

REPUBLIC OF KENYA



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

REPORT

OF

484

THE AUDITOR-GENERAL

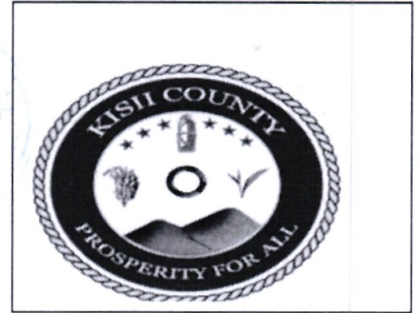
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COMMITTEE	
CLERK AT THE TABLE	May

ETAGO LEVEL 4 HOSPITAL

FOR THE YEAR ENDED
30 JUNE, 2025

COUNTY GOVERNMENT OF KISII

7584



**ETAGO Level 4 HOSPITAL
(Kisii 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)

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1. List Acronyms & Glossary of Terms

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

2. Key Entity Information and Management

(a) Background information

Etago Hospital is a level (4) hospital established under gazette notice number 1458 and is domiciled in Kisii County under the Health Department. The hospital is governed by a Board of Management.

(b) Principal Activities

HOSPITAL VISION

An efficient and high-quality healthcare system that is accessible, equitable and affordable for every resident of Kisii county.

MISSION

To provide integrated, promotive, preventive, curative and rehabilitative healthcare services to all residents of Kisii County

(c) Key Management

Etago *management* is under the following key organs:

- Kisii County department of health
- Board of Management
- Accounting Officer/ Medical Superintendent
- Hospital management team

(d) Fiduciary Management

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

No.	Designation	Name
1.	Medical Superintendent	SAMSON OGERO-
2.	Head of finance	CPA KELVIN ORIBU-
3.	Head of supply chain	JACKLINE ONDIMU-
4.	Facility In charge	SAMSON OGERO-
5.	Facility Nursing officer	JOYCE OKIKI-
6.	Facility Pharm Tech	JUSTUS ITIRA

(e) Fiduciary Oversight Arrangements

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

Key Entity Information and Management (continued)

(f) Entity Headquarters

P.O. Box 27.
NYAMARAMBE
KENYA

(g) Entity Contacts

Telephone: (+254)713501657
E-mail: etagosdh@gmail.com
Website: www.go.ke

(h) Entity Bankers

Kenya Commercial Bank
P.O Box 476-40200
Rongo Branch

(i) Independent Auditors

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







(j) Principal Legal Adviser

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


(k) County Attorney

P.O. Box. 4550-40200
Kisii, Kenya

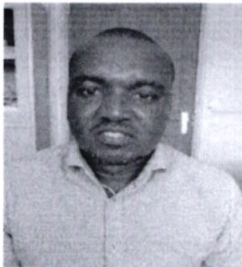


3. The Board of Management

Ref	Directors	Details
1.	<p>JAMES OMWOYO</p> 	<p>CHAIRPERSON DIPLOMA IN KENYA REGISTERED COMMUNITY HEALTH NURSING</p>
2.	<p>DANIEL OGAO</p> 	<p>VICE CHAIRMAN BACHELOR OF EDUCATION ARTS TEACHER</p>
3.	<p>DISMUS OCHENGE</p> 	<p>MEMBER O LEVEL</p>
4.	<p>RUTH MASEA</p> 	<p>MEMBER O LEVEL</p>
5.	<p>JOSEPHINE ONDUSO</p> 	<p>MEMBER O LEVEL</p>
6.	<p>REUBEN MIYORO</p> 	<p>WARD ADMIN DEGREE IN ADMINISTRATION</p>

Etago Hospital (Kisii County Government)
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7.	<p>FELIX OMBATI</p> 	<p>MCA REP O LEVEL</p>
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4. Key Management Team

Ref	Management	Details
1.	<p>SAMSON OGERO</p> 	<p>Hospital in-charge Senior Registered Clinical Officer Age; 42 years</p>
2.	<p>WILTER ORINA</p> 	<p>Designation: Acting Hospital Administrator. Qualification: Diploma in full Secretarial and office management Age: 54 years</p>
3.	<p>JOYCE OKIKI</p> 	<p>Designation: Nursing officer Qualification: Diploma in community Health Nursing Age:42 years</p>

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4.	<p>JUSTUS ITIRA</p> 	<p>Designation: Hospital pharm Tech Qualification: Pharm Technologist Age:32 years</p>
5.	<p>MAUREEN KEMUNTO</p> 	<p>Designation: Hospital Accountant Qualification: Bachelor of Commerce (Finance and Accounting Age: 36 years</p>
6.	<p>BATHSHEBA BWARI</p> 	<p>Designation: Hospital Supply Chain Management Officer Qualification: Age:30 years</p>
7.	<p>DAVID OBARA</p> 	<p>Designation: Medical Lab Technologist Qualification: Age:48 years</p>

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5. Chairman's Statement

It is with great pride that I present the financial statements for Etago Level 4 Hospital for the financial year period ending June 30, 2025. This period has been marked by resilience, strategic progress, and an unwavering commitment to delivering exceptional patient care amidst a dynamic healthcare landscape.

This period saw the successful commissioning of our new Maternity ward, which can serve over 700 patients with cutting-edge treatments. Our investment in digital health platforms has enhanced patient access. These initiatives align with our vision to integrate technology and patient-centered care, ensuring accessibility and quality.

Like many healthcare institutions, we faced challenges, including inflationary pressures on operational costs and a competitive labor market. By optimizing supply chain processes, we mitigated these impacts while maintaining our high standards of care. I am confident that our proactive measures will continue to safeguard our financial and operational resilience.

As we move into the second half of 2025, we are committed to advancing our strategic priorities, including the completion of our new maternity block and expansion of community health outreach programs. These efforts will strengthen our position as a leader in healthcare delivery while ensuring sustainable growth for our stakeholders.

I extend my heartfelt gratitude to our dedicated staff, whose tireless efforts underpin our success. To our patients, partners, and shareholders, thank you for your continued trust and support. Together, we will continue to build a healthier future for our community.

Sincerely,



James Omwoyo
Chairman of the Board

6. Report of the Medical Superintendent

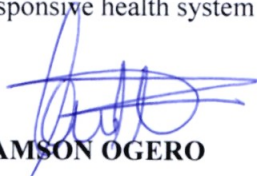
This year has been one of growth, recovery, and renewed focus on delivering quality healthcare services to our community. Despite external pressures such as rising operational costs and increased patient demand, the hospital has remained steadfast in its mission to provide accessible, efficient, and compassionate care to all.

Throughout the financial year, we witnessed a steady increase in patient volumes across outpatient, inpatient. This growth reflects not only the trust placed in our hospital by the community but also the continued efforts by our staff to maintain high standards of care.

The hospital also expanded its specialty services and improved patient flow during special clinics day. These improvements have had a measurable impact on service delivery, patient outcomes, and overall satisfaction.

The 2024/2025 financial year marked a period of solid progress. As we look ahead, our priorities remain centered on strengthening emergency services, enhancing maternal and child health and improving infrastructure resilience.

I wish to express my sincere appreciation to the hospital management, clinical and non-clinical staff, and the Board for their continued support and commitment. I am confident that with prudent financial stewardship and collective effort, we will continue to improve health outcomes and build a stronger, more responsive health system and serving the people of South Mugirango Sub County



SAMSON OGERO
Secretary to The Board

7. Statement of Performance against Predetermined Objectives

Etago Level IV Hospital does not have a strategic plan yet; however the fund develops its annual work plans based on the objectives and principles of the Fund. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The objectives of the fund include;

- a) Sustainably operate, maintain, equip, rehabilitate health facilities and procure emergency medical; supplies in funds and health facilities in the county
- b) Enhance participation of relevant stakeholders and host communities in the planning and management of health facilities and funds located in their jurisdiction
- c) Create incentives for funds and health facilities to sustainably generate resources.
- d) Provide funding for the day to day operations of funds and health facilities
- e) Provide for financing of preventive and promotional healthcare services
- f) Provide immediate funds for health related emergencies and disaster
- g) Ensure that the 70% of the funds is used for curative and 30% of the funds is used for preventive and promotive health care services respectively

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Pillar/ theme/ issue 1: Service Delivery & Quality of Care	To improve the quality, efficiency, and equity of healthcare services provided at Etago Sub-County Hospital.	OPD attendance rate. Inpatient bed occupancy rate. Maternal and child health service coverage. Client satisfaction index. Number of emergency cases managed	Strengthening triage and patient flow systems. Routine CME sessions for clinical staff. Implementation of quality improvement (QI) cycles. Supportive supervision for all clinical departments. Community outreach for	OPD attendance improved due to enhanced triage and reduced waiting times. Increased ANC and delivery numbers following intensified community mobilization. Successful CME sessions conducted on maternal emergencies, infection prevention, and

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		within recommended timelines.	maternal and child health services.	chronic disease management. Bed occupancy stabilized following better patient flow management. Improved client feedback through the suggestion box and QI interventions.
Pillar/ theme/ issue 1: Infrastructure, Equipment & Facility Improvement	To ensure the hospital has adequate infrastructure, equipment, and sanitation facilities for effective service delivery.	Number of rehabilitation projects completed Availability of essential equipment Facility cleanliness rating Functional sanitation facilities	Minor repairs of wards, OPD, and roof leakages. Procurement of basic medical equipment (BP machines, thermometers, delivery sets). Maintenance of existing equipment. Environmental health improvements including waste management. Mobilization of partners/donors for construction of a modern pit latrine.	Repairs completed in MCH, OPD, and laboratory sections. Several essential tools procured to improve service delivery. A donor approached to support construction of a modern pit latrine for patients and staff. General hygiene improved after enhanced waste segregation and disposal.

8. Corporate Governance Statement

Commitment to good corporate governance is fundamental in ensuring sustainable stakeholder value and meeting their expectations. Our procedures and processes are anchored on accountability, transparency, responsibility, and fairness which are the tenets of good corporate governance. Through the board of management Kisii County Health Facilities Improvement fund is complying with statutory requirements.

Appointment and Induction of Board Members

Appointment of Board members is as prescribed under the County Governments Act, 2012 and section 6(1) (a) and (b) of the Kisii county Health Facilities Improvement Fund Act, 2020. The Governor appoints the board members.

Role of the Board

The responsibility of driving good corporate governance and stewardship of the fund is vested in the board of management. The board through its committees provide strategic direction, oversight, risk management, resource mobilization and stakeholder engagement. The medical superintendent officer is assisted by the Executive Management Committee who are accountable to the Board for implementation.

Conflict of interest

Declaration of conflict of interest is a standing agenda in all meetings of the Board and its committees. A register maintained by the institution to record all potential conflict declared by board members and board members should re excuse themselves from discussion or decisions where they have vested interest.

Board Remuneration

Remuneration of the board members is based pegged on meetings attended as they are paid sitting allowances for each meeting attended for the period. The rates are as provided by the salaries and remuneration commission circular for sitting allowances and per diem.

8. Management Discussion and Analysis

The Management Discussion and Analysis presents an overview of Etago Sub County Hospital's operational and financial performance for the year under review. This section highlights key service delivery indicators, financial trends over the last three years, major projects undertaken, and compliance with statutory requirements, risks faced, and strategic initiatives aimed at improving healthcare outcomes.

Sponsorships and Partnerships

During the period, the hospital benefitted from several collaborations, including: County Government support – funding for infrastructure and essential supplies. Partner organizations – support in training, equipment donations, and community health activities.

NGOs and Faith-based organizations – maternal health programs, vaccination support, and outreach services.

These partnerships continue to enhance service delivery and strengthen our capacity.

FINANCIAL PERFORMANCE

Revenue Sources

The hospital generated revenue from:

User fees

SHA/NHIF reimbursements

Utilization of Funds

Funds were utilized on:

Procurement of pharmaceuticals and non-pharmaceuticals

Human resource support (casuals/contract staff)

Facility maintenance and utilities

Medical equipment servicing

Community health outreach activities

The utilization aligned with the annual work plan and county budgeting guidelines.

STATUTORY COMPLIANCE

The hospital complied with key statutory requirements including:

Adherence to the Public Financial Management Act (PFMA)

Observance of procurement laws and regulations guided by PPADA

Compliance with SHA/NHIF claim submission guidelines (noting challenges due to abrupt document requirement changes)

Occupational safety and environmental health standards

Where gaps were noted, corrective actions have been initiated.

MATERIAL ARREARS AND FINANCIAL OBLIGATIONS

The facility had ___ in pending bills as at year-end (if applicable).

No statutory arrears were recorded.

Any obligations are being monitored to avoid future accumulation.

KEY PROJECTS AND INVESTMENT DECISIONS

During the year, Etago Sub County Hospital implemented or initiated the following projects:

Renovation of wards/OPD

Procurement of essential equipment

Expansion of specialized clinic services

Donor-supported improvements (e.g., sanitation facilities, maternal health equipment)

9. Environmental And Sustainability Reporting

Etago Level IV Hospital remains committed to promoting environmentally sustainable practices in all areas of its operations. The hospital recognizes the direct link between environmental health and public health outcomes, and therefore integrates sustainability principles into its service delivery, infrastructure development, and resource management.

During the financial year ended 30 June 2025, the hospital undertook several initiatives aimed at reducing its environmental footprint and enhancing sustainability, including:

Waste Management: Implementation of improved medical waste segregation and disposal procedures in compliance with the National Environmental Management Authority (NEMA) guidelines. Incineration processes were optimized to minimize emissions.

Energy Efficiency: The hospital continued its gradual transition to energy-efficient lighting systems and solar-powered backup solutions to reduce dependence on grid electricity and lower operational costs.

Water Conservation: Installation of rainwater harvesting systems and routine maintenance of plumbing infrastructure helped to minimize water wastage and support continuous water supply.

Green Spaces: Landscaping and tree-planting activities within the hospital compound were expanded to improve air quality and create a more healing environment for patients.

Environmental Awareness: Regular staff sensitization and community outreach programs were conducted to promote environmental stewardship and sustainable practices.

Going forward, Etago Level IV Hospital is committed to further integrating sustainability reporting into its strategic and operational frameworks, aligning with national green growth policies and the United Nations Sustainable Development Goals (SDGs), particularly Goal 3 (Good Health and Well-being) and Goal 13 (Climate Action).

v) Corporate Social Responsibility / Community Engagements

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Etago Level IV Hospital continues to uphold its social mandate by engaging in initiatives that promote community health, well-being, and social development. The hospital recognizes that its success is closely tied to the welfare of the communities it serves and therefore remains dedicated to fostering partnerships that create positive social impact.

During the financial year ended 30 June 2025, the hospital undertook several Corporate Social Responsibility (CSR) and community engagement activities, including:

Free Medical Camps: Conducted periodic outreach programs offering free medical check-ups, immunization services, health education, and screening for non-communicable diseases such as hypertension and diabetes.

Maternal and Child Health Programs: Collaborated with local health authorities to provide antenatal and postnatal services aimed at reducing maternal and infant mortality rates.

Public Health Education: Organized community sensitization campaigns on sanitation, nutrition, and prevention of communicable diseases, including HIV/AIDS and malaria.

Support to Vulnerable Groups: Provided subsidized or free healthcare services to indigent patients, orphans, and persons with disabilities as part of the hospital's social care commitment.

School Health Initiatives: Partnered with local schools to conduct health talks, deworming exercises, and basic hygiene education to promote healthy lifestyles among school children.

Emergency Response and Relief: Actively participated in county-level emergency response efforts by providing medical assistance during public health crises and natural disasters.

Etago Level IV Hospital remains steadfast in its commitment to social responsibility and community partnership. The institution plans to expand its outreach programs in the coming financial year, focusing on preventive healthcare, health education, and sustainable community health systems.

10. 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 activities of the entity are patient care and supporting operations.

Results

The results of the entity for the year ended June 30 2025 are set out on pages here within.

Board of Management

The members of the Board who served during the year are shown on page 4. During the year, 2025 director(s) retired/ resigned, and new director (s) was appointed with effect from unknown date.

Auditors

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

By Order of the Board



Name Samson Ogero
Facility in Charge
Secretary to the Board

11. Statement of Board of Management’s Responsibilities

Section 164 of the Public Finance Management Act, 2012 requires the Board of Management to prepare financial statements in respect of that Etago Level IV Hospital, which give a true and fair view of the state of affairs of the Etago Level IV Hospital at the end of the financial year 2024/2025 and the operating results of the Etago Level IV Hospital for that year 2024/2025. The Board of Management is also required to ensure that the Etago Level IV Hospital keeps proper accounting records which disclose with reasonable accuracy the financial position of the Etago Level IV Hospital. The council members are also responsible for safeguarding the assets of the Etago Level IV Hospital.

The Board of Management is responsible for the preparation and presentation of the Etago Level IV Hospital’s financial statements, which give a true and fair view of the state of affairs of the Etago Level IV 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 Etago Level IV 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 Etago Level IV 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 Etago Level IV Hospital’s financial statements give a true and fair view of the state of Etago Level IV Hospital transactions during the financial year ended June 30, 2025, and of the Etago Level IV Hospital’s financial position as at that June 2025. The Board members further confirm the completeness of the accounting records maintained for the Etago Level IV Hospital, which have been relied upon in the preparation of the Etago Level IV 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 Etago Level IV 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 30/06/25 and signed on its behalf by:



.....
Name:
Chairperson
Board of Management
James Gechemba Omwyo



.....
Name:
Accounting Officer
Kevin Mabeya Oribu
ICPAK NO. 22784

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 ETAGO LEVEL 4 HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2025 - COUNTY GOVERNMENT OF KISII

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 for Etago Level 4 Hospital - County Government of Kisii set out on pages 1 to 11 which comprise of the statement of financial

position as at 30 June, 2025, and the statement of financial performance, statement of cash flows, statement of changes in net assets and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respect, the financial position of Etago Level 4 Hospital - County Government of Kisii 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 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The statement of financial performance reflects a Nil surplus balance. However, re-computation of the same results to Kshs.339,237 hence the surplus is understated by Kshs.339,237. Further the statement of financial positions reflects total assets of Kshs.481,633. However, the recalculation amounts to Kshs.6,802,883 hence the total assets is understated by Kshs.6,321,250. The amount is also not balancing with the accumulated surplus of Kshs.481,633. The statement of changes in assets reflects a balance Kshs.142,396 as at 1 July 2024 which is not verified. The statement also does not include the surplus for the year of Kshs.339,237. In addition, the statement of comparison of budget and actual amounts does not include the performance differences. The statement also includes adjustment of Kshs.11,910,047 in medical service income and Kshs.11,570,810 in total expenses which are not supported.

In the circumstances, the completeness and accuracy of the financial statements could not be confirmed.

2. Failure to Disclose the Facility's Non-Current Assets

The audit analysis of the financial statements revealed that the entity did not disclose its assets despite being in a possession of various items which is a requirement before registration. The audit also revealed that the entity does not maintain its asset register and the assets had not been valued hence difficult to establish their value. Further, the statement of financial position reflects a nil balance in respect of non-current assets. However, review of hospital records and physical verification conducted on 4 November, 2025 revealed that various assets including land, buildings, biological assets (exotic trees), furniture and fittings, computers and medical equipment were in existence at the facility but had not been disclosed in the financial statements. Further, ownership documents of land were not provided for audit review.

In the circumstances, the accuracy of the nil balance in respect to total non-current assets during the year under review could not be confirmed.

3. Unsupported Account Receivables from Exchange Transactions

The statement of financial position reflects a balance of Kshs.6,321,250 in respect to receivables from exchange transactions. However, the balance is not supported by any note and the aging analysis is not provided in the financial statements.

In the circumstance, the accuracy, completeness and the recoverability of the balance in respect to the receivables from exchange transactions could not be confirmed.

4. Failure to Disclose Pharmaceutical and Non-Pharmaceutical Supplies

The audit analysis of the financial statements revealed that the Hospital did not disclose pharmaceutical and non-pharmaceutical supplies in form of inventories. However, review of Hospital records and physical verification conducted on 4 November, 2025 revealed that the Hospital had inventories which are pharmaceutical in nature such as drugs, laboratory reagents and non-pharmaceutical supplies which included gloves, cotton wool among others which were not disclosed in the financial statements. In addition, the Management did not provide stock take report as at 30 June, 2025 for audit review.

In the circumstances, the accuracy and completeness of nil balance in respect to inventories could not be confirmed.

5. Unsupported Revenue from Exchange Transactions - Rendering of Services

The statement of financial performance as disclosed in Note 1 to the financial statement reflects Kshs.11,910,047 in respect to rendering of services - medical service income comprising of user fee income and income received from NHIF/SHA of Kshs.1,211,547 and Kshs.10,698,500 respectively. However, records provided for audit review revealed that the Kshs.10,698,500 was received from both the defunct NHIF and SHA. However, management did not provide the detailed supporting schedules for the revenue received from each of the two entities. Further, the revenue collection report generated from the MEDBOSS system disclosed an amount of Kshs.1,233,970 whereas the financial statement disclosed Kshs.1,211,547 in respect to user fees. The Management did not provide an explanation of resultant variance of Kshs.22,423. Further, the Management did not provide an approved price list used by the facility to charge for the services rendered. In addition, review of the SHA system revealed that there was rejected claims of Kshs.401,000 due to lack of proper documentation at the time of submission. However, management did not explain why it did not attach the necessary documents and resubmit the claims before the lapse of fourteen days (14) window period granted by SHA, again casting doubt about the authenticity of the claims. Audit review also confirmed that the MEDBOSS system used by the facility to collect revenue was not integrated to other departments hence likely to cause leakages in revenue collection process.

In the circumstances, the accuracy and completeness of the Kshs.11,910,047 in respect to rendering of services - medical service income could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Etago Level 4 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 reflects final revenue budget and actual on comparable basis of Kshs.35,110,047 and Kshs.11,910,047 respectively resulting in an under-funding of Kshs.23,199,999.7 or (66%) of the budget. Similarly, the Hospital expenditure amounted to Kshs.11,570,810 against realized revenue of Kshs.11,570,810 resulting in an under-utilization of Kshs.339,237 or 3% of the realized revenue.

In the circumstances, the under-funding and the under-utilization 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 judgment, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

The Management is responsible for the Other Information set out on pages iii to xviii which comprise the Key Entity Information and Management, Board of Management, Key Management Team, Chairman's Statement, Report of the Medical Superintendent, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, Environmental and Sustainability Reporting, Report of the Board of Management, and Statement of Board of Management's Responsibility. 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 Retain Facilities Improvement Funds at the Hospital

Review of revenue records obtained from the Etago Sub-County Hospital revealed total collection of Kshs.11,910,047. towards the health facilities improvement. Out of this amount, a total of Kshs.11,540,608. was transferred to County Health Facilities Improvement Fund Board account. However, the amount reimbursed by the Board to the facilities could not be ascertained. This is because the Board made payments on behalf of Etago Sub-County Hospital without disclosing the amount for the expenditures incurred. This was contrary to Section 5(1) of the Facilities Improvement Financing Act, 2023 which requires that all monies raised or received by or on behalf of all public health facilities be retained in the Hospital Facilities Improvement Financing account. In addition, failure to reimburse the total amount transferred by the facilities negatively impacted on service delivery by the health facilities.

In the circumstances, Management of the County Facilities Improvement Funds (FIF) was in breach of the law

2. Late Submission of Financial Statements

The financial statements provided for audit review were submitted on 5 September, 2025, instead of 31 August, 2025. This is contrary to the National Treasury Circular No:AG.3/88 Vol. VII (41) which requires all public sector entities to prepare and submit their annual financial statements by 31 August 2025.

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

3. Failure to Disclose Facility's Expenditure

Review the financial statement revealed that the facility did not disclose its expenditure items in the statement of financial performance as stipulated in Section 22(1) of the Facilities Improvement Financing Act, 2023 and reporting template issued by the Public Sector Accounting Standards Board for level 4 hospitals. This is despite having the budget, procurement plan and the authority to incur expenditure. Although the management explained that expenditures are reported in the Kisii County Facility

Improvement Fund financial statements, failure to report expenditure incurred by the level 4 facility in its financial statements not only distorts the level 4 financial statements but is also in breach of the Facility Improvement Financing Act, 2023 which requires separate financial statements for the facilities to be prepared and submitted to the Auditor General.

In the circumstances, the accuracy of the financial statements could not be confirmed. In addition, management is in breach of the law.

4. Non-Compliance on Medical Waste Management

Review of the operations at the hospital revealed that the facility operated without an incinerator and that non-sensitive Hospital waste was accumulated at the burning corner for months before disposal. The sensitive biomedical waste is accumulated and transported to Kisii Teaching and Referral Hospital for incineration. However, there was no evidence that Management had complied with NEMA Waste Management Regulations, 2006 on biomedical waste management on taking all practical steps to ensure that waste is managed in a manner which will protect human health and the environment against the adverse effects which may result from the waste.

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

5. Shortfall in Hospital Management at Etago Level 4 Hospital

Review of the Hospital's operations and records revealed that Etago Level IV Facility operated below the set standards as per the Facilities Improvement Financing Act and Kenya Medical Practitioners and Dentist Council (KMPDC) Checklist for level 4 hospitals. Further review on the implementation of Facilities Improvement Financing Act, 2023 and KMPDC Checklist revealed that the hospital accountant was not a qualified accountant and not a member of ICPAK thus, could not sign off the financial statements. In addition, the facility lacked a procurement officer, human resource officer, two (2) cashiers, an account assistant, and two (2) ICT officers.

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

6. Non-Compliance with Requirements on Universal Health Care

Review of Etago Level 4 Hospitals' operations and records during the year under review followed by a physical verification conducted on 4 November, 2025 revealed that the health facility operated below the set standards as per the Kenya Quality Assurance Model for Health Checklist for level 4 hospitals. The following deficiencies in implementation of Universal Health Care programme were observed: -

Item	Level 4 Standard	No. in Hospital
Medical officers	16	0
Anesthesiologists	2	0
General surgeons	2	0
Gynecologists	2	0
Pediatricians	2	0
Radiologists	2	0

Item	Level 4 Standard	No. in Hospital
Kenya Registered Community Health nurses	75	13
Surgical Services	Should be in place	No surgical services
Pediatric services	Should be in place	Yes
Gynecological services	Should be in place	Not in place
In-patients' services	Should be in place	Yes
Radiology services	Should be in place	Not in place
Renal dialysis services	Should be in place	Not in place
Tuberculosis management	Should be in place	Yes
Mortuary and autopsy services.	Should be in place	Not in place
Advanced life support	Should be in place	Not in place
Caesarian sections and surgical operations	Should be in place	Not in place
Laboratory services	Should be in place	Yes
Beds	150	29
Resuscitaire (2 in Labour ward and one in theatre)	3	0
New Born Unit - Incubators	5	0
New Born Unit cots	5	2
Functional intensive care unit – Beds	6	0
High dependency Unit - Beds	6	0
Renal unit with at least 5 dialysis machines	5	0
Two functional operating theaters for maternity and general.	2	0

The deficiencies contravene the First Schedule of Health Act, 2017 and implies that accessing highest attainable standards of health, which includes the right to health care services including reproductive health as required by Article 43(1) of the Constitution of Kenya, 2010 may not be achieved. Further, this contravenes the Kenya Quality Model for Health Policy Guidelines which may have hindered the achievement of the Government program on Universal Health Coverage (UHC).

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

7. Non-Compliance with the Facilities Improvement Financing Act, 2023

Review of the documents provided for audit revealed that during the year under review, the facility transferred Kshs.11,540,608 to the Kisii County Facility Improvement Fund Account - No. 1282543164 maintained at Kenya Commercial Bank, Kisii Branch. However, the existing arrangements of remitting funds so collected is contrary to the Facilities Improvement Financing Act, 2023, which requires revenue collected be expended at the facility level.

In the circumstances, Management was in breach of 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 are in compliance, 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. Lack of Risk Management Policy

The audit revealed that the Hospital operated without a documented risk management policy framework. Further, there was no evidence of risk identification, risk assessment and evaluation of likelihood of risk occurrence and its impact on Hospital's operations to have been undertaken at the facility contrary to Regulation 158(1) of the Public Finance Management (County Governments) Regulations, 2025 requires that the Accounting Officer shall ensure that (a) the county government entity develops risk management strategies, which include fraud prevention mechanism; and (b) the county government entity develops a system of risk management and internal controls that builds robust business operations.

In the circumstance, the effectiveness of risk management system at the Hospital could not be confirmed.

2. Information and Communication Technology Internal Controls

During the year under review, the Etago Level 4 Hospital utilized the MEDBOSS, an automated system, to manage its operations. However, the Hospital lacked business and IT continuity plans, a disaster recovery and offsite backup plan, an ICT capacity building training program, environmental controls policies and procedures, an IT security/risk management policy, and an approved IT steering committee to ensure that the IT department is in harmony with the Hospital's mission and objectives. Further, the Hospital did not have both the hardware maintenance program. In addition, a system review of the ICT environment revealed that MEDBOSS system was operating under a highly insecure operating system which lacks security updates and support, the computer hosting the

system was operating with no antivirus and under a virtualization software which was no longer officially supported, therefore, vulnerable to security risks. The audit also revealed that no formal maintenance plan had been developed, approved and followed by the Hospital in managing IT devices and there was no Service Level Agreement (SLA) signed between the Hospital and the vendor of MEDBOSS system.

In the circumstances, the Hospital's operations may be exposed to vulnerabilities and this may pose operational disruptions if not addressed by Management.

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

Responsibilities of Management and the Board of Management

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as the 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 the 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

11 December, 2025

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

Description	Note	2024/2025
		Kshs
Revenue from exchange transactions		
Rendering of services- Medical Service Income	1	11,910,047
Revenue from exchange transactions		11,910,047
Total revenue		11,910,047
Expenses		
Transfer to other Government Entities	2	11,540,608
General expenses	3	30,202
Total expenses		11,570,810
Net Surplus / (Deficit) for the year		0

The notes set out on pages 7 to 12 form an intergral part of the annual financial statements.

The Hospital's financial statements were approved by the Board on 30/06/25 and signed on its behalf by:



.....
Chairman
Board of Management
James Gechemba Omwoyo



.....
Head of Finance
ICPAK No: 22784
Kevin Oribu



.....
Medical Superintendent
Samson Ogero

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

Description	Note	2024/2025
Assets		
Current assets		
Cash and cash equivalents	4	481,633
Receivables from exchange transactions		632,125
Total Current Assets		6,660,487
Non-current assets		0
Total Non-current Assets		6,660,487
Total assets		481,633
Liabilities		
Current liabilities		
Trade and other payables		-
Total Current Liabilities		-
Net assets		481,633
Represented By:		
Accumulated surplus/Deficit		481,633
Total Net Assets and Liabilities		481,633



Chairman

**Board of Management
James Gechemba Omwoyo**



**Head of Finance
Kevin Mabeya Oribu
ICPAK No:22784**



Medical Superintendent

Samson Ogero

15. Statement of Changes in Net Assets for the Year Ended 30 June 2025

Description	Accumulated surplus/Deficit	Capital	Total
		Fund	
At July 1, 2024	142,396	0	142,396
Surplus/(deficit) for the year	0	0	0
Capital/Development grants	-		
At June 30, 2025	481,633	0	481,633

Etago Hospital (Kisii County Government)

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

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

Description	Note	2024/2025
		Kshs
Cash flows from operating activities		
Receipts		
Rendering of services- Medical Service Income		11,910,047.30
Total Receipts		11,910,047
Payments		
Transfer to other Government Entites		11,540,608
General expenses		30,202
Total Payments		11,570,810
Net cash flows from operating activities		339,237
Net increase/(decrease) in cash and cash equivalents		339,237
Cash and cash equivalents as at 1 July, 2024		142,396
Cash and cash equivalents as at 30 June. 2025	4	481,633

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance
	A	b	c=(a+b)	d	e
	Kshs	Kshs	Kshs	Kshs	
Revenue					
Rendering of services- Medical Service Income	23,200,000.00	11,910,047.00	35,110,047.00	11,910,047.30	
Total income	23,200,000.00	11,910,047.00	35,110,047.00	11,910,047.30	
Expenses					
Transfers From Other Government Entities	23,000,000.00	11,540,608.00	34,540,608.00	11,540,608.00	
General expenses	200,000.00	30,202.00	230,202.00	30,202.00	
Total Expenses	23,200,000.00	11,570,810.00	34,770,810.00	11,570,810.00	
Surplus for the period	-	-	-	339,237.30	
Capital expenditure	-	-	-	-	

18. Notes to the Financial Statements

1) General Information

Kisii County Health Facility Improvement Fund entity is established by and derives its authority and accountability from 2015 Act. The entity is wholly owned by the Kisii County Government and is domiciled in Kisii County in Kenya. The entity's principal activity is to mobilize, manage, and disburse funds for the improvement, development, and maintenance of public health facilities in Kisii County, Kenya.

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 *Etago's* accounting policies. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *Etago*. 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.

19. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
IPSAS 45-Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples.</p> <p>The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>

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Standard	Effective date and impact:
IPSAS 46 Measurement	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47- Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48- Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49- Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and

Standard	Effective date and impact:
Resources	evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii) Early adoption of standards

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

3) 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 *Etago* 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.

1. Rendering of Services-Medical Service Income	
Description	2024-2025
User Fee	1,211,547
SHA/NHIF	10,698,500
Total	11,910,047

2. Transfers to other Government entities	
Description	2024 - 2025
	KShs
Transfer to FIF A/C	11,540,608
Total	11,540,608

Etogo Hospital (Kisii County Government)
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3. General Expenses		
Description	2024-2025	
	KShs	
Bank Charges	30,202	
	30,202	

4. Cash And Cash Equivalents		
Description	2024-2025	
	KShs	
Current accounts	0	
Total cash and cash equivalents	481,633	

(a). Detailed Analysis of Cash and Cash Equivalents		
Description	2024-2025	
Financial institution	Account number	KShs
a) Current account		
Kenya Commercial Bank	1124844163	481633
		-
Sub- total		481633
Grand total		481633

*Etogo Hospital (Kisii County Government)
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ANNEX 2 APPROVED BUDEGT		
ETAGO LEVEL IV HOSPITAL		
(FIF) ANNUAL BUDGET FY 2024/2025		-
1. SOURCE OF FUND FIF (COST SHARING)		
COMPREHENSIVE INCOME		KSHS
1. USER FEE		2,700,000
2. NHIF IN PATIENT CLAIMS		4,500,000
3. NHIF CAPITATION		9,000,000
5. LINDA MAMA		7,000,000
OTHERS		-
TOTAL PROJECTION/EXPECTED REVENUE		23,200,000
CODE	CHART OF ACCOUNTS -RECURRENT	KSHS
	Communication, Supplies and Services	
2210201	Telephone, Telex, Facsimile and Mobile Phone Services	200,000.00
2210202	Internet Connections	200,000.00
2210203	Courier and Postal Services	-
	Sub Total:	400,000.00
	Domestic Travel and Substance, and Other Transportation Costs	
2210301	Travel Costs (airlines, bus, railway, mileage allowances, etc.)	-
2210302	Accommodation - Domestic Travel	150,000.00
2210303	Daily Subsistence Allowance	250,000.00
2210309	Outreach-Field operational allowance	400,000.00

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	Sub Total:	800,000.00
	Printing , Advertising and Information Supplies and Services	
2210502	Publishing and Printing Services	50,000.00
2210504	Advertising, Awareness and Publicity Campaigns	-
	Sub Total:	50,000.00
	Training Expense (Including Capacity Building)	
2210701	Travel Allowance	-
2210702	Remuneration of Instructors and Contract Based Training Services	-
2210704	Hire of Training Facilities and Equipment	-
2210703	Production of Printing Materials	
2210710	Accommodation Allowance	-
2210715	KSCRH Staff Capacity Building	-
2210717	Research Department	-
	Sub Total:	-
	Hospitality Supplies and Services	
2210801	Catering Services (receptions), Accommodation, Gifts, Food and Drinks	200,000.00
2210802	Boards, Committees, Conferences and Seminars	160,000.00
2210810	Conferences	-
2211015	Food Rations	1,800,000.00
3110902	Households	300,000.00
	Nutritional Feeds	-
	Sub Total:	2,460,000.00
	Office and General Supplies and Services	

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

2211101	General Office Supplies (papers, pencils, forms, small office equipment etc)	600,000.00
2211027	Medical Records	1,100,000.00
2211102	Supplies and Accessories for Computers and Printers	1,150,000.00
2211103	Sanitary and Cleaning Materials, Supplies and Services	1,200,000.00
	Sub Total:	4,050,000.00
	Fuel Oil and Lubricants	
2211201	Refined Fuel for Transport	400,000.00
2211203	Refined Fuel and Lubricants -- Other	240,000.00
	Sub Total:	640,000.00
	Other Operating Expenses	
2211301	Bank Service Commission and Charges	50,000.00
2211202	Contracted casual workers	1,800,000.00
2211306	Membership Fees, Dues and Subscriptions to Professional and Trade Bodies	-
2211305	Contracted Security Guards	450,000.00
2211310	Contracted Professional/Technical Services	-
2211311	Contracted Technical Services	-
2110202	NSSF Contribution	-
	Sub Total:	2,300,000.00
	Routine Maintenance - Vehicles and Other Transport Equipment	
2220101	Maintenance Expenses - Motor Vehicles and cycles	500,000.00
	Sub Total:	500,000.00
	Purchase of vehicles and other Transport Equipment	

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3110902	Purchase of Motor Vehicles for the hospital	-
	Sub Total:	-
	Routine Maintenance - Other Assets	
2220201	Maintenance of Plant, Machinery and Equipment	200,000.00
2220202	Maintenance of Office Furniture and Equipment	700,000.00
2220203	Maintenance of Medical and Dental Equipment	100,000.00
2220205	Maintenance of Buildings and Stations -- Non-Residential	1,500,000.00
2220206	Maintenance of Civil Works	-
2220210	Mainte. of Computers, Software, and Networks	200,000.00
	Sub Total:	2,700,000.00
	Specialised Materials and Supplies	
2211001	Purchase of drugs	4,800,000.00
2211002	Purchase of Non pharmaceuticals	2,000,000.00
2211008	Laboratory Reagent	1,600,000.00
2211016	Purchase of Staff Uniforms	
2211004	Fungicide insecticide and Spray	
2211005	Chemical and Industrial Gases	
2211021	Purchase of Linen	300,000.00
	Purchase of Medical and Dental Equipment	-
2211024	Purchase of X- ray supplies	-
2211026	Purchase of vaccines	-
	Sub Total:	8,700,000.00
	Office Furniture and Fittings	

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3111001	Purchase of office furniture	-
	Sub Total:	-
	Computers ,Printers and ICT Equipment	
3111002	Purchase of Computers, Printers and ICT equip	-
3111008	Purchase of printing equipment	-
3111009	Purchase of other office equipment	600,000.00
	Sub Total:	600,000.00
	Medical and Dental Equipment	
3111101	Purchase of households goods	-
	Sub Total:	-
	Medical and Dental Equipment	
3111110	Purchase of Generators	-
	Sub Total:	-
	GRAND TOTALS	23,200,000.00
	SURPLUS/DEFICIT	-

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ANNEX 3 APPROVED BUDGET

ETAGO LEVEL IV HOSPITAL		
<u>(FIF) ANNUAL BUDGET FY 2024/2025</u>		
I. SOURCE OF FUND FIF (COST SHARING)		
<u>COMPREHENSIVE INCOME</u>		<u>KSHS</u>
		-
	1. USER FEE	2,700,000
	2. NHIF IN PATIENT CLAIMS	4,500,000
	3. NHIF CAPITATION	9,000,000
	5. LINDA MAMA	7,000,000
	OTHERS	-
TOTAL PROJECTION/EXPECTED REVENUE		23,200,000
CODE	CHART OF ACCOUNTS -RECURRENT	KSHS
	Communication, Supplies and Services	
2210201	Telephone, Telex, Facsimile and Mobile Phone Services	200,000.00
2210202	Internet Connections	200,000.00
2210203	Courier and Postal Services	-
	Sub Total:	400,000.00

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ANNEX 4 NHIF/SHA RECEIVABLES

Creditor A/c	33361342 ETAGO SUB DISTRICT HOSPITAL	Address	Posted	Ref. No.	Description	Amount	Balance
01/07/2024	BAL.				OPENING BALANCE	5,036,900.00	
Jnl Date	Jnl No				Description	Amount	Balance
02/07/2024	AP/25181671		02/07/2024 4	HB/801865/24	H/CLAIM 33361342 - 16374624	6,000.00	5,042,900.00
02/07/2024	AP/25181672		02/07/2024 4	HB/801865/24	H/CLAIM 33361342 - 9506416	6,000.00	5,048,900.00
02/07/2024	AP/25181673		02/07/2024 4	HB/801865/24	H/CLAIM 33361342 - 0358514	6,000.00	5,054,900.00
02/07/2024	AP/25181674		02/07/2024 4	HB/801865/24	H/CLAIM 33361342 - 18267347	6,000.00	5,060,900.00
03/07/2024	CD/3457533		12/07/2024 4	EFT240614682.00 01	PAYMENT	-18,000.00	5,042,900.00
03/07/2024	CD/3457806		12/07/2024 4	EFT240615759.00 01	PAYMENT	-6,000.00	5,036,900.00
03/07/2024	CD/3458194		12/07/2024 4	EFT240615951.00 01	PAYMENT	-12,000.00	5,024,900.00
03/07/2024	CD/3459289		12/07/2024 4	EFT240618394.00 01	PAYMENT	-6,000.00	5,018,900.00
09/07/2024	AP/25207480		09/07/2024 4	HB/806951/24	H/CLAIM 33361342 - 0358514	6,000.00	5,024,900.00
09/07/2024	AP/25207481		09/07/2024 4	HB/806951/24	H/CLAIM 33361342 - 18943616	6,000.00	5,030,900.00
09/07/2024	AP/25210715		09/07/2024 4	HB/747519/24	H/CLAIM 33361342 - M8165955	9,000.00	5,039,900.00
09/07/2024	AP/25210716		09/07/2024 4	HB/747519/24	H/CLAIM 33361342 - M8161534	9,000.00	5,048,900.00

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09/07/2024	AP/25210717	09/07/2024 4	HB/747519/24	H/CLAIM 33361342 - M8164288	9,000.00	5,057,900.0 0
13/12/2024	AP/26451535	13/12/2024	HB/976083/2 4	H/CLAIM 33361342 - M862107 6	12,000.00	6,217,250.0 0
18/12/2024	AP/26462283	18/12/2024	HB/976084/2 4	H/CLAIM 33361342 - M875621 1	5,000.00	6,222,250.0 0
18/12/2024	AP/26462284	18/12/2024	HB/976084/2 4	H/CLAIM 33361342 - M869525 2	5,000.00	6,227,250.0 0
18/12/2024	AP/26462326	18/12/2024	HB/976095/2 4	H/CLAIM 33361342 - M882558 6	5,000.00	6,232,250.0 0
18/12/2024	AP/26462327	18/12/2024	HB/976095/2 4	H/CLAIM 33361342 - M850043 6	5,000.00	6,237,250.0 0
30/06/2025	BAL			CLOSING BALANC E	6,237,250.0 0	