

REPUBLIC OF KENYA



**REPORT**

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OF KENYA  
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**THE AUDITOR-GENERAL**

ON

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COMMITTEE	
CLERK AT THE TABLE	Beahnda. Polyoop

**HOMABAY COUNTY TEACHING AND  
REFERRAL HOSPITAL**

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

**COUNTY GOVERNMENT OF HOMABAY**

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**HOMABAY COUNTY TEACHING AND REFERRAL HOSPITAL.  
(Homabay County Government)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2025**

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



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**1. Acronyms & Glossary of Terms**

**a) Acronyms**

PFMA	Public Financial Management Act
CEO	Chief Executive Officer.
BOM	Board of Management.
HMT	Hospital Management Team.
FS	Financial Statement.
FY	Financial Year.
IPSAS	International Public Sector Accounting Standards.
KSHS	Kenyan Shillings.
OAG	Office of the Auditor General.
PPE	Property, Plant and Equipment.
NHIF	National Hospital Insurance Fund.
FIF	Facility Improvement Financing
HBCTRH	Homabay County Teaching and Referral Hospital.
NSSF	National Social Security Fund.
KRA	Kenya Revenue Authority.
SHA	Social Health Authority.

**b) Glossary of terms**

Fiduciary Management      The key management personnel who had financial responsibility in the entity.

## 2. Key Entity Information and Management

### (a) Background information

Homabay County Teaching and Referral Hospital is a level (5) hospital established under Legal Notice number Vol. XCI-No. 4. dated 27<sup>th</sup> January 1989 and is domiciled in Homabay County under the Department of Health and Medical Services. The hospital is governed by a Board of Management, and Hospital Management Team.

### (b) Principal Activities

The principal mandate of the Hospital is to provide quality patient healthcare services, receive patients on referral within Homabay County, and to provide facilities for education and training in Nursing.

#### **Vision.**

A well-established institution offering high quality, efficient, and integrated medical services.

#### **Mission.**

To provide a conducive environment that enhances active participation of both the healthcare professionals, staffs and the patient at large.

#### **Core Values.**

- Professionalism.                      Transparency and Accountability.
- Excellence.                              Integrity/Honesty.
- Partnership/ Team Work.

### (c) Key Management

HBCTRH day to day management is under the following key organs:

- County department of Health and Medical Services.
- Board of Management
- Accounting Officer/ Chief Executive Officer
- Hospital Management Team.

### (d) Fiduciary Management

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

No.	Designation	Name
1.	Chief Executive Officer	<b>Dr. Vincent Oduor</b>
2.	Head of finance	<b>CPA Severian Okello.</b>
3.	Head of supply chain	<b>Ms. Loretta Muga.</b>
4.	Director Nursing Services	<b>Mrs. Caroline Adongo</b>
5	Health Administrative Officer	<b>Mr. Akuku Brighton</b>

*Homabay County Teaching and Referral Hospital (Homabay County Government)*  
*Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

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Anniversary Towers, Institute Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

**5 Principal Legal Adviser**

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

**6 County Attorney**

P.O. Box. 469-40300  
Homabay,  
Kenya.

No.	Designation	Name
6	Human Resource Officer	Mr. Azaria Awino

**(e) Fiduciary Oversight Arrangements**

The overall oversight responsibility of the hospital is vested on the following committees.

- Clinical Research and Standards Committee.
- Finance and General Purpose Committee
- Audit and Risk Committee
- County Assembly

**(f) Hospital Headquarters**

P.O. Box 52-40300,  
HOMABAY,  
KENYA.

**(g) Hospital Contacts**

Telephone: (+254) 733 481 568  
E-mail: Homabayctrh@gmail.com  
Website: www.Hbctrh.go.ke

**(h) Hospital Bankers**

1. Kenya Commercial Bank.  
KCB, Building, Bank Road.  
Tel: 0721 277 832  
Homabay, Kenya.
2. Equity Bank  
P.O.Box 500-40300  
Homabay, Kenya.
3. Co-Operative Bank  
Tel: 0722 202 477

Homabay, Kenya.



**4 Independent Auditors**

Auditor General  
Office of Auditor General

**3. The Board of Management**





Ref	Directors	Details
1.	<b>Mr. Joseph Mitito. (Board Chairperson)</b>	<p>Mr. Mitito is the current Chairperson for HBCTRH Board. He was appointed to this position in September 2022.</p> <p>Mr. Mitito has over 20 years' experience in Real Estate investment, Property management, valuation and Project management. He currently the Manager, Property at Kenya Power Pension.</p> <p>He holds a Master of Arts in Project Planning and Management and a Bachelor of Arts degree in Land Economics. He has a post graduate diploma from the Institution of Surveyors of Kenya. He is also a full member of The Institution of Surveyors of Kenya (M.I.S.K), and a Registered and Practicing Valuer and Estate Agent (RV &amp; REA).</p>
2.	<b>Margaret Atieno Osogo. (Chairperson Curative and Quality Assurance Committee.)</b>	<p>Ms Osogo is a Director at Compassion Ministries (CM) Kenya.</p> <p>Trained as a religious Nun for 5 years, she also holds a BA Sociology and Anthropology majoring in Sociology, Maseno University and diploma in counselling from CUEA University.</p> <p>She was previously trained as a P1 Teacher, from Asumbi TTC, and served as the headteacher a Asumbi Girls Primary School.</p> <p>Her appointment took effect in September 2022.</p>


*Homabay County Teaching and Referral Hospital (Homabay County Government)  
Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

3.	 <p><b>Mr Emmams Otadoh (Chairperson Finance and General-purpose Committee.)</b></p>	<p>Mr. Otadoh has over 40 years of experience as an Accountant. Prior to his appointment in September 2022, he served as the Principal Accountant, Rural Electrification Schemes, Principal revenue Officer, all at KPLC. He holds a Diploma in Business Administration; he is a Certified Public Accountant and an expert in policy formulation and implementation.</p>
4.	 <p><b>Dr. Vincent Owuor Oduor (HBCTRH Board Secretary)</b></p>	<p>Dr. Oduor is Gynaecologist with over 10 years of medical practice. Currently, he is the Chief Executive Officer HBCTRH. Prior to his appointment, Dr. Oduor served as the head of clinical medicine at HBCTRH. He holds a master of Medicine in Obstetrics and Gynaecologist from Makerere University.</p>
5.	<p><b>Mrs. Ruth Atieno Oyugi</b></p>	<p>Prior to her appointment in September 2022, Mrs. Ruth Atieno was the Coordinator Kabondo Kasipul Constituency Office. She's currently serving as a B.O.M Member Ongoro Mixed Secondary School. Mrs. Ruth Atieno Oyugi holds a certificate in KCSE, and KCPE.</p>
6.	<p><b>Mrs. Monica Atieno Afuodi</b></p>	<p>Deputy Chairperson God Marera Mixed Secondary School. (2019-2021). Board Member Wikoteng' Secondary School. (2016-2018) Councillor/Deputy Mayor Homabay Municipal Council. (2003-2007). Extension Officer DANIDA. (1993-1995).</p>

7.	<b>Pstr. Nyakado Nick (Religious Groups Representative)</b>	Pstr Nyakado is a religious leader. Appointed in September 2022, he is the Ministerial Secretary, and Chaplaincy Director of Seventh-Day Adventist Church. He holds a Master of Divinity, Bachelor of Christian Education, C.L.T. Bible College.
8.	<b>Mr. Tom Okiki Ndede (Represents people living with Disabilities)</b>	Mr. Tom Okiki is the Chairperson Homabay County Disability Forum. Previously he was a Sports Administrator-Deaflympics Kenya. 2022. He holds a Diploma in Entrepreneurship and Development and a Certificate in Technical Education, Kenya Technical Teachers College.
9.	<b>Mr. Maxwell Okong'o (Youth Representative.)</b>	Mr Okong'o holds a Bachelor's degree in Supply Chain Management. Appointed in November 2022, he is serving as a Debt Enforcement Officer with Kenya Revenue Authority.

**4. Key Management Team**

Ref	Management	Details
1.	 <p><b>Dr. Vincent Oduor-CEO</b></p>	<p>Oversees the implementation of the Boards resolutions.</p> <p>Supports the Board of Management for effective oversight.</p> <p>Provides leadership and direction to the organization.</p> <p>Ensure good corporate governance in the Hospital.</p>
2.	 <p><b>Mrs. Caroline Adongo-Director Nursing Services</b></p>	<p>Planning, coordinating, controlling, and directing nursing service provision in the hospital.</p> <p>Ensures clinical practices, procedures and standards are met.</p>
3.	 <p><b>Mr. Akuku Brighton-HAO</b></p>	<p>Ensure protection, development and maintenance of hospital facilities.</p> <p>Ensure that the hospital has an updated development plan at all times.</p>
4.	 <p><b>CPA Severian Okello-Accountant.</b></p>	<p>Consolidates Patient billing information, and collect payments.</p> <p>Create compliant financial statements.</p>

		Runs reports that give decision- makers useful data.
5.	<b>Ms. Loretta Muga-Procurement Officer In-charge.</b>	Develop an annual procurement plan in consultation with the user departments. Ensures that all transactions involving the supply of goods, works, provision of services to the Hospital is subject to competitive bidding.
6.	 <b>Mr. Azaria Awino-Human Resource Officer.</b>	Develop and document HR policies and Procedures. Disseminate and provide guidance to staff on the Public Service Code of regulations, code of ethics, and other service regulations.

## 5. Chairman's Statement

It's an honour to once again present the Annual Report and financial statements of Homabay County Teaching and Referral Hospital (HBCTRH). HBCTRH has demonstrated its commitment to a more centralized specialized healthcare services to all Kenya citizens in the region that spans to counties in south Nyanza.

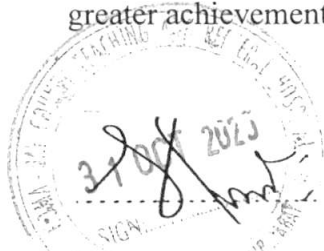
HBCTRH provides quality specialized healthcare to patients in services that include orthopaedic surgery, critical care services, ICU, Oncology services, renal and radiology services.

Management and operations of the hospital is guided by the existing legal policies and institutional frameworks that govern the health sector to ensure efficient and effective delivery of services in the hospital. The hospital's operations are also influenced by various global, regional and national strategies aimed at promoting, restoring and maintaining the overall health care service delivery.

In terms of corporate governance, the board of management carried out its mandate diligently and with focus to steer HBCTRH to achieve its mission. The board of management consists of the right balance of skills, experience and backgrounds to support and challenge the management team towards achieving its key deliverables.

On behalf of the board of management, I would like to extend my appreciation to all our stakeholders and development partners for the continued support that has enabled HBCTRH realize its mandate. I would also like to thank HBCTRH management and staff for their commitment and dedication that ensured the highest quality service delivery and improved performance this financial year, albeit with slight hitches experienced during the year with Reimbursement of revenue from SHA and delayed payments of dues from defunct NHIF.

Finally, I would like to express my sincere gratitude to my fellow Board Members, for their dedication and hard work during the year. I would also like to take this opportunity to applaud the Chief Executive Officer, for creating synergy and leading the management team and all staff to greater achievement.



Name: **MR. JOSEPH MITITO**

**Chairman to the Board**

## 6. Report of The Medical Superintendent

The performance review for financial year 2024/25 provides us another opportunity to reflect on gains made and opportunities for improvement towards continuous provision of quality, timely and cost effective and patient-centred specialized healthcare services. HBCTRH experienced a slowed growth throughout the year. This was attributed to the inconsistencies experienced with the new insurance scheme SHA.

HBCTRH has a robust financial management system that is based on the existing government financial management rules and regulations, Public Finance Management (PFM) act 2012, International Public Sector Accounting Standards (IPSAS) and International Financial Reporting Standards (IFRS). HBCTRH complied with the reporting framework as per PFM Act 2012, by submitting all quarterly reports and financial statements to treasury.

The Homabay County Teaching and Referral Hospital manages its fund based on existing government financial management rules and regulations. The fund is used for financing hospital operations including but not limited to; purchase of pharmaceutical and non-pharmaceutical items, maintenance of proper sanitation, equipping of various departments and running of community outreach program i.e in the Eye Department and blood campaign programmes.

The long-term sustainability of HBCTRH operations will be determined by its continued ability to improve profitability and generate cash flow, and HBCTRH continued to implement sound financial management policies and efficient utilization of funds, which ultimately enables the accomplishment of this objective.

I take this opportunity to acknowledge the support of the Homabay County Government, and development partners. Many thanks to the chairman and members of the Board for the strategic guidance and support. I wish to also register my appreciation to all stakeholders including our suppliers for supplying goods and services required for patient care and the entire staff for their commitment to providing excellent services to our clients and having different roles and keeping us focused on our mandate.



Signature: *[Handwritten Signature]*  
Name: DR. VINCENT ODUIR

**Secretary to the Board**

## 7. Statement of Performance Against Predetermined Objectives

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

*HBCTRH* has 2 strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY 2020- FY 2025. These strategic pillars/ themes/ issues are as follows:

Pillar /theme/issue 1: Operational Excellence.

Pillar/theme/issue 2: Excellence in clinical Outcomes.

*HBCTRH* develops its annual work plans based on the above 2 pillars/Themes/Issues. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. *HBCTRH* achieved its performance targets set for the FY 2024/2025 period for its 2 strategic pillars, as indicated in the diagram below:

<b>Strategic Pillar/Theme/Issues</b>	<b>Objective</b>	<b>Key Performance Indicators</b>	<b>Activities</b>	<b>Achievements</b>
1: Operational Excellence	To provide the best values in terms of health care services and products like drugs that our clients/patients want To have a flowing strategic plan, leadership management	The hospital workload in terms of number of patients seen in outpatient and inpatient. Client exit satisfaction questionnaires module	Collecting of data in outpatient and inpatient	The number of clients attended to at the hospital and discharged well.

	and governance to direct all our staffs for quality outputs To work towards achieving excellence			
2: Excellence in clinical Outcomes	To apply knowledge in our work experience to help patients recover and delivery of outcomes of quality, efficiency, ease and values	Deliveries, Discharges, and Outpatient services	Conducting deliveries Performing surgeries	Total number of deliveries, discharges, and total number of clients seen at the outpatient services

## **8. Corporate Governance Statement**

The HBCTRH Board of management have responsibilities, functions, structures and upholds high ethical standards. In addition to this, their major priority is to ensure excellent services delivery to patients.

### **Appointment and Induction of Board Members.**

Appointment of Board members is prescribed under the County Government's Finance Bill, 2012.

### **Role of the Board.**

The responsibility of driving good corporate governance and stewardship of the hospital is vested in the board of directors. The board through its committees provide strategic direction while the Chief Executive Officer assisted by the Hospital Management Committee is accountable to the Board for implementing the strategy.

### **Board Meetings Attendance.**

In the FY 2024/2025, Board meetings held were strictly as per the Board Almanac for committees and full Board. There was special meeting within the same financial year to help review the hospital budget estimates.

### **Board Committees.**

- a) Finance and General-Purpose Committee.
- b) Audit and risk Management Committee.
- c) Quality and Curative Committee.

### **Conflict of Interest.**

Declaration of conflict of interest is a standard agenda in all meetings of the Board and its committees. A register maintained by the institution to record all declarations made by the board members.

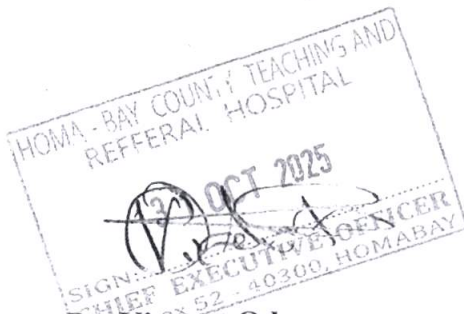
## 9. Management Discussion and Analysis

### Clinical/operational performance

- *Bed capacity of the hospital-311 as per KMPDC license.*
- *Overall patient attendance during the year for both inpatient and outpatient was 53,775 patients.*
- *Accident and Emergency attendance-1,425 patients*
- *Specialised clinic attendance was 41,107 patients.*
- *Average length of stay for in patient- 5.5 days.*
- *Bed occupancy rate-68.7%.*
- *Mortality rate-8.8*
- *Surgical theatre utilisation (number of operations over a period of time)-2,487 patients.*
- *Sponsorships and partnerships*

### *Financial performance that includes: -*

- *Revenue sources-Medical fees, Reimbursement from SHA/NHIF, partners.*
- *Utilisation of funds was on purchase of medical supplies, payment of staff salaries and utility bills.*



**Dr. Vincent Oduor**  
**Accounting Officer**

## **10. Environmental And Sustainability Reporting**

HBCTRH exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the patient first, delivering relevant goods and services and improving operational excellence. Below is an outline of the organisation's policies and activities that promote sustainability.

### **i) Sustainability strategy and profile**

As a county teaching and referral hospital, we recognize that we conduct our operations in a manner that considers the environmental and social impact to ensure that success and longevity of the operations. We are committed to being transparent, candid, and open about our operations. At HBCTRH we have a pragmatic approach to sustainability, we focus on identifying and putting into practice initiatives and programs that deliver real world and lasting benefits to all our stakeholders

Engaging with our stakeholders informs our decision-making, strengthened our relationship and helps us deliver our committees and success as an entity. In order to achieve these goals, we recognize that we must work in partnership with other interested stakeholders in who share our commitment and have stake in our entity.

We actively engage with government, regulators, customers, supplies, investors and individual citizens to create an environment that is supportive of solutions.

### **ii) Environmental performance**

In our offices and clinical areas, we continue encouraging employees to help reduce energy consumption by switching of their computers and lights at the end of the day. As part of adopting energy efficient technology, we have microwave incinerator that helps with waste management.

In packaging of medicine, we use environmentally friendly bags. In medical waste we are using bags which are clearly marked for clinical waste, bottles, leftover foods, staffs are also provided with personal protective equipment.

### **iii) Employee welfare**

HBCTRH staff are employed and remunerated y the Homabay County Government. However, some are remunerated by the hospital. The recruitment policy also recommends that a third of the staff employed should not be more than one gender.

### **iv) Market place practices**

HBCTRH has suppliers that supply goods and services. We manage contracts and engage multiple service providers for our operations. Our own reputation as a service provider is always a top priority. For that reason, we are focused on ensuring our suppliers comply with best practices and adhere to our contract agreement for all services and goods offered.

**v) Corporate Social Responsibility / Community Engagements**

As a way of creating awareness on health seeking behavior and encourage early diagnosis and treatment, HBCTRH conducts clinical outreaches in the community within its catchment area. It offers screening and free medical services i.e EYE unit.

### **11. Report of The Board of Management**

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

#### **Principal activities**

The principal activities of the hospital are:

- a) Provide financial resources for medical supplies, rehabilitation and medical equipment for health facilities in the Hospital.
- b) Support capacity building in the management of the Hospital.
- c) To give decision making autonomy to the hospital management committees, to plan and manage the resources within their control.
- d) To improve the quality of health care services in the Hospital

#### **Results**

The results of the entity for the year ended June 30 2025 are set out on pages 1 to 9

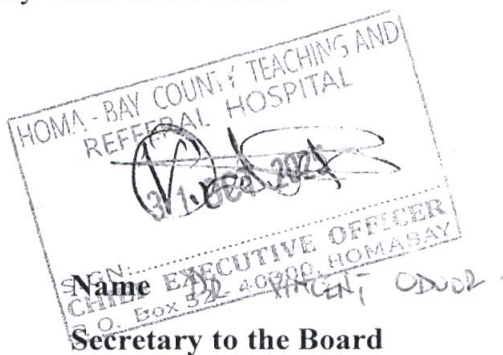
#### **Board of Management**

The members of the Board who served during the year are shown on pages viii and ix. During the year, no director(s) retired/ resigned.

#### **Auditors**

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

By Order of the Board

  
**Name** \_\_\_\_\_  
**Executive Officer**  
P.O. Box 52, Homabay  
**Secretary to the Board**

## 12. Statement of Board of Management's Responsibilities

Section 166 of the Public Finance Management Act, 2012 require the Directors of HBCTRH to prepare quarterly financial statements in respect of the Hospital, which give a true and fair view of the state of affairs of the Hospital at the end of the three months period ended September, 30, 2024 and the operating results of the Hospital for that period. The Directors are also required to ensure that the Hospital keeps proper accounting records which disclose with reasonable accuracy the financial position of the Hospital. The Directors are also responsible for safeguarding the assets of the Hospital.

The Board of Directors 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 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 Directors 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 hospital's transactions during the financial year ended June 30, 2025, and of the Hospital's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the Hospital, which have been relied upon in the preparation of the Hospital's financial statements as well as the adequacy of the systems of internal financial control.

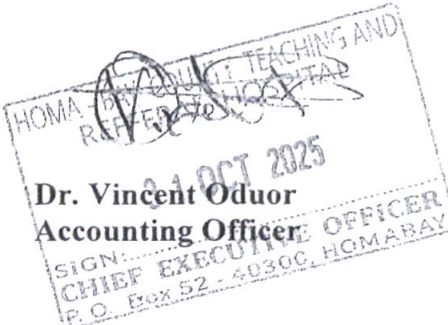
Nothing has come to the attention of the Board of Directors to indicate that the Hospital will not remain a going concern for at least the next twelve months from the date of this statement.

### Approval of the financial statements

The Hospital's financial statements were approved by the Board on \_\_\_\_\_ and signed on its behalf by:



**Mr. Joseph Mitito**  
Chairperson  
Board of Directors



**Dr. Vincent Oduor**  
Accounting Officer  
SIGN: \_\_\_\_\_  
CHIEF EXECUTIVE OFFICER  
P. O. Box 52 - 40300 HGMABAY

# REPUBLIC OF KENYA

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

## REPORT OF THE AUDITOR-GENERAL ON HOMABAY COUNTY TEACHING AND REFERRAL HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2025 – COUNTY GOVERNMENT OF HOMABAY

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### 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 Homabay County Teaching and Referral Hospital - County Government of Homabay set out on pages 1 to 53, which comprise the statement of financial position as at 30 June, 2025 and the

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

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

### **Basis for Qualified Opinion**

#### **1. Doubtful Receivables from Exchange Transactions**

The statement of financial position and as reflected in Note 12 to the financial statements reflects Kshs.189,968,710 in respect to receivables from exchange transactions. The balance comprise Kshs.84,387,280 and Kshs.105,566,430 in respect of receivables from NHIF and SHA respectively. However, the schedules provided for audit in support of NHIF receivables did not contain important information such as reference number, name of the patient, date of claim and the approval status. Further, the management did not provide an aging analysis for the NHIF receivables. It was therefore not possible to confirm the duration over which the claims have remained outstanding.

In addition, receivables amount from SHA revealed an amount of Kshs.10,600,310 categorized as rejected claims but with no supporting explanation. Further review revealed that no provisions had been made for bad debts despite the high likelihood of the balances being non-recoverable. Management has also not put in place measures to ensure that the pending claims are recovered while the hospital does not have the debtor's management policy in place.

In the circumstances, the accuracy, completeness, and recoverability of the receivables from exchange transactions balance of Kshs.189,968,710 could not be confirmed.

#### **2. Irregular Transfer of Rendering of Services- Medical Services Income and Failure to Report as Receivables from the County Executive**

The statement of financial performance reflects Rendering of Services- Medical Services Income balance of Kshs.308,356,044. Audit review of the Hospital bank statements and cash books for the period under review revealed that the Hospital transferred a total amount of Kshs.260,781,000 to special purpose account operated by the County Executive. Although Kshs.212,758,600 was transferred back, the balance of Kshs.48,022,400 remained outstanding as at 30 June, 2025 but was not

reported as receivable from the County Executive. This was contrary to Section 5(1) of the Act that requires that all revenues collected should be retained by all public health facilities.

In the circumstances, the receivable balances from non-exchange transactions of Kshs.6,169,181 is understated while Management was in breach of the law.

The audit was conducted in accordance with The International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Homabay County Teaching and Referral 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.

### **Key Audit Matters**

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

### **Other Matter**

### **Unresolved Prior Year Matters**

In the prior year audit report, several issues were raised under the Report on Financial Statements, Lawfulness and Effectiveness in the Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the status during audit of the Hospital in 2024/2025 revealed that the following matters remained unresolved:

<b>S/No.</b>	<b>Audit Issue</b>
1	Unsupported Transfers in the Statement of Cash Flows
2	Unexplained Revaluation Gain
3	Long Outstanding Trade and Other Payable
4	Failure to Retain Revenue Raised by the Hospital
5	Irregular Employment of Medical Officers
6	Non-Implementation of the Hospital's Staff Establishment
7	Non-Compliance with Provisions on Ethnicity Diversity
8	Non-Functional Hospital Equipment
9	Lack of Information System Disaster Recovery Plan
10	Ineffective Internal Audit and Audit Committee Function

### **Other Information**

The Management is responsible for the Other Information set out on page xii to xxi which comprise; Key Entity Information and Management, The Board of Management, Key Management Team, Chairman's Statement, Report of the Medical Superintendent, Statement of Performance Against Predetermined Objectives,

Corporate Governance Statement, Management discussion and analysis, Environmental and Sustainability Reporting, Report of the Board of Management, and the Statement of Board of Management 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 and 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.

#### 1. Long Outstanding Trade and Other Payables

The statement of the financial position Note 16 to the financial statements reflects trade and other accounts payables balance of Kshs.89,631,875 as disclosed in Note 16 to the financial statements. Documents provided for our audit review revealed that Kshs.17,944,282 in respect to accounts payables was not paid in the year 2023/2024 but carried forward to 2024/2025 financial year contrary to Regulation 41(2) of the Public Finance Management (County Governments) Regulations, 2015 which states that debt service payments shall be a first charge on the County Revenue Fund and the Accounting Officer shall ensure this is done to the extent possible that the County Government does not default on debt obligations.

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

#### 2. Failure to Maintain an Asset Register

The statement of financial position and as disclosed under Note 15 to financial statements reflects property, plant and equipment with a net book value balance of Kshs.545,358,119. However, management did not provide an asset register for audit review contrary to the Regulation 143 (1) of Public Finance Management (County Government) Regulations 2015, which states that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws. Further, review of documents provided for audit

revealed that additional assets acquired during the year were depreciated at cost for the whole year and not prorated depending on the date of acquisition. Further, the accumulated depreciation for the year was not disclosed in the financial statements.

In the circumstances, Management was in breach of the law while the risk of asset pilferage is high.

### 3. Universal Health Coverage

#### 3.1. Inadequate Level 5 Hospital Medical Staff

Review of the Hospital's operations and records revealed that the health facility operated below the set standards as per the Kenya Quality Assurance Model for Health Checklist for Level 5 hospitals. The following deficiencies in implementation of Universal Health Care programme were observed: -

Category	Recommended as per Kenya Quality Model for Health Checklist	In place (No)	Variance
Medical officers	50	10	40
Anesthesiologists	7	0	7
General Surgeons	4	3	1
Gynecologists	4	3	1
Pediatricians	4	3	1
Radiologists	4	0	4
Kenya Registered Community Health Nurses	250	153	97
<b>Total</b>	<b>323</b>	<b>172</b>	<b>151</b>

#### 3.2. Inadequate Level 5 Hospital Equipment

Review of the Hospital's operations and records revealed that the health facility is operating below the set standards as per the Kenya Quality Assurance Model for Health Checklist for Level 5 hospitals. The following deficiencies in implementation of Universal Health Care programme in regards to hospital equipment and machines were observed;

Equipment	Standard	Observed	Variance
Wards Bed capacity	500	310	190
Functioning ICU	12	5	7
Functioning HDU	12	12	0
Operational theatres	7	6	1
New Born Unit- Incubators	10	6	4

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 care 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 may have hindered the achievement of the Government program on Universal Health Coverage (UHC).

In the circumstances, the effectiveness of the medical services offered and the Universal Health Coverage programme could not be confirmed.

#### **4. Employee Cost**

##### **4.1. Underpayment of Non-Technical Staff**

The statement of financial performance and as disclosed in note 6 to the financial statements reflects Kshs. 22,987,738 in respect to employee costs. Documents provided for audit review revealed that the hospital engaged sixty (60) non-technical staff on a three months renewable basis as cooks and cleaners during the year. The non-technical staff were paid a consolidated pay of Kshs.10,000 per month. However, the pay applied was below the minimum wage rate of Kshs.13,573 contrary to Regulation E.21 (2) of 2006 of Revised Regulations which states that casual workers should be hired on piece rated or time rated jobs and should be paid in accordance with the minimum wage guidelines issued by the Government from time to time.

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

##### **4.2. Staff Establishment and Recruitment Weaknesses**

The statement of financial performance and as disclosed in Note 6 to the financial statements reflects Kshs.22,987,738 in respect to employee costs. Documents provided for audit review revealed that the hospital has a total workforce of five hundred and eleven (511) staff, out of which ninety-six (96) have been recruited and appointed by the hospital management while four hundred and fourteen (414) have been recruited by the County government through the County Public Service Board. However, review of personnel records provided for audit review revealed that the hospital has engaged one hundred and fifty-three (153) Kenya Community Registered Nurses. Out of this number, one hundred and forty two (142) were recruited by the County Public Service Board while eleven (11) were recruited by the hospital. While the one hundred and fifty-three (150) nurses work in the same environment under similar work conditions, review of payroll reviewed that the eleven (11) community registered nurses recruited by the hospital earned a monthly consolidated pay of Kshs. 30,000, while the nurses recruited by the CPSB earned a monthly pay of Kshs.78,000 plus other allowances. Although management explained the discrepancy to be as a result of limited resources, no other plausible justification was provided for failure to harmonize the salaries of the Kenya Registered Community Nurses. Further, the Hospital has an approved staff establishment of one thousand six hundred and seventy-two (1,672) staff against in place of five hundred and eleven (511) staff resulting to a shortfall of 511 one thousand one hundred and one (1,161) staff.

In the circumstances, the optimal staffing level at the referral hospital could not be determined and service delivery at the hospital may have been compromised due to inadequate staffing level.

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 THE 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 the 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 and Framework**

During the year under review, the Hospital had not developed or implemented a risk management policy or framework to guide on risk assessment and mitigation processes. Further, management has not carried out risk assessment and had no updated risk register. In addition, the Hospital revealed that the Hospital did not have a disaster recovery plan.

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

#### **2. Weakness in Internal Audit and Audit Committee Function**

During the year under review, the documents provided for audit review revealed that the internal audit department planned to undertake six (6) audits namely; cash management, revenue audit, procurement, stores and fuel audit, human resource audit, compliance audit and asset management audit. However, the formal approval of the work plan by the audit committee, the rationale for the choice of the auditable areas were not provided for review implying that the areas may have been identified on an adhoc basis and not through a comprehensive risk assessment of the hospital. Further, while the internal auditor was appointed on 5 October, 2023, only one (1) report has been raised dated 29 April, 2025 and whose scope could not be determined. In addition, the audit committee did not publish a report on the review of the independence, performance, and competence of the Internal audit unit as required by section 159 (2) of the Public Finance Management (County Government) Regulations, 2015. Further review indicated that among the key recommendations in the report, were that the hospital should ensure all pending bills relating to recurrent and development expenditure be paid as a first charge during the subsequent year and that internal audit department should conduct a pre-audit on the bills before the bills are cleared as a control. However, management commitment or responses on auditor findings were not documented or provided for audit review.

In the circumstances the effectiveness of the oversight role of the internal audit and risk management could not be confirmed.

### **3. Weak Patient's Registration Management System**

Review of the hospital workload distribution summary indicated 28,504 registered patients as at 30 June 2025 out of which 15,856 were outpatients. Registration of patients is being done manually at the registration counter where patient name, age, and address is recorded but the subsequent diagnosis prescribed by doctors, results thereof, medicines prescribed, and patient treatment history are not recorded in an information system for reference and decision making as the hospital operates a manual system for registration of patients and receipt of revenue in respect for outpatients. As such, subsequent re-visits by patients have to be registered afresh without reference to the clinical history of patients which hinders planning, decision making and monitoring of disease prevalence among patients.

In the circumstances, lack of patient treatment history may prevent provision of proper and accurate medical care by the doctors during subsequent visits.

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

### **Responsibilities of the Management and those Charged with Governance**

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 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**

**27 November, 2025**

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

	Notes	2024/2025	2023/2024
<b>Revenue from Non-Exchange Transactions</b>		Ksh	Ksh
Grants and Donations from FDSA		-	763,800
In Kind Contributions from The County Government	1	13,400,000	5,430,819
In Kind Donations from MEDS and KEMSA	2	22,739,165	30,334,186
In Kind Donations from GOK and Global Fund		-	3,982,035
<b>Total Revenue from Non-Exchange Transactions</b>		<b>36,139,165</b>	<b>40,510,840</b>
<b>Revenue from Exchange Transactions</b>			
Rendering of Services-Medical Services Income	3	308,356,044	267,006,671
Revenue from Rent of Facilities	4	1,080,000	780,000
<b>Total Revenue from Exchange Transactions</b>		<b>309,436,044</b>	<b>267,786,671</b>
<b>Total Revenue</b>		<b>345,575,209</b>	<b>308,297,511</b>
<b>Expenses</b>			
Medical/Clinical Costs	5	193,512,810	132,397,747
Employee Costs	6	22,987,738	19,039,801
Board of Management Expenses	7	1,886,990	2,378,700
Repairs and Maintenance	8	10,889,018	9,075,129
General Expenses	9	53,181,569	61,714,365
Depreciation and Amortization Expense	10	50,234,687	-
<b>Total Expenses</b>		<b>332,692,811</b>	<b>224,605,742</b>
<b>Net Surplus for the year</b>		<b>12,882,398</b>	<b>83,691,769</b>

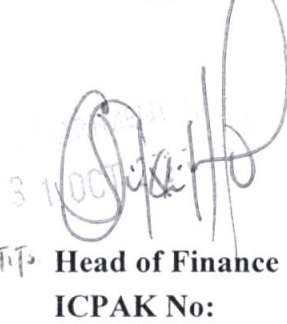
**Homabay County Teaching and Referral Hospital (Homabay County Government)**  
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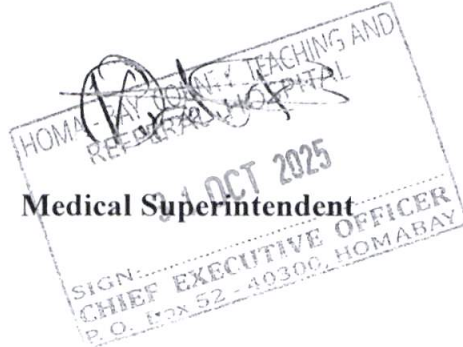
The Hospital's financial statements were approved by the Board on \_\_\_\_\_ and signed on its behalf by:



**Chairman** MR. JOSEPH MITIP  
**Board of Management**



**Head of Finance**  
**ICPAK No:**



**Medical Superintendent**

**15. Statement of Financial Position as at 30<sup>th</sup> June 2025**

<b>Description</b>	<b>Notes</b>	<b>2024/2025</b>	<b>2023/2024</b>
		Ksh	Ksh
<b>Current Assets</b>			
Cash and Cash Equivalents	11	871,496	2,719,652
Receivables from Exchange Transactions	12	189,968,710	47,028,795
Receivables from Non-Exchange Transactions	13	6,169,181	19,569,181
Inventories	14	11,014,906	9,192,082
<b>Total Current Assets</b>		<b>208,024,293</b>	<b>78,509,710</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	15	545,358,119	590,000,000
<b>Total Non-Current Assets</b>		<b>545,358,119</b>	<b>590,000,000</b>
<b>Total Assets</b>		<b>753,382,412</b>	<b>668,509,710</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	16	89,631,875	58,622,481
<b>Total Current Liabilities</b>		<b>89,631,875</b>	<b>58,622,481</b>
<b>Net Assets</b>		<b>663,750,537</b>	<b>609,887,229</b>

**Homabay County Teaching and Referral Hospital (Homabay County Government)  
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<b>Represented By</b>			
Revaluation Reserves	17	537,285,132	496,304,222
Accumulated Surplus	17	126,465,405	113,583,007
<b>Net Assets</b>		<b>663,750,537</b>	<b>609,887,229</b>

The Hospital's financial statements were approved by the Board on \_\_\_\_\_ and signed on its behalf by:

**Chairman**  
**Board of Management**

**Head of Finance**  
**ICPAK No:**

**Medical Superintendent**

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

<b>Description</b>		<b>Revaluation Reserve</b>	<b>Surplus</b>	<b>Total</b>
		Ksh	Ksh	Ksh
As at 01.07.2023		-	29,891,238	29,891,238
Surplus for the Year 2023/2024		-	83,691,769	83,691,769
Revaluation Gain		496,304,222	-	496,304,222
As at 30.06.2024		496,304,222	113,583,007	609,887,229
As at 01.07.2024		496,304,222	113,583,007	609,887,229
Surplus for the year 2024/2025			12,882,398	12,882,398
Revaluation Reserve (Restatement)		40,980,910		40,980,910
<b>As at 30.06.2025</b>		<b>537,285,132</b>	<b>126,465,405</b>	<b>663,750,537</b>

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

<b>Description</b>	<b>Notes</b>	<b>2024/2025</b>	<b>2023/2024</b>
		Ksh	Ksh
<b>Cash flows from Operating Activities</b>			
<b>Receipts</b>			
Rendering of Services-Medical Services Receipts	18	305,428,905	260,625,322
In-Kind Contributions from The County Government in Payment of Electricity and Water	1	13,400,000	5,430,819
Receipts from Rent of Facilities	4	1,065,000	1,075,344
Grants and Donations from FDSA		-	763,800
<b>Total Cash Receipts</b>		<b>319,893,905</b>	<b>267,895,285</b>
<b>Cash Payments</b>			
Medical/Clinical Costs	19	(196,255,523)	(168,391,183)
Employees Costs	20	(22,590,490)	(18,368,691)
Board of Management Expenses	21	(1,886,990)	(2,378,700)
Repairs and Maintenance	22	(12,121,636)	(12,405,289)
General Expenses	23	(61,253,653)	(54,551,750)
Transfers to the County Treasury		-	(8,000,000)
Transfers Retained in SPA		(22,770,210)	(2,850,000)
<b>Total Cash Payments</b>		<b>(316,878,503)</b>	<b>(266,945,613)</b>
<b>Net Cash Flow from Operating Activities</b>		<b>3,015,402</b>	<b>949,672</b>
<b>Cash flows from Investing Activities</b>			
Purchase of Assets	24	(4,863,558)	(4,268,643)

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<b>Net Cash flows from Investing Activities</b>		<b>(1,848,156)</b>	<b>(4,268,643)</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>			<b>(3,318,971)</b>
<b>Cash and Cash Equivalents as at 1 July 2024</b>		<b>2,719,652</b>	<b>6,038,623</b>
<b>Cash and Cash Equivalents as at 30 June 2025</b>	<b>11</b>	<b>871,496</b>	<b>2,719,652</b>

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

Description	Original	Adjustment	Final	Actual on	Perfomanc	%
	Budget	s	Budget	Comparabl	e	Utilizatio
	A	B	C=(A+B)	e	difference	n
	D	E=(C-D)	F=D/C%	Ksh	Ksh	Ksh
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh
<b>Revenue</b>						
Rendering of Services-Medical Services Income	308,400,000		308,400,000	308,356,044	(43,956)	99.99%
In Kind Contributions from The County Government	13,400,000		13,400,000	13,400,000	-	100.00%
In Kind Donations from MEDS and KEMSA	22,739,165		22,739,165	22,739,165	-	100.00%
Revenue from Rent of Facilities	1,080,000		1,080,000	1,080,000	-	100.00%
<b>Total Income</b>	<b>345,619,165</b>	<b>-</b>	<b>345,619,165</b>	<b>345,575,209</b>	<b>(43,956)</b>	<b>99.99%</b>
<b>Expenditure</b>						
Medical/ Clinical Costs	193,573,915	-	193,573,915	193,512,810	61,105	99.97%
Employees Costs	22,990,000	-	22,990,000	22,987,738	2,262	99.99%

*Homabay County Teaching and Referral Hospital (Homabay County Government)*  
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Remuneration of Board Members	1,887,000	-	1,887,000	1,886,990	10	100.00%
Repairs and Maintenance	10,933,000	-	10,933,000	10,889,018	43,982	99.60%
General Expenses	53,290,350	-	53,290,350	53,181,569	108,781	99.80%
Depreciation and Amortization	50,235,000		50,235,000	50,234,687	313	100.00%
Purchase of Assets	5,600,000	-	5,600,000	5,592,806	7,194	99.87%
<b>Total Operational Expenses</b>	<b>338,509,265</b>	<b>-</b>	<b>338,509,265</b>	<b>338,285,617</b>	<b>223,648</b>	<b>99.93%</b>
<b>Surplus for the Period</b>	<b>7,109,900</b>	<b>-</b>	<b>7,109,900</b>	<b>7,289,592</b>		

## **19. Notes to the Financial Statements**

### **1. General Information**

Homabay County Teaching and Referral Hospital is established by and derives its authority and accountability from Kenya Gazette Notice Vol. XCI-No. 4. 1989. The Hospital is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is provision of quality 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 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, the State Corporations 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 2024*

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 2024.*

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 43	<p><i>Applicable 1<sup>st</sup> 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> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1<sup>st</sup> 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> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 45- Property	<p><i>Applicable 1<sup>st</sup> January 2025</i></p>

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

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<b>Standard</b>	<b>Effective date and impact:</b>
	of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 48- Transfer Expenses	<i>Applicable 1<sup>st</sup> January 2026</i> 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. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1<sup>st</sup> January 2026</i> 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. <i>State the expected impact of the standard to the Entity if relevant</i>

*iii) Early adoption of standards*

The Entity did not early –adopt any new or amended standards in year 2024/2025.

**4. Summary of Significant Accounting Policies**

**a. Revenue recognition**

**i) Revenue from non-exchange transactions**

**Transfers from other Government entities**

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

**ii) Revenue from exchange transactions**

**Rendering of services**

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

**Sale of goods**

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

**Interest income**

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net

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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.

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*Notes to the Financial Statements (Continued)*

**b. Budget information**

The original budget for FY 24/2025 was approved by Board on *Aug 2024*. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. HBCTRH budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 9.

**c. Taxes**

**Sales tax/ Value Added Tax**

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

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

*Notes to the Financial Statements (Continued)*

**d. Investment property**

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

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a period of ~~xxx~~ years. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

**e. Property, plant and equipment**

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

*Notes to the Financial Statements (Continued)*

**f. Leases**

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

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

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

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

**g. Intangible assets**

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

*Notes to the Financial Statements (Continued)*

**h. Research and development costs**

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

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

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

**i. Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *HBCTRH 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.

*Notes to the Financial Statements (Continued)*

**Financial assets**

**Classification of financial assets**

HBCTRH 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

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recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

*Notes to the Financial Statements (Continued)*

**Fair value through net assets/ equity**

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

**Fair value through surplus or deficit**

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

**Trade and other receivables**

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

**Impairment**

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

**Financial liabilities**

**Classification**

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

*Notes to the Financial Statements (Continued)*

**j. Inventories**

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

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

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

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

**k. Provisions**

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

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

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

*Notes to the Financial Statements (Continued)*

**l. Social Benefits**

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

**m. Contingent liabilities**

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

**n. Contingent assets**

HBCTRH does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

**o. Nature and purpose of reserves**

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

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**p. Changes in accounting policies and estimates**

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

*Notes to the Financial Statements (Continued)*

**q. Employee benefits**

**Retirement benefit plans**

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

**r. Foreign currency transactions**

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

**s. Borrowing costs**

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

**t. Related parties**

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

*Notes to the Financial Statements (Continued)*

**u. Service concession arrangements**

HBCTRH 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 *hospital* recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, HBCTRH also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**v. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**w. Comparative figures**

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

**x. Subsequent events**

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

## **5. Significant Judgments and Sources of Estimation Uncertainty**

The preparation of HBCTRH 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 Hospital.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset.

### **Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in notes.

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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**

**1. In Kind Contributions from The County Government of Homa Bay**

<b>Description</b>	<b>2024/2025</b>	<b>2023/2024</b>
	Ksh	Ksh
Payment for Water and Sewerage Expenses	5,000,000	5,430,819
Payment for Electricity Expenses	8,400,000	-
<b>Total</b>	<b>13,400,000</b>	<b>5,430,819</b>

**2. In Kind Donations from MEDS and KEMSA**

<b>Description</b>	<b>2024/2025</b>	<b>2023/2024</b>
	Ksh	Ksh
Donations of ARVs	17,463,650	30,334,186
Drugs for Malaria	5,275,515	-
<b>Total</b>	<b>22,739,165</b>	<b>30,334,186</b>

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**3. Rendering of Services-Medical  
Services Income**

<b>Description</b>	<b>2024/2025</b>	<b>2023/2024</b>
	<b>Kshs</b>	<b>Kshs</b>
Pharmaceuticals	34,861,826	28,843,123
Non-Pharmaceuticals	27,354,398	25,903,786
Laboratory	33,466,359	27,076,342
Radiology	27,548,297	26,087,402
Orthopedic and Trauma Technology	17,567,997	13,467,125
Theatre	44,882,543	41,905,915
Accident and Emergency Service	11,231,644	8,508,821
Anesthesia Service	12,618,948	10,041,337
Ear Nose and Throat service	13,138,545	9,903,177
Nutrition service	11,435,287	9,892,117
Cancer centre service	13,698,513	12,972,077
Dental services	12,411,340	10,768,124
Reproductive health	16,866,701	13,428,902
Paediatrics services	14,746,002	12,745,032
Farewell home services	16,578,540	15,632,099
Other medical services income	-	-
<b>Total revenue from rendering of services</b>	<b>308,406,939</b>	<b>267,175,379</b>
Less Refunds to Patients	50,895	168,708
<b>Total Income</b>	<b>308,356,044</b>	<b>267,006,671</b>

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**4. Revenue from Rental of Facilities**

<b>Description</b>	<b>2024/2025</b>	<b>2023/2024</b>
	Ksh	Ksh
Kemri University/Walter Reeds-Cash Received	1,065,000	780,000
Kemri University/Walter Reeds-Rent Receivable	15,000	
<b>Total</b>	<b>1,080,000</b>	<b>780,000</b>

**5. Medical/Clinical Costs**

<b>Description</b>	<b>2024/2025</b>	<b>2023/2024</b>
	Ksh	Ksh
Laboratory Chemicals and Reagents	13,863,853	7,843,477
Food Rations	29,622,044	27,431,179
Food Rations-Donated by GOK and Global Fund	-	3,982,035
Dressings and Non-Pharmaceuticals	42,415,560	16,627,774
Dental Supplies	-	325,200
Sanitary and Cleaning Materials	4,635,372	5,193,425
Medical Gases	4,197,659	807,096
X-Ray/Radiology Supplies	9,234,860	8,019,400
Pharmaceutical Supplies	56,111,850	24,934,570
Pharmaceutical Supplies-Donated by MEDS and KEMSA	22,739,165	30,334,186
Medical Records	5,687,000	2,438,000

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Bedding, Linens and Clothing Supplies	742,750	451,600
Surgical Implants	3,326,500	2,258,580
Ultrasound for Fistula Patients	-	6,300
Theatre Fees for Fistula Patients	-	757,500
Blood Donation Expenses	936,197	987,425
<b>Total</b>	<b>193,512,810</b>	<b>132,397,747</b>

**6. Employees Costs**

Description	2024/2025	2023/2024
	Ksh	Ksh
Salaries, Wages and Allowances	22,987,738	18,677,575
Other Employees Costs-Locums	-	362,226
<b>Totals</b>	<b>22,987,738</b>	<b>19,039,801</b>

**7. Board of Management Expenses**

Description	2024/2025	2023/2024
	Ksh	Ksh
Board of Management Expenses	1,886,990	2,378,700
<b>Totals</b>	<b>1,886,990</b>	<b>2,378,700</b>

**8. Repairs and Maintenance**

Description	2024/2025	2023/2024
	Ksh	Ksh
Repairs and Maintenance of Motor Vehicles	1,705,540	782,555
Repairs and Maintenance of Buildings	781,395	5,029,975
General Repairs and Maintenance	1,152,740	313,050
Repairs and Maintenance of Furniture and Fittings	10,000	-
Repairs and Maintenance of Computers, Printers and CCTV	229,001	20,000

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Repairs and Maintenance of Medical Equipment	181,220	1,837,054
Repairs and Maintenance of Medical Machines	1,614,917	-
Repairs and Maintenance of Plants	823,600	121,700
Repairs and Maintenance of Electrical Works	3,804,855	727,600
Repairs and Maintenance of Generators	117,790	113,580
Repairs and Maintenance of Mortuary	15,000	30,000
Repairs and Maintenance of Plumbing Works	452,960	99,615
<b>Totals</b>	<b>10,889,018</b>	<b>9,075,129</b>

**9. General Expenses**

Description	2024/2025	2023/2024
	Ksh	Ksh
Bank Service Charges	138,124	167,842
Contracted Professional Services	5,939,651	3,957,054
Contracted Security Services	4,563,449	3,904,615
Electricity Expenses	12,776,539	16,923,743
Domestic Travel and Accommodation	206,400	1,277,005
International Travel and Accommodation	286,000	-
Daily Subsistence Allowances	645,900	914,300
Workshops, Seminars and Conferences	1,372,992	261,800
Refined Fuel, Oil and Lubricants	7,646,873	13,154,430
Other Fuels-Charcoal, Firewood and Gas	1,948,190	1,117,900
Water and Sewerage Expenses	9,793,823	8,574,418
Drilling of Borehole and Water Works	-	3,412,195
Telephone and Internet Expenses	1,464,415	1,274,960

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Subscription to Professional Bodies	35,000	10,000
Catering Services	-	122,460
Post Office Box Rental Expenses	9,450	-
General Office Supplies	1,748,627	184,000
Printing & Stationery	3,891,330	5,269,140
Motor Vehicles Insurance	714,806	1,188,503
<b>Total General Expenses</b>	<b>53,181,569</b>	<b>61,714,365</b>

**10. Depreciation  
and Amortization  
Expense**

Description	2024/2025
	Ksh
Buildings and Civil Works	14,050,578
Furniture and Fittings	3,125,000
Plant and Medical Equipments	22,136,014
Motor Vehicles	8,750,000
IT Equipments	2,162,789
Cuttleries	10,306.35
<b>Total</b>	<b>50,234,687</b>

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**11. Cash and Cash Equivalents as at  
30th June 2025**

<b>Description</b>	<b>2024/2025</b>	<b>2023/2024</b>
	Ksh	Ksh
Cooperative Bank Ltd-Account No.01141589382900	31,471	22,234
KCB Bank Ltd-Account No.1252185146	623,999	2,456,350
Equity Bank Ltd-Account No.0980279740164	216,026	241,068
<b>Totals</b>	<b>871,496</b>	<b>2,719,652</b>

**12. Receivables from Exchange Transactions**

<b>Description</b>	<b>2024/2025</b>	<b>2023/2024</b>
	Ksh	Ksh
NHIF	84,387,280	45,674,968
SHA	105,566,430	-
National Youth Service	-	515,063
Medicines Sans Frontiers	-	158,724
KEMRI LSTM	-	22,000
KEMRI UW-Rent	15,000	60,000
HJFMRI	-	135,000
AMREF-YOFAK	-	136,000
Aon Minet	-	327,040
<b>Total Receivables From Exchange Transactions</b>	<b>189,968,710</b>	<b>47,028,795</b>

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**13. Receivables from Non-Exchange Transactions**

Description	2024/2025	2023/2024
	Ksh	Ksh
Operation Grants	19,569,181	25,000,000
Direct Payment for Electricity, Water and Sewerage by the County Government	(13,400,000)	(5,430,819)
<b>Total</b>	<b>6,169,181</b>	<b>19,569,181</b>

**14. Inventories**

Description	2024/2025	2023/2024
	Ksh	Ksh
Pharmaceuticals Supplies	5,280,098	2,988,366
Non-Pharmaceuticals Supplies	4,150,108	4,613,216
Food Supplies	1,463,850	530,000
Sanitary and Cleaning Materials	120,850	-
Bedding, Linens and Clothing Supplies	-	1,060,500
<b>Total Inventories</b>	<b>11,014,906</b>	<b>9,192,082</b>

**15. Property, Plant and Equipment**  
Schedule as at 30 June ,2025

Description	Buildings and Civil Works	Furniture and Fittings	Plant and Medical Equipments	Motor Vehicles	IT Equipments	Cutleries	Total
	4%	12.50%	12.50%	25%	30%	33%	
	Ksh	Ksh	Ksh	Ksh	Ksh		Ksh
NBV as at 1.07.2024	350,000,000	25,000,000	175,985,252	35,000,000	4,014,748	-	590,000,000

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Additions during the year 2024/2025	1,264,450	-	1,102,857	-	3,194,549	30,950	5,592,806
Disposals during the year 2024/2025	-	-	-	-	-	-	-
Transfers/Adjustments during the period	-	-	-	-	-	-	-
<b>Total Cost as at 30.06.2025</b>	<b>351,264,450</b>	<b>25,000,000</b>	<b>177,088,109</b>	<b>35,000,000</b>	<b>7,209,297</b>	<b>30,950</b>	<b>595,592,806</b>
							-
Accumulated Depreciation and Impairment as at 01.07.2024	-	-	-	-	-	-	-
Depreciation for the year 2024/2025	14,050,578	3,125,000	22,136,014	8,750,000	2,162,789	10,306	50,234,687
Accumulated Depreciation as at 30.06.2025	14,050,578	3,125,000	22,136,014	8,750,000	2,162,789	10,306	50,234,687
<b>Net Book Value as at 30.06.2025</b>	<b>337,213,872</b>	<b>21,875,000</b>	<b>154,952,095</b>	<b>26,250,000</b>	<b>5,046,508</b>	<b>20,644</b>	<b>545,358,119</b>
<b>Net Book Value as at 30.06.2024</b>	<b>350,000,000</b>	<b>25,000,000</b>	<b>175,985,252</b>	<b>35,000,000</b>	<b>4,014,748</b>	<b>-</b>	<b>590,000,000</b>

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**16. Trade and Other Payables**

<b>Description</b>	<b>2024/2025</b>	<b>2023/2024</b>
	Ksh	Ksh
Pharmaceutical Suppliers	19,142,754	4,323,125
Laboratory Chemicals and Reagents Suppliers	6,478,170	3,864,945
Dressing and Non Pharmaceutical Suppliers	22,679,030	7,796,845
X-Ray/Radiology Materials Suppliers	3,938,042	1,125,899
Food and Ration Suppliers	5,537,000	6,113,220
Sanitary and Cleaning Detergents Suppliers	451,380	317,900
General Maintenance Suppliers	3,196,338	4,106,870
Motor Vehicles Maintenance Suppliers	257,350	178,828
General Office Suppliers	920,917	711,807
Medical Records Suppliers	3,090,000	1,020,000
Refined Fuel and Oils Suppliers	690,000	1,255,202
Other Fuels-(charcoal,Firewood Gas) Suppliers	580,050	564,400
Water Suppliers (HOMAWASCO)	2,430,961	2,457,009
Kenya Power & Lighting Co. Ltd	10,651,883	17,630,415
Chemical and Industrial Gases Suppliers	1,133,639	-
Hospital Linens, Uniforms Suppliers	1,559,625	2,559,625
Hospital Suppliers of Fixed Assets	1,941,640	2,511,122
Contracted Professionals-Cleaning Services/Nexus	660,120	-
Contracted Security Guards	1,980,000	430,000

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Salaries and Wages Arrears for the Year 2024/2025	2,312,976	1,655,271
<b>Total Trade Payables for the FY 2024/2025</b>	<b>89,631,875</b>	<b>58,622,481</b>

**17. Statement of Changes in Net Assets for the year ended 30th June 2025**

Description	Revaluation Reserve	Surplus	Total
	Ksh	Ksh	Ksh
As at 01.07.2023	-	29,891,238	29,891,238
Surplus for the Year 2023/2024	-	83,691,769	83,691,769
Revaluation Gain	496,304,222	-	496,304,222
<b>As at 30.06.2024</b>	<b>496,304,222</b>	<b>113,583,007</b>	<b>609,887,229</b>
As at 01.07.2024	496,304,222	113,583,007	609,887,229
Surplus for the year 2024/2025		12,882,398	12,882,398
Revaluation Reserve (Restatement)	40,980,910		40,980,910
<b>As at 30.06.2025</b>	<b>537,285,132</b>	<b>126,465,405</b>	<b>663,750,537</b>

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**18. Receipts for Rendering of Services-Medical Services Receipts**

<b>Description</b>	<b>2024/2025</b>	<b>2023/2024</b>
	Ksh	Ksh
Rendering of Services-Medical Services Receipts	305,428,905	260,625,322
<b>Totals</b>	<b>305,428,905</b>	<b>260,625,322</b>

**19. Payments for Medical/ Clinical Costs**

<b>Description</b>	<b>2024/2025</b>	<b>2023/2024</b>
	Ksh	Ksh
Laboratory Chemicals and Reagents	22,489,528	21,400,915
Food Rations	38,403,223	36,570,916
Dressing and Non-Pharmaceuticals	58,244,588	46,101,907
Surgical Implants	4,880,500	2,295,080
Dental Supplies	1,064,000	658,600
Sanitary and Cleaning Materials	5,838,072	8,544,645
Medical Gases	4,801,347	3,082,926
X-Ray/Radiology Supplies	12,245,850	9,815,532
Pharmaceutical Supplies	40,898,103	32,597,087
Bedding, Linens and Uniforms	1,743,365	1,099,000
Medical Records	4,579,100	4,473,350
Ultrasound for Fistula Patients	-	6,300
Theatre Fees for Fistula Patients	-	757,500
Blood Donation Expenses	1,067,847	987,425

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<b>Totals</b>	<b>196,255,523</b>	<b>168,391,183</b>
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**20. Payments for Employees Costs**

<b>Description</b>	<b>2024/2025</b>	<b>2023/2024</b>
	Ksh	Ksh
Salaries and Wages	22,590,490	18,368,691
<b>Totals</b>	<b>22,590,490</b>	<b>18,368,691</b>

**21. Payments for Board of Management Expenses**

<b>Description</b>	<b>2024/2025</b>	<b>2023/2024</b>
	Ksh	Ksh
Board of Management Expenses	1,886,990	2,378,700
<b>Totals</b>	<b>1,886,990</b>	<b>2,378,700</b>

**22. Payments for Repairs and Maintenance Expenses**

<b>Description</b>	<b>2024/2025</b>	<b>2023/2024</b>
	Ksh	Ksh
Repairs and Maintenance of Electrical Works	3,213,975	727,600
Repairs and Maintenance of Buildings	2,666,195	7,538,405
Repairs and Maintenance of Computers and Printers	63,584	20,000
Repairs and Maintenance of Generators	272,000	113,580
Repairs and Maintenance of Furniture	10,000	116,000
Repairs and Maintenance of Medical Equipment	230,720	2,078,804
Repairs and Maintenance of Medical Machines	1,239,912	-
Repairs and Maintenance of Motor Vehicles	1,900,900	1,244,885
Repairs and Maintenance of Plants	1,042,000	140,700
Repairs and Maintenance of Plumbing Works	409,110	99,615

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Repairs and Maintenance of Mortuary Cold Rooms	15,000	30,000
General Repairs and Maintenance	1,058,240	295,700
<b>Totals</b>	<b>12,121,636</b>	<b>12,405,289</b>

**23. Payments for General Expenses**

<b>Description</b>	<b>2024/2025</b>	<b>2023/2024</b>
	Ksh	Ksh
Bank Service Charges	138,124	167,842
Contracted Professionals	5,577,064	5,376,610
Contracted Services-Security	2,191,800	2,025,036
Electricity Expenses	19,756,460	4,391,378
Domestic Travel and Accommodation	206,400	1,230,005
International Travel and Accommodation	286,000	-
Refined Fuel, Oil & Lubricants	9,568,423	15,399,260
Other Fuels-Charcoal, Firewood and Gas	1,734,240	1,332,700
Water and Sewerage Expenses	9,827,870	9,953,269
Telephone and Internet Services	1,464,415	1,274,960
Subscription to Professional Bodies	35,000	10,000
Daily Subsistence Allowances	645,900	881,300
Drilling of Borehole and Water Works	-	3,715,905
Catering Services	-	122,460
Motor Vehicles Insurance	1,344,483	1,170,308
Printing and Stationery	5,271,655	6,905,063
General Office Supplies	1,804,477	333,854
Post Office Box Rental Expenses	28,350	-

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Workshops, Seminars and Conferences	1,372,992	261,800
<b>Total General Expenses</b>	<b>61,253,653</b>	<b>54,551,750</b>

**24. Payments for Fixed Assets**

<b>Description</b>	<b>2024/2025</b>	<b>2023/2024</b>
	Ksh	Ksh
<b>Purchase of Fixed Assets</b>	<b>4,863,558</b>	<b>4,268,643</b>
<b>Total</b>	<b>4,863,558</b>	<b>4,268,643</b>

Statement of Cash Flows has been prepared on cash basis of accounting. It recognizes revenue when cash is received (cash Inflows) and expenses when cash is paid (cash outflows) whereas statement of financial performance and statement of financial position have been prepared on accrual basis of accounting which recognizes revenue when it is earned and not when cash is received and expenditure is recognized when it is incurred and not when actual payment is made.

It is on this basis that there exist differences in figures for the same items of expenditure prepared under two different accounting basis ie cash basis and accrual basis of accounting for medical/clinical costs and purchases of assets.

**6. 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

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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:

*(NB: The totals column should tie to the individual elements of credit risk disclosed in the entity's statement of financial position)*

**Notes to the Financial Statements (Continued)**

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

**(ii) Liquidity risk management**

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

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

**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:

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.

**Notes to the Financial Statements (Continued)**

**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.

**b) Interest rate risk**

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

**Management of interest rate risk**

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

**Notes to the Financial Statements (Continued)**

**Sensitivity analysis**

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

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

**iv) Capital Risk Management**

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

**Notes to the Financial Statements (Continued)**

**7. 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.

Homabay County Government is the principal shareholder of HBCTRH, holding 100% of the hospital'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

**8. 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)*

**9. Contingent Liabilities**

*(Give details)*

**10. Capital Commitments**

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

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**11. Events after the Reporting Period**

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

**12. Ultimate and Holding Entity**

The entity is a State Corporation under the Department of Health. Its ultimate parent is the County Government of Homabay.

**13. Currency**

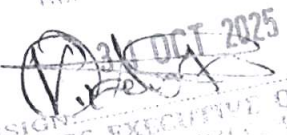
The financial statements are presented in Kenya Shillings (Kshs) and all values are rounded off to the nearest shilling.

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20. Appendices

**Appendix 1: Progress on Follow Up of Auditor Recommendations**

	<b>Issue</b>	<b>Management Comments</b>	<b>Status</b>	<b>Timeframe</b>
1	Unsupported Transfers in the statement of cash flows.	20% deductions to SPA account as per Homabay County FIF Act	Resolved	<b>-Letter confirming transfer to SPA</b>
2	Unexplained revaluation gain	First time for the recognition of Fixed assets by the hospital as part of financial statements.	Resolved	<b>-First time recognition of Fixed Assets in the Financial Statement</b>
3	Long Outstanding Trade and Other payables.	Irregular and untimely disbursements of funds from SHA/NHIF	On-going	<b>Fy 2025/2026</b>

HOMA-BAY COUNTY TEACHING AND REFERRAL HOSPITAL  
  
 SIGNATURE OF  
 CHIEF EXECUTIVE OFFICER  
 HOMA-BAY COUNTY GOVERNMENT

Accounting Officer DR. VINCENT ODUOR -

**Appendix II: Projects Implemented by The Entity**

**Projects**

Projects implemented by the Hospital Funded by development partners

**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)*

**Appendix III: Inter-Entity Confirmation Letter**

**Name of Transferring entity.....**

**Name of Beneficiary entity.....**

**Appendix IV Reporting of Climate Relevant Expenditures**

**Appendix V: Disaster Expenditure Reporting Template**