000,213	9,260
Maintenance of civil works-Generator	81,080	-
Total repairs and maintenance	1,631,958	66,210

20. Grants And Subsidies

Description	2024-2025	2023-2024
	Kshs	Kshs
Community development and social work	-	-
Education initiatives and programs	-	-
Free/ subsidised medical camp	-	-
Disability programs	-	-
Free cancer screening	-	-
Social benefit expenses	-	-
Other grants and subsidies(<i>specify</i>)	6,556,611	14,225,144
Total grants and subsidies	6,556,611	14,225,144

21. General Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
Advertising and publicity expenses	-	-
Catering expenses	154,000	10,000
Waste management expenses	114,400	-
Insecticides and rodenticides	-	-
Audit fees	-	-
Bank charges	11,906	3,385
Conferences and delegations	-	-
Consultancy fees	-	-
general office supplies-toner and cartilages	-	63,396
Electricity expenses	712,740	697,015
Fuel and Lubricants	1,955,278	1,013,882
Insurance	-	-
Research and development expenses	-	-
Travel and accommodation allowance	585,300	-
Legal expenses	-	-
cooking gas	433,810	114,479
Courier and postal services	-	-
Printing and stationery	704,157	47,830
refund	37,519	-
Rent expenses	-	-
Water and sewerage costs	258,211	60,000

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Sundry expenses(imprest)	1,130,000	-
Telephone and mobile phone services	38,000	19,500
Internet expenses	-	17,400
Staff training and development	200,000	-
Subscriptions to professional bodies	-	-
Subscriptions to newspapers periodical, magazines, and gazette notices	-	-
Library books/Materials	-	-
Contingencies	-	6,849
Total General Expenses	6,335,321	2,053,736

22. Finance Costs

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

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

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

24. Unrealized Gain On Fair Value Investments

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

25. Medical Services Contracts Gains /Losses

Description	2024-2025	2023-2024
	KShs	KShs
Comprehensive care contracts with NHIF/SHA	-	-
Non- Comprehensive contracts care with NHIF/SHA	-	-
Linda Mama Program	-	-
Waivers and Exemptions	228,648	-
Total Gain/Loss	(228,648)	-

26. Impairment Loss

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

27. Cash And Cash Equivalents

Description	2024-2025	2023-2024
	KShs	KShs
Current accounts	1,158,414	8,523,806
On - call deposits	-	-
Fixed deposits accounts	-	-
Cash in hand	-	-
Others(<i>specify</i>)- Mobile money	-	-
Total cash and cash equivalents	1,158,414	8,523,806

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

Description		2024-2025	2023-2024
Financial institution	Account number	KShs	KShs
a) Current account			
Kenya Commercial bank	1324434724	741,924	909,497
Equity Bank, etc	1310101442	416,489	7,614,309
Sub- total		1,158,414	8,523,806

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

b) On - call deposits			
Kenya Commercial bank		-	-
Equity Bank – etc		-	-
Sub- total		-	-
c) Fixed deposits account			
Bank Name		-	-
Sub- total		-	-
d) Others(<i>specify</i>)			
cash in hand		-	-
Mobile money- Mpesa, Airtel money		-	-
Sub- total		-	-
Grand total		1,158,414	8,523,806

28. Prepayments

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

29. Receivables From Exchange Transactions

Description	2024-2025	2023-2024
	KShs	KShs
Medical services receivables	5,064,771	-
Rent receivables	-	-
Other exchange debtors	-	-
Less: impairment allowance	-	-
Total receivables	5,064,771	-

Analysis of Receivables From Exchange Transactions

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	2024-2025	% of the total	2023-2024	% of the total

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Less than 1 year	-	-	-	-
Between 1- 2 years	-	-	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (a+b)	-	-	-	-

30. Receivables From Non-Exchange Transactions

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

Analysis of Receivables From Non-Exchange Transactions

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

31. Inventories

Description	2024-2025	2023-2024
	KShs	KShs
Pharmaceutical supplies	2,194,734	366,223
Maintenance supplies	-	-
Food supplies	202,325	360,723

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

lab material chemicals and reagents	863,364	-
Cleaning materials supplies	-	-
General supplies(non pharm)	2,366,975	-
Less: provision for impairment of stocks	-	-
Total	5,627,398	726,946

Detailed disclosure on inventories

	2024-2025	2023-2024
	FY	Comparative FY
Opening balance	-	-
Additional Inventory in the year	-	-
Inventory expensed in the year	-	-
Write-downs in the year	-	-
Others specify	-	-
Closing balance	-	-

*Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

Notes to the Financial Statements (Continued)

32. Property, Plant and Equipment

Description	Land	Buildings and Civil works	Motor vehicles	Furniture, fittings, and office equipment	ICT Equipment	Plant and medical equipment	Other Assets (specify)	Capital Work in progress	Total
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh		Ksh	Ksh
Depreciation rate		2%			33%	12.50%			
Cost									
At 1 July 2023	5,000,000	68,489,439	-	-	-	14,971,954	-	-	88,461,393
Additions	-	-	-	-	6,390,000	-	-	-	6,390,000
Disposals	-	-	-	-	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-	-	-	-	-
Revaluation Adjustments	-	-	-	-	-	-	-	-	-
At 30 th Jun 2024	5,000,000	68,489,439	-	-	6,390,000	14,971,954	-	-	94,851,393
At 1 July 2024	5,000,000	68,489,439	-	-	6,390,000	14,971,954	-	-	94,851,393
Additions	-	-	-	-	-	3,258,500	-	-	3,258,500
Disposals	-	-	-	-	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-
Revaluation Adjustments	-	-	-	-	-	-	-	-	-

*Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

At 30 th Jun 2025	5,000,000	68,489,439	-	6,390,000	18,230,454	-	98,109,893
Depreciation and impairment							
At 1 July 2023	-	-	-	-	-	-	-
Depreciation for the year	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
At 30 June 2024	-	-	-	-	-	-	-
At July 2024	-	-	-	-	-	-	-
Depreciation	1,369,789	-	-	2,108,700	2,278,807	-	5,757,296
Disposals	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Transfer/adjustment	-	-	-	-	-	-	-
At 30 th June 2025	1,369,789	-	-	2,108,700	2,278,807	-	5,757,296
Net book values							
At 30 th Jun 2024	5,000,000	68,489,439	-	6,390,000	14,971,954	-	94,851,393
At 30 th Jun 2025	5,000,000	67,119,650	-	4,281,300	15,951,647	-	92,352,597

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

33. Intangible Assets-Software

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

34. Investment Property

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

35. Biological Assets

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

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Total	-	-
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36. Trade and other Payables

Description	2024-2025		2023-2024	
	KShs		KShs	
Trade payables	259,500		3,396,469	
Employee dues	-		-	
Third-party payments (e.g. unremitted payroll deductions)	-		-	
Audit fee	-		-	
Doctors' fee	-		-	
Total trade and other payables	259,500		3,396,469	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the total
Under one year	259,500	100	3,396,469	100
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	259,500	100	3,396,469	100

37. Refundable Deposits from Customers/Patients

Description	2024-2025		2023-2024	
	KShs		KShs	
Medical fees paid in advance	-		-	
Credit facility deposit	-		-	
Rent deposits	-		-	
Others (specify)	37,519		-	
Total deposits	37,519		-	

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	-	37,519	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	-	37,519	-	-

38. Provisions

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

39. Finance Lease Obligation

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

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

40. Deferred Income

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

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

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

41. Borrowings

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

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

Description	2024-2025	2023-2024
	KShs	KShs
Current Obligation	-	-

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Non-Current Obligation	-	-
Total	-	-

42. Service Concession Arrangements

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

43. Cash Generated from Operations

Description	2024-2025	2023-2024
	2024-2025	2023-2024
	KShs	KShs
Surplus for the year before tax	(2,268,918)	8,523,806
Adjusted for:		
Depreciation	5,757,296	-
Non-cash grants received	-	-
Impairment	-	-
Gains and losses on disposal of assets	-	-
Contribution to provisions	-	-
Contribution to impairment allowance	-	-
Working Capital adjustments		
Increase in inventory	4,900,452	-
Increase in receivables	5,064,771	-
Increase in deferred income	-	-
Increase in payables	(3,136,969)	-
Increase in payments received in advance	-	-
Net cash flow from operating activities	(9,613,814)	8,523,806

Notes to the Financial Statements (Continued)

44. Financial Risk Management

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

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

(i) Credit risk

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

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

Notes to the Financial Statements (Continued)

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

(ii) Liquidity risk management

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

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

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

Notes to the Financial Statements (Continued)

(iii) Market risk

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

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

a) Foreign currency risk

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

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

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

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

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

Foreign currency sensitivity analysis

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

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

b) Interest rate risk

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

Management of interest rate risk

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

Notes to the Financial Statements (Continued)

Sensitivity analysis

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

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

iv) Capital Risk Management

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

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

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

45. Related Party Balances

Nature of related party relationships

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

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

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

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Transactions with related parties		
a) Services offered to related parties		
Services to -	-	-
Sales of services to -	-	-
Total	-	-
b) Grants from the Government		
Grants from County Government	-	-
Grants from the National Government Entities	-	-
Donations in kind	-	-
Total	-	-
c) Expenses incurred on behalf of related party		
Payments of salaries and wages for - employees	-	-
Payments for goods and services for -	-	-
Total	-	-

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
d) Key management compensation		
Directors' emoluments	-	-
Compensation to the medical Sup	-	-
Compensation to key management	-	-
Total	-	-

46. Segment Information

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

47. Contingent Liabilities

Contingent liabilities	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Court case - against the hospital	-	-
Bank guarantees in favour of subsidiary	-	-
Total	-	-

48. Capital Commitments

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

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

49. Events after the Reporting Period

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

50. Ultimate and Holding Entity

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

51. Currency

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

Kirwara Sub-County Hospital (Murang'a 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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0: Unsupported Transfers from the County	Transfers from the county were not supported	The management is in the process of supporting the transfers.	Resolved	N/A
1.1 Undisclosed In-Kind contributions	In-kind contributions were not disclosed	The management is in the process of supporting the in-kind contributions.	Resolved	N/A
1.2 Unsupported Revenue from Exchange Transactions	Revenue from exchange transactions were not supported	The management is in the process of supporting the revenue from exchange transactions	Resolved	N/A
1.3 Unsupported Clinical costs	Clinical costs were not supported in FY 23/24	The management is in the process of supporting the clinical costs	Resolved	N/A
1.4 Unsupported Waivers and exemptions	Waivers and exemptions were not supported	The hospital management team has put up a waiver and exemption committee team to handle all the waivers.	Resolved	N/A
1.5 Unsupported Property, Plant and Equipment	PPE were not supported	The hospital is in collaboration with the county government in order to help PPE valuations	Resolved	N/A

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

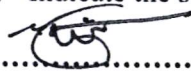
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.5 Unsupported Trade Payable	Trade payables were not supported	The management is in the process of supporting them	Resolved	N/A
1.6 Unsupported Inventory	Hospital inventory was not supported	The hospital management is in the process of supporting them	Resolved	N/A
1.7 Errors in Annual Report and Financial Statements	The financial statements had some errors.	The hospital management is in the process of reinstating the FY 23/24 financial statements	Resolved	N/A
1.8 Irregular Board of Management	There was no recommended and approved rates of remuneration of the Board members	Attached is the SRC/75/AG/3/37 VOL V 77 dated 11th October 2016 for review.	Resolved	N/A
2.0 Lack of an approved budget for the hospital	The hospital didn't have an approved budget	The approved budget for FY 2023/2024 is attached for review.	Resolved	N/A
2.1 Unbalanced budget	The hospital didn't have an approved budget	The approved budget for FY 2023/2024 is attached for review	Resolved	N/A
2.2 Non-Compliance with Quality Model for Health Policy Guidelines	The hospital didn't comply with Quality Model for Health Policy Guidelines	The hospital management is in the process of implementing them	Not Resolved	FY 2025/2026

Kirwara Sub-County Hospital (Murang'a 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: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2.3 Failure to provide internal audit report.	The hospital management didn't provide an internal audit report.	Internal audit is done at the executive level. However, during the financial year under review, the Audit Committees mandate expired and could not therefore approve audit reports. A new Audit committee is now in place and proper oversight is being done.	Not Resolved	End of FY 24/25
2.4 Lack of Fixed Asset Register	The hospital management was didn't keep an asset register	The hospital management is in the process of implementing this.	Resolved	N/A

Guidance Notes:

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



Dr Esther Maina
Accounting Officer

Appendix II: Projects Implemented by The Entity

Projects

Projects implemented by the Hospital Funded by development partners

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

Status of Projects completion

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

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

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Appendix III: Inter-Entity Confirmation Letter

Name of transferring entity: MURANG'A COUNTY GOVERNMENT

Name of Beneficiary entity: KIRWARA SUB-COUNTY HOSPITAL

Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30 th June (Current FY)					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks

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

Head of Accounts Department - Disbursing Entity:
 Name Sign Date

Head of Accounts Department - Beneficiary Entity:
 Name Sign Date.....

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Appendix IV Reporting of Climate Relevant Expenditures

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

Kirwara Sub-County Hospital (Murang'a County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Appendix V: Disaster Expenditure Reporting Template

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

