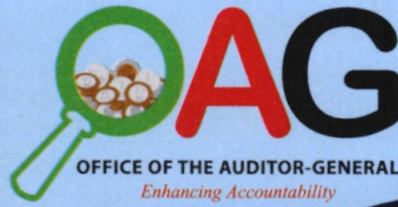


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REPORT

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KIMBIMBI SUB COUNTY LEVEL 4 HOSPITAL

FOR THE YEAR ENDED
30 JUNE, 2025

COUNTY GOVERNMENT OF KIRINYAGA



142



KIMBIMBI SUB-COUNTY LEVEL 4 HOSPITAL

Kirinyaga County Government

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2025

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



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1. Acronyms & Glossary of Terms

CSR	Corporate Social Responsibility
OSHA	Occupational Health & Safety Act
PFMA	Public Financial Management Act
MED SUP	Medical Superintendent
Fiduciary Management	Key management personnel who have financial responsibility in the Level 4 Hospital.
KSCH	Kimbimbi Sub-County Hospital
ALOS	Average Length of stay
OBD	Occupied bed days
D+D	Death+ discharges
CRF	County Revenue Fund
CHMT	County Health Management Team

2. Key Entity Information and Management

(a) Background information

Kimbimbi sub county is a level 4 hospital established under gazette notice number 1828 Of 21st March 2003 and is domiciled in Kirinyaga County under the Health Department. The hospital is governed by a Board of Management.

(b) Principal Activities

KSCH Vision:

To be a world class centre of excellence in the provision of integrated, affordable high quality healthcare services

KSCH Mission

To promote and participate in the provision of high quality, affordable, accessible health care services to all people.

(c) Key Management

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

- County department of health
- Board of Management
- Hospital Manager
- Hospital Management Team
- HODs

(d) Fiduciary Management

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

No.	Designation	Name
1.	Hospital Manager	Isaac Ribui
2.	Nursing Services Manager	Joel Wambugu Njuguna
3.	Pharmacy Manager	Dr. James Mugo Muiiri

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No.	Designation	Name
4.	Clinical Service Manager	Jemimah Karimi Riua
5.	Laboratory Manager	Juliet Nyaguthii Mwangi
6	Health Records & Information Officer	Eric Mwangi Kamau
7	Public Health Officer	Jane Wanjiru Muriuki
8	Radiology/Imaging	Florence Karuru Muthike
9	Head Inpatient Services	Violet Achola
10	Head of Maternity & MCH services	Jane Kamau
11	Head of Dental Services	Ann Salome
12	Head of Rehabilitation Services	Phidelis Waithera
13	Head of Hospital commodities	Lucy Kamotho
14	Head of Medical Social Work	Phoebe Wanja

(e) Fiduciary Oversight Arrangements

The hospital operates under a multi-layered fiduciary oversight framework designed to safeguard resources, ensure compliance with relevant laws and regulations, and promote transparency in service delivery. The following oversight mechanisms are in place:

- **Clinical Research and Standards Committee**

Provides guidance on clinical quality, adherence to national standards, and the integration of evidence-based practices into hospital operations. The committee ensures that resources dedicated to patient care are used efficiently and meet ethical and professional requirements.

- **Audit Committee**

Oversees the internal control environment and reviews financial management processes to ensure prudent utilization of funds. The committee works closely with internal and external auditors to monitor compliance with applicable legislation and standards, and to strengthen accountability mechanisms.

- **Risk Committee**

Monitors institutional risks including financial, operational, clinical, and reputational risks. The committee advises the Board of Management on mitigation strategies and ensures that risk management practices are integrated into day-to-day operations.

- **County Assembly Oversight**

As a devolved health facility, the hospital is subject to oversight by the County Assembly, particularly through the relevant sectoral committees. These committees review budget allocations, expenditures, and policy implementation to ensure alignment with county priorities and statutory requirements.

- **Parliamentary Committees**

The hospital also falls under the purview of national parliamentary committees such as the Public Accounts Committee and the Health Committee, which may review its performance, audit reports, and compliance with national health and financial regulations.

Other Oversight Committees

From time to time, the hospital is subject to review by special intergovernmental or donor-linked oversight bodies, including those focusing on procurement, ethics, or sector-specific funding streams. These committees provide additional layers of scrutiny to ensure transparency, accountability, and efficient use of public resources.

(f) Hospital Headquarters

Kirinyaga County
Department of Health
P.O. Box 260
County of headquarters, ground floor
Kutus, KENYA

(g) Hospital Contacts

Telephone: (+254) 0794758731
E-mail: kimbimbi hospital@. gmail.com

(h) Hospital Bankers

Equity Bank Limited
BRANCH: KAGIO

KCB BANK
BRANCH: KERUGOYA

(i) Independent Auditors

Auditor General
Office of Auditor General
Anniversary Towers, Institute Way

P.O. Box 30084
GPO 00100
Nairobi, Kenya


(j) Principal Legal Adviser

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


(k) County Attorney

P.O. Box. 260
Kutus, Kenya


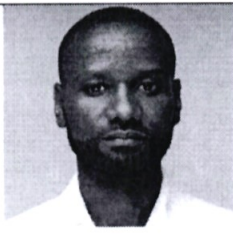



3. The Board of Management

Ref	Directors	Details
1.	 Mr Samuel Mwangi	DOB: 1958 Position: Chairman of the Hospital Committee. Qualification: Degree in Education and Counselling Experience: over 4 decades experience in leading, active member of the community
2.	 Isaac Ribui	DOB: 1985 Position: Secretary to the Hospital Committee Qualification: Diploma in Clinical Medicine Experience: Over 5 years in Clinical Medicine
3.	 Faith Mwangi	DOB: 1999 Position: Hospital Committee Accounting Representative Qualification: Diploma in Business Administration Experience: 5 years in accounting
4.	 Michael Kabutu	DOB: 1993 Position: Health Committee Youth Representative Qualification: Diploma in Law Experience: 10 years' experience in Legal field
5.	 Irene Nyaguthii	DOB: 1999 Position: Health Business Representative Qualification: Degree in Psychology Experience: 4 years in Psychology





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6.	 Davis Muroki	DOB: 1983 Position: Faith Based Organization Representative Qualification: Masters in Christian Education Experience: 14 years in Education

4. Key Management Team

Ref	Management	Details
1.	 Isaac Ribui	DOB: 1985 Position: Secretary to the Hospital Committee Qualification: Diploma in Clinical Medicine Experience: Over 5 years in Clinical Medicine
2.	 Joel Wambugu Njuguna	Nursing Services Manager Date of Birth: October 5, 1988 Academic Qualifications: BSc Nursing Experience: 9 years
3.	 Dr. James Mugo Muiri	Pharmacy manager Date of Birth: December 5, 1989 Academic Qualification: Bachelors of Pharmacy Years of Experience: 10 Years
3.	 Jemimah Riua	Clinical Services Manager Date of Birth: August 9, 1982 Academic Qualifications: Diploma In Clinical Medicine Higher Diploma in Paediatrics Experience: 16 Years
4.	 Eric Mwangi Kamau	Health Records and Information Manager Date of Birth: October 3, 1991 Academic Qualifications: Bachelor of Science in Health Records And Information Management Experience: 11 Years

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5.	 Juliet Nyaguthii Mwangi	Laboratory Manager Date of Birth: November 11, 1989 Academic Qualifications: Bachelor Of Science Medical Laboratory Sciences Experience: 12 Years
6.	 James Njenga Kabugua	Biomedical Engineer Date Of Birth: May 2, 1972 Academic Qualifications: Diploma Of Biomedical Engineering Experience: 25 Years
7.	 Florence Karuru Muthike	Radiographer Date Of Birth: July 12, 1970 Academic Qualifications: Diploma In Radiology & Sonography Experience: 35 Years
8.	 Jane Wanjiru Muriuki	Public Health Officer Date of Birth: January 25, 1972 Academic Qualifications: Bsc in Public Health Experience: 30 Years

5. Chairman's Statement

On behalf of the Board of Management, I am honoured to present the Annual Report and Financial Statements of Kimbimbi Sub-County Hospital for the year ended 30th June 2025. The year has been one of progress, resilience, and continued commitment to serving the people of Mwea East and Kirinyaga County.

The hospital has taken significant steps in expanding infrastructure, with the new hospital complex nearing completion. This milestone will more than double the bed capacity from 90 to 210 and introduce an accident and emergency department, greatly enhancing access to critical care. Patient attendance across departments has remained steady, reflecting the trust placed in this hospital by the community we serve.

The Board is also proud of the partnerships built during the year, particularly the collaboration with Anglican Development Services under the Global Fund TB initiative. Such partnerships strengthen our ability to respond to health challenges while complementing government support. At the community level, the hospital has continued to work closely with Primary Care Networks, extending promotive and preventive health interventions to households.

Nonetheless, we acknowledge the challenges experienced during the year. Resource constraints, staffing shortages, and occasional disruptions in service delivery posed hurdles, but the resilience of the hospital staff ensured continuity of essential services. The Board also recognizes the need for modern systems, sustainable financing, and continuous staff support to meet the growing demand for healthcare.

Looking ahead, our focus remains on supporting the completion of infrastructure projects, strengthening governance and accountability, and fostering collaborations that will expand the hospital's reach and impact. We are committed to providing the strategic guidance required to make Kimbimbi Sub-County Hospital a centre of excellence in the region.

In conclusion, I wish to extend my gratitude to the hospital's management team, the dedicated staff, our partners, and the community for their unwavering support. Together, we shall continue building a stronger, healthier future for our people.

Signed



Mr. Samuel Mwangi
Chairman, Hospital Management Committee
Kimbimbi Sub-County Hospital

6. Report of The Hospital Manager

It is my honour to present the Hospital manager's Report for Kimbimbi Sub-County Hospital for the financial year ended 30th June 2025. This report provides a detailed account of the hospital's clinical, operational, and financial performance during the year, highlighting the gains achieved, the constraints experienced, and the strategies being adopted to secure the hospital's role as a centre of excellence in Kirinyaga County.

Kimbimbi Sub-County Hospital is a Level 4 facility serving as the referral hub for Mwea East Sub-County, with a current functional bed capacity of 90 across male, female, paediatric, maternity, and gynaecological wards. The hospital is in transition, with construction of a new complex underway that will add 120 beds, an accident and emergency department, and modernized clinical spaces, raising the total bed capacity to 210. This expansion reflects both the growing population in Mwea and the increasing demand for higher-level services closer to the community.

Clinical Performance

The hospital recorded strong patient workloads across both inpatient and outpatient services. Outpatient specialty clinics were particularly active, with the Medical Outpatient Clinic (MOPC) recording the highest volumes due to the rising prevalence of chronic conditions such as hypertension, diabetes, and other non-communicable diseases. The Surgical Outpatient Clinic (SOPC) also showed consistently high attendance, a reflection of the hospital's unique role as the only public facility in Mwea Constituency with surgical staff. High-risk antenatal clinics recorded lower numbers, owing to the absence of a resident gynaecologist, with Medical Officers continuing to manage referred cases.

The hospital maintained an average bed occupancy rate of 76.9 percent during the year, with an average length of stay of 6.6 days. These indicators demonstrate both efficiency in patient turnover and the adequacy of inpatient care. The mortality rate averaged 44 deaths per 1,000 admissions, within the normal range for facilities of our level and showing slight improvement from the previous financial year. These outcomes are attributed to enhanced triaging, better referral linkages, and consistent provision of essential supplies.

The surgical theatre remained functional, conducting both major and minor procedures throughout the year. Utilization was, however, occasionally interrupted by maintenance requirements for theatre equipment, highlighting the importance of upgrading medical infrastructure as the new complex nears completion. Emergency care continued to be provided at the outpatient department in the absence of a designated casualty

unit, with critical cases referred to Kerugoya County Referral Hospital. The upcoming facility expansion, which includes an Accident and Emergency Department, is expected to close this gap significantly.

Operational and Financial Performance

Service continuity was sustained through prudent resource utilization and strict financial controls. The hospital spent a total of KShs 29.1 million on operational costs during the reporting period, covering essential items and utilities. Notably, KShs 9.3 million was spent on patient food, KShs 5.2 million on linen and bedding, KShs 4.1 million on stationery including patient records and admission files, KShs 2.7 million on casual wages, and KShs 1.2 million on building maintenance. Regular payments of electricity and water bills ensured uninterrupted supply, while building and vehicle maintenance supported functionality. These investments were critical in maintaining a safe and responsive environment for patients and staff.

Human resource constraints persisted during the year, with staffing shortages across clinical and support cadres. Despite this, the existing staff demonstrated commendable commitment, supported by structured shift systems and continuous quality improvement initiatives. The hospital has also benefited from volunteers and partnerships that have supplemented government input, particularly in infrastructure support.

Community Engagement and Partnerships

As the Primary Care Network (PCN) hub for Mwea East, the hospital continued to strengthen promotive and preventive health through Community Health Promoters (CHPs). Household-level engagements improved early health-seeking behaviour and linkage to facility-based care. A key milestone was the signing of a Memorandum of Understanding with Anglican Development Services (ADS-MKE), a Global Fund sub-recipient, which expanded the hospital's involvement in TB Public-Private Mix interventions. This partnership has bolstered our capacity to address communicable diseases at both facility and community levels.

Challenges

The hospital's performance during the year was not without constraints. Persistent staff shortages, particularly in specialist cadres, limited-service coverage and increased workload on the existing team. The hospital's Health Management Information System (HMIS) requires urgent upgrading to improve data accuracy, supply chain oversight, and real-time reporting. Financially, the hospital faced delays in reimbursements and limitations in Facility Improvement Fund allocations, restricting the scope for service expansion and equipment upgrades. Additionally, nationwide industrial action by medical officers and

consultants disrupted service delivery for part of the year, underscoring the vulnerability of frontline care to system-wide shocks.

Future Outlook

Going forward, the hospital’s strategy will be anchored on the eight national health system pillars. Infrastructure priorities include the timely completion and operationalization of the new hospital complex. Digitization remains a critical area, with full roll-out of the Digital Health Authority (DHA) framework planned across facilities in Mwea East to streamline patient data and improve efficiency. Human resources will be strengthened through phased implementation of the recent HRH review, aligning staffing with workload demands.

On the financing front, the hospital will intensify efforts to support enrolment and utilization of the Social Health Insurance Fund (SHIF), while continuing to nurture partnerships with NGOs, the private sector, and local cooperatives to support sustainable healthcare financing. Service delivery will be enhanced through continuous professional development for staff, expanded quality improvement initiatives, and increased research activity to inform clinical practice.

Conclusion

In conclusion, I commend the staff of Kimbimbi Sub-County Hospital for their unwavering dedication under challenging circumstances. Their professionalism and resilience remain the backbone of service delivery. I also wish to thank the Board of Management for their strategic oversight, the County Government of Kirinyaga for its support, and our partners for their collaboration. With continued commitment and partnership, I am confident that Kimbimbi Sub-County Hospital will continue to grow as a hub of excellence, providing accessible, affordable, and high-quality care to the people of Kirinyaga.



.....

Name: Isaac Ribui

Secretary to the Board

7. Statement of Performance Against Predetermined Objectives

Kimbimbi Sub- County Hospital has 8 strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY 2024-2025. These strategic pillars/ themes/ issues are as follows:

Pillar /theme/issue 1: Health Infrastructure

Pillar/theme/issue 2: Health workforce

Pillar/theme/issue 3: Health Products and Technologies

Pillar/theme/issue 4: Health Information

Pillar/theme/issue 5: Health Financing

Pillar/theme/issue 6: Health Leadership and Governance

Pillar/theme/issue 7: Service Delivery Systems

Pillar/theme/issue 8: Research and Development

Kimbimbi Sub-County Hospital developed and implemented its Annual Work Plan for the financial year 2024/2025 guided by eight strategic pillars aligned to the hospital's Strategic Plan and the Kenya Health Sector Strategic and Investment Framework. The Board of Management and Hospital Management Team monitored performance on a quarterly basis to ensure that progress was achieved against predetermined objectives. This section provides a detailed account of achievements, challenges, and lessons learned under each pillar during the year under review.

Pillar 1: Health Infrastructure

The hospital prioritized the maintenance of functional and accessible infrastructure to guarantee uninterrupted delivery of healthcare services. Throughout the year, electricity and water supply were sustained through the timely settlement of utility bills, with KShs 1,272,545 and KShs 359,495 spent on power and water respectively. Building maintenance activities valued at KShs 1,217,165 were undertaken to preserve safety standards in clinical areas, while motor vehicle maintenance costs of KShs 4,679,080 supported the hospital's referral services, community outreach, and logistical functions. These interventions, though routine, were vital in ensuring uninterrupted operations and safe environments for patients and staff.

A key infrastructural milestone was the continued progress on the new hospital complex. Once completed, this expansion will add 120 beds and a modern accident and emergency department, bringing the hospital's total capacity to 210 beds. This development is a significant step in addressing congestion in the wards and expanding specialized service delivery for Mwea East and beyond.

Pillar 2: Health Workforce

Human resources remain the cornerstone of service delivery. In the year under review, the hospital directed significant effort towards sustaining a motivated workforce. Wages for casual staff were paid in full, amounting to KShs 2,787,997, thereby ensuring the continuity of critical support services such as cleaning, security, and clerical duties. Beyond financial support, structured supervision and mentoring of staff were prioritized to maintain morale in the face of staffing shortages.

Continuous Quality Improvement (CQI) projects were rolled out in clinical departments, strengthening teamwork and service accountability. These included patient flow optimization initiatives, stricter shift handover protocols, and improved ward documentation, all of which contributed to operational efficiency. Despite the absence of additional permanent staff recruitment, the hospital succeeded in maintaining continuity of care, highlighting the dedication of its existing workforce.

Pillar 3: Health Products and Technologies

Ensuring the uninterrupted supply of medicines, medical supplies, and patient consumables remained central to the hospital's operations. During the year, a total of KShs 9,389,810 was spent on patient food, safeguarding nutrition for all admitted patients. In addition, patient linen and bedding were procured at a cost of KShs 5,235,935, improving hygiene standards and patient comfort. The hospital also spent KShs 4,156,200 on medical records and stationery, including admission files and OPD cards, which were essential for accurate documentation and reporting.

While availability of tracer medicines was maintained at acceptable levels, challenges persisted in supply chain management due to outdated information systems. The hospital mitigated this through stronger oversight on procurement processes and closer alignment with county and national supply chains, ensuring that stock-outs were minimized.

Pillar 4: Health Information

The hospital placed emphasis on strengthening its Health Management Information Systems (HMIS) to support evidence-based decision-making. Consistent procurement of data tools such as patient cards and admission registers ensured smooth documentation and reporting. As a result, compliance with DHIS2 reporting requirements stood at 100%, with monthly reports submitted within the stipulated deadlines.

While these achievements demonstrate progress, the current HMIS remains largely manual, slowing real-time data analysis. Plans have been initiated to transition towards full digitization under the national Digital Health Authority (DHA) framework, which will allow for better integration of patient records, financial reporting, and supply chain oversight.

Pillar 5: Health Financing

Prudent management of financial resources remained a priority during the year. Facility Improvement Fund (FIF) collections were strengthened through better revenue tracking and reconciliation with the Inter soft billing system, minimizing leakages and enhancing accountability. A total of KShs 29.1 million was spent on operations, covering utilities, wages, patient food, maintenance, and procurement of essential supplies.

This financial prudence ensured that despite constrained fiscal space and delays in reimbursements, the hospital was able to sustain its operations without significant service disruptions. Nonetheless, the hospital continues to face challenges in diversifying revenue streams, with over-reliance on government transfers and user fees. Going forward, alignment with the Social Health Insurance Fund (SHIF) will be critical in improving sustainability.

Pillar 6: Health Leadership and Governance

The governance of the hospital remained strong during the reporting period, with the Board of Management providing strategic oversight and ensuring accountability. The Board convened twelve regular meetings and five special sessions, during which key policy, infrastructure, and financial issues were deliberated upon. Allowances totalling KShs 77,500 were paid in accordance with Salaries and Remuneration Commission guidelines to facilitate effective participation.

The Board also oversaw the execution of strategic partnerships and monitored compliance with government regulations, ensuring that the hospital remained aligned with county and national health priorities. Through these efforts, leadership stability was maintained, and decisions were taken to safeguard both patient welfare and resource accountability.

Pillar 7: Service Delivery Systems

Service delivery indicators remained strong despite external challenges. Outpatient services were heavily utilized, with the Medical Outpatient Clinic (MOPC) and Surgical Outpatient Clinic (SOPC) recording the highest patient numbers, reflecting the rising burden of non-communicable diseases and surgical conditions in Mwea. Maternal and child health services continued to expand, with improvements in antenatal attendance, maternity admissions, and immunization coverage.

Inpatient services performed within acceptable ranges. The hospital registered an average bed occupancy rate of 76.9 percent and an average length of stay of 6.6 days, showing effective utilization of available beds. The mortality rate stood at 44 deaths per 1,000 admissions, a stable outcome that compares well with

prior years. These results highlight the hospital's ability to sustain service delivery in the face of resource limitations and disruptions caused by nationwide industrial action.

Pillar 8: Research and Development

Kimbimbi Sub-County Hospital continued to support operational research and innovation in clinical care. Several departments engaged in continuous quality improvement studies, with findings disseminated in facility forums and incorporated into improvement cycles. Research initiatives focused on maternal and child health outcomes, patient flow optimization, and drug supply monitoring. These initiatives not only improved service delivery but also strengthened staff capacity in evidence-based practice.

Overall Assessment and Way Forward

The hospital achieved its performance targets across all eight pillars, with significant progress in infrastructure maintenance, patient service delivery, governance, and partnerships. The signing of a Memorandum of Understanding with Anglican Development Services (ADS-MKE) for TB Public-Private Mix interventions marked a major highlight, expanding the hospital's contribution to communicable disease control.

Persistent challenges included staffing shortages, limited financial resources, and an outdated HMIS system. These will be addressed in the coming year through phased implementation of the HRH review, enhanced financial oversight, and the rollout of digital health solutions under the DHA framework. Priority will also be given to aligning operations with the Social Health Insurance Fund (SHIF) to strengthen sustainability and ensure universal access.

As the hospital looks forward, the guiding principle will remain the provision of high-quality, affordable, and accessible healthcare to all. By consolidating achievements, addressing existing gaps, and embracing innovation, Kimbimbi Sub-County Hospital is well positioned to reinforce its role as a referral hub of excellence within Kirinyaga County.

Kimbimbi sub-county hospital develops its annual work plans based on the above *X* pillars/Themes/Issues. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The *KSCH* achieved its performance targets set for the FY 2024-2025 period for its 8 strategic pillars, as indicated in the diagram below:

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Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Health Infrastructure	To ensure functional and accessible health infrastructure	Timely payment of electricity bills	Monthly payment of electricity	Payment of electricity bills 1,272,575
		Availability of a well-maintained motor vehicle	Payment of building maintenance	Payment of building maintenance at 1,217,165
		Availability of water in the hospital	Payment of monthly water bills	Payment of water bills 359,495
Health Workforce	To attract and retain motivated health workforce	Number of casual workforces	Payment of monthly wages	Timely payment of monthly wages- 2,787,997
Health products and technologies	To Ensure 100% availability tracer essential medicine and medical supplies	Availability of patient food	Payment of patient food	Payment of patient food- 9,389,810
		Availability of beddings and linen	Payment of patient linen	Purchase of patient linen-5,235,935

Kimbimbi Sub County Level 4 Hospital (Kirinyaga County Government)
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Health Information system	To strengthen health management information services	The number of stationaries procured	Procurement of admission files and OPD cards	Payment of stationary-4,156,200
Health Financing	Adequate health financing & a well-coordinated health care service			
Health Leadership and Governance	To ensure a well-coordinated and managed health services	Functional hospital board	The number of committee meetings held	Payment of allowances-77,500
Service Delivery System	Provide high quality health care services	Number running of CQI projects	Service Delivery System	Provide high quality health care services
Research and Development	Enhanced health research system	Number of research conducted by health workers or health professional bodies	Carrying out research & giving Feedback to the facility on the findings	Number of research conducted in the facility

8. Corporate Governance Statement

Corporate governance at Kimbimbi Sub County Hospital is founded on principles of transparency, accountability, and inclusivity, ensuring that decisions made by the Hospital Management Committee (HMC) are aligned to the mission of delivering quality healthcare and to the broader framework of county and national health policy.

Appointment of Board Members, Process of Appointment and Removal

Members of the Hospital Management Committee are appointed through a formal process led by the County Executive Committee Member for Health, approved by the Governor, and subsequently gazetted. This transparent process ensures that appointments carry the legitimacy of both county law and public trust. Where necessary, members may be removed through the same legal mechanisms in cases of misconduct, prolonged absenteeism, or conflict of interest, thereby safeguarding accountability within the governing body.

Board Size, Diversity, and Demographics

The HMC comprises 8 members who reflect professional diversity, gender balance, and wide community representation. The membership includes medical professionals, financial experts, administrators, and local community representatives, ensuring that decisions are enriched by multiple perspectives. Gender equity has been deliberately pursued, and the board also maintains representation of both youth and experienced leaders, thereby balancing innovation with institutional memory.

Existence of Board Charter, Roles and Functions of the Board

The committee operates under a formal Board Charter that clearly articulates its mandate, responsibilities, and code of practice. The Board is responsible for providing strategic direction, approving hospital budgets and work plans, monitoring service delivery, and ensuring compliance with statutory and policy requirements. In addition, it plays a crucial role in resource mobilization, performance monitoring, and providing oversight over financial management and procurement practices. By fulfilling these roles, the HMC ensures that the hospital remains both accountable and responsive to the needs of the community it serves.

Induction, Training, and Development

Newly appointed members undergo structured induction, which covers health systems governance, ethics, financial oversight, and the Leadership and Integrity Act (2012). To strengthen capacity, continuous training is provided through workshops, seminars, and county-level governance forums. This deliberate

investment in capacity building ensures that board members remain up to date with health sector reforms, regulatory frameworks, and best practices in hospital governance.

Board and Members' Performance

To sustain accountability, the HMC conducts internal performance reviews that evaluate both collective board effectiveness and the contributions of individual members. Evaluations consider meeting attendance, participation in discussions, follow-through on action points, and adherence to ethical obligations. The outcomes of these reviews inform improvement measures and training needs, ensuring progressive strengthening of governance capacity.

Number of Meetings and Attendance

During the year under review, the HMC held 4 scheduled meetings. Attendance registers are maintained to track participation, and overall attendance remained high, with members demonstrating strong commitment to hospital governance. Special sittings were convened to deliberate on urgent matters such as infrastructure upgrades, workforce deployment, and financial compliance.

Succession Plan

The hospital has adopted a succession planning policy that identifies and prepares individuals within leadership and management ranks to assume greater responsibility when vacancies arise. Through mentorship, targeted training, and structured exposure, this policy ensures continuity of governance and reduces risks associated with leadership transitions.

Conflict of Interest Policy

To safeguard transparency, all members are required to declare potential conflicts of interest annually and to restate them at the beginning of every meeting. Members are expected to recuse themselves from deliberations where such conflicts arise. This policy has reinforced trust and credibility in the decision-making processes of the hospital.

Board Remuneration

In compliance with Salaries and Remuneration Commission (SRC) guidelines, board members are remunerated through sitting allowances, transport reimbursement, and facilitation for duties undertaken on behalf of the hospital. The adherence to SRC standards guarantees fairness and prevents misuse of public resources, while motivating members to commit to their roles.

Ethics and Conduct

The board operate under a Code of Conduct and Ethics that is anchored in the Constitution of Kenya and

the Leadership and Integrity Act (2012). Members are expected to uphold impartiality, fairness, transparency, and a zero-tolerance stance on corruption. This code guides all interactions and decision-making, reinforcing the integrity of the hospital's governance framework.

Governance Audit

Although a formal external governance audit was not undertaken in the reporting year, the HMC carried out internal self-assessments to monitor performance and compliance. The hospital recognizes the importance of independent governance audits and has committed to institutionalizing external reviews in future reporting cycles to strengthen credibility and accountability.

Communication Policy

Communication between the board, hospital management, and stakeholders is guided by a Communication Policy that emphasizes accuracy, timeliness, and inclusivity. Channels include internal circulars, memos, press releases, public forums, and digital platforms linked to the County Government. This approach ensures that hospital decisions are not only transparent but also participatory, reflecting the voice of the community.

Terms of Reference of Committees

The HMC has established sub-committees with clear Terms of Reference, covering areas such as finance, quality assurance, and infrastructure development. These committees allow for deeper technical focus, while the main board retains overall oversight and decision-making authority. Terms of Reference are reviewed periodically to ensure alignment with evolving priorities.

Policy on Related Party Transactions


The hospital maintains a policy that governs related party transactions, ensuring that any engagement between the hospital and individuals or organizations linked to board members is transparent, fairly priced, and fully disclosed. This safeguards against conflict of interest, nepotism, or misuse of resources, thereby protecting the hospital's reputation and financial integrity.

Conclusion

In summary, corporate governance at Kimbimbi Sub County Hospital has continued to evolve in line with national standards, county priorities, and global best practices. The HMC has demonstrated commitment to strategic oversight, ethical conduct, inclusivity, and accountability. While areas such as external governance audits remain to be strengthened, the structures already in place—including succession planning, conflict of interest safeguards, sub-committee oversight, and communication policies—form a strong foundation for resilient and transparent hospital governance. Going forward, the hospital is committed to consolidating

Kimbimbi Sub County Level 4 Hospital (Kirinyaga County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

these achievements and embedding new governance innovations that will further strengthen service delivery, build public trust, and support sustainable health system performance

Signed: 

Samuel Mwangi, Chairperson,
Hospital Management Committee Date; 27th August 2025

Signed: 

Isaac Ribui
Hospital Manager Date; 27th August 2025

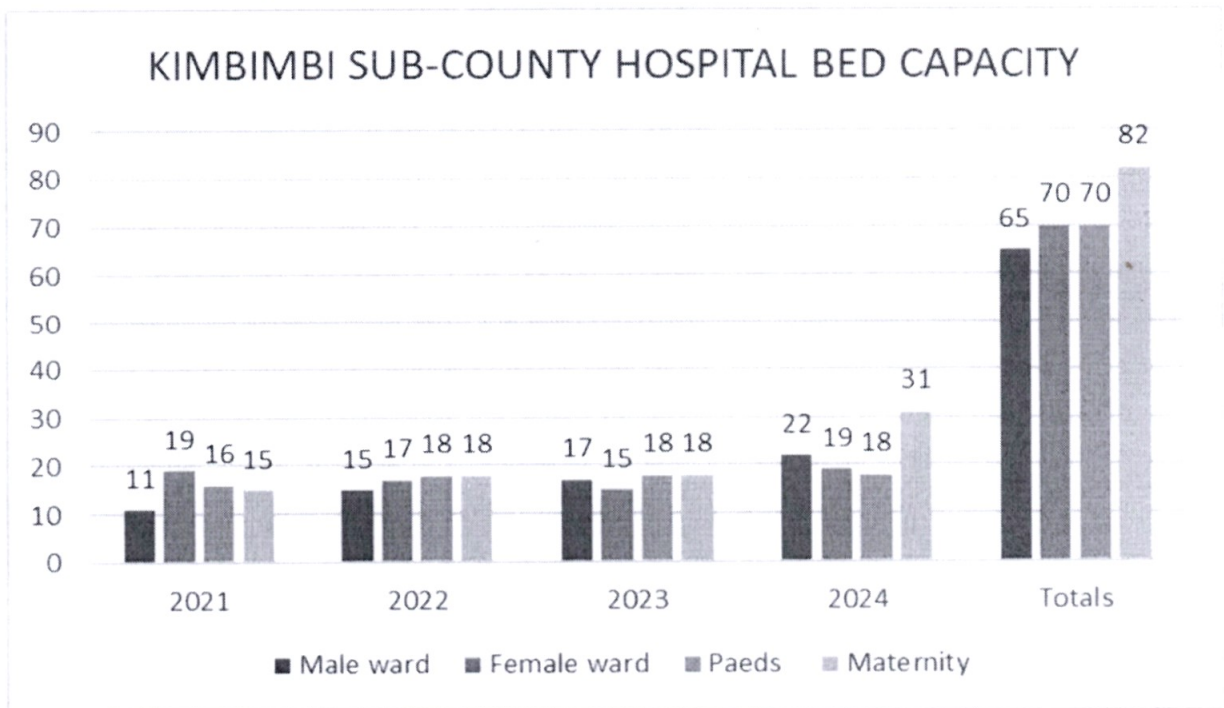
9. Management Discussion and Analysis

Kimbimbi Sub County Hospital was established in 1958 by the colonial government as a dispensary offering curative and preventive services to the people who had just settled in Mwea irrigation scheme. The dispensary staff would then do outreach services to the people out in the village and give malaria prophylaxis due to the increasing number of mosquitoes brought about by the creation of rice fields. It was upgraded to a health centre in the late sixties and later upgraded to a Sub District Hospital in the year 2003 as per gazette notice No.1828 of 21st March 2003.

The hospital has a bed capacity of 90 beds across the following wards; Male ward, female ward, Paeds ward, maternity and gynaecology ward. Currently the County government of Kirinyaga is constructing a hospital complex with a projected bed capacity of 120 beds. This will increase the bed capacity to 210 beds.

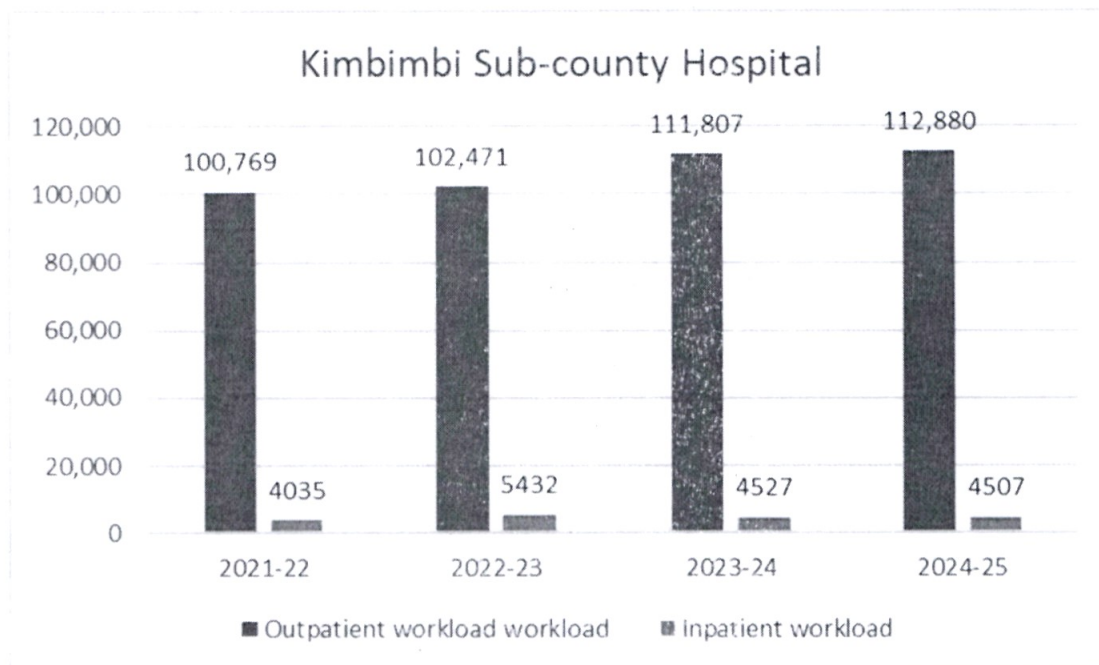
Clinical/operational performance

- *Bed capacity of the hospital.*



The diagram above shows the bed capacity per ward.

- *Overall patient attendance during the year for both inpatient and outpatient.*

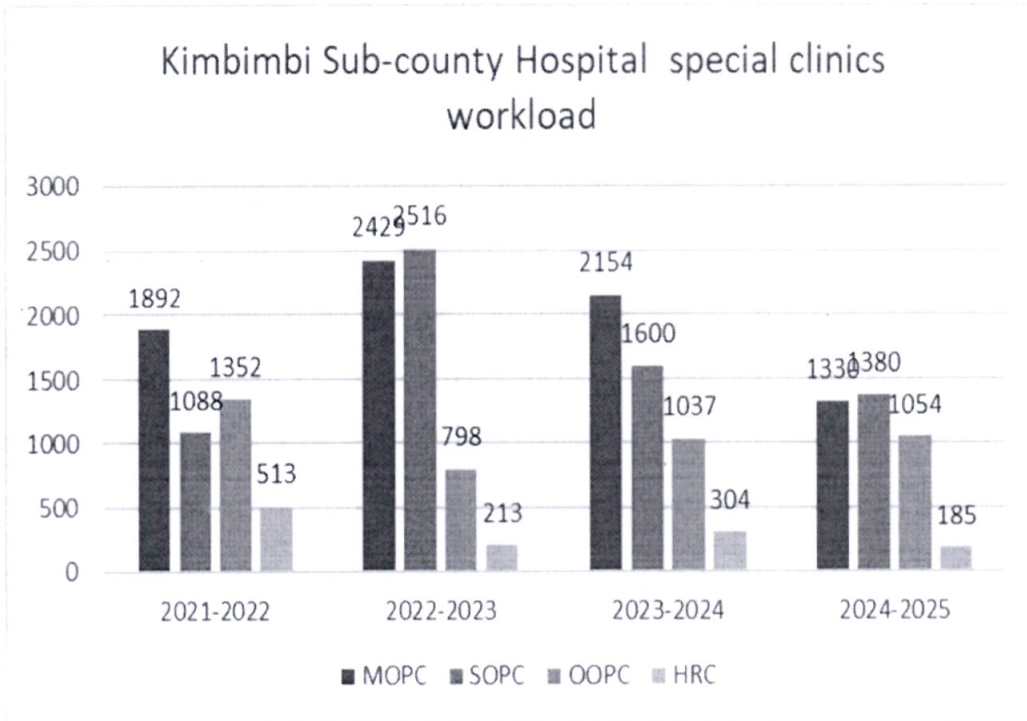


The above diagram shows continuous growth of facility workload. This has been facilitated by continuous population growth in Mwea East constituency.

- *Accident and Emergency attendance*

KSCH has no set aside casualty department however, the emergency cases are attended at the outpatient department and if need be, patients are referred to Kerugoya County Referral hospital. The upcoming medical complex will include accident and emergency department once it is completed.

- *Specialised clinic attendance*



The diagram above shows the workload of special clinics with MOPC leading across all financial years. This is influenced by many medical conditions like hypertension, diabetics and other chronic illnesses being managed in the same clinic. SOPC also shows high numbers due to the fact that KSCH is the only GoK facility with surgeons across Mwea constituency. There are low numbers of High-Risk Clinic due to the fact that the facility has no gynaecologist, Medical Officers are responsible for reviewing the booked cases.

During the financial year 2024-2025, there was a downfall in workload due to country wide strikes by Medical Officers and Consultants.

- *Average length of stay for patients.*
- *Bed occupancy rate*

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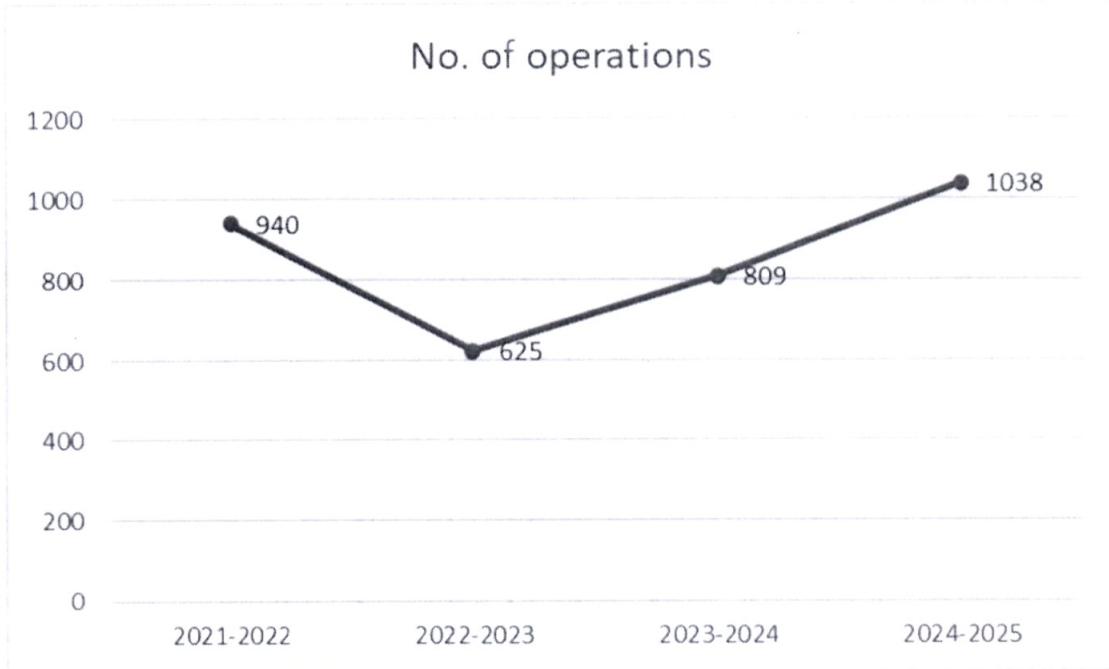
<i>Financial YEAR</i>	<i>ABD</i>	<i>OBD</i>	<i>Average Bed Occupancy</i>	<i>% Occupancy</i>
2021-2022	22265	9405	44	71%
2022-2023	24820	15013	44	65%
2023-2024	24820	36083	68	100.1%
2024-2025	31390	16444	66	76.9%

○ *Mortality rate*

<i>Financial Year</i>	<i>Population(admission)</i>	<i>No. Deaths</i>	<i>Mortality rate(1000 pop)</i>
2021-2022	4035	237	59/1000
2022-2023	5432	233	43/1000
2023-2024	4527	215	48/1000
2024-2025	4507	198	44/1000

On average, the normal mortality rate in KSCH ranges around 40-48 deaths in 1000 population. During the financial year 2021-2022, there was a high death rate due to Covid19 pandemic.

- *Surgical theatre utilisation (number of operations over a period of time)*



The line curve above shows the number of operations conducted in each financial year. These operations include major and minor surgeries conducted in the theatre. In the financial year 2022-2023, there was a drop in numbers due to faulty hydraulic theatre operating tables. Therefore, most cases like C/S were referred to Kerugoya County Referral Hospital and other hospitals of choice.

10. Environmental And Sustainability Reporting

Sustainability strategy and profile

The sustainability agenda of Kimbimbi Sub County Hospital is anchored in both global and national frameworks. At the global level, the hospital aligns its programs with the Sustainable Development Goals (SDGs), particularly SDG 3 (Good Health and Well-Being), SDG 6 (Clean Water and Sanitation), SDG 8 (Decent Work and Economic Growth), and SDG 12 (Responsible Consumption and Production). Climate change and resource constraints remain critical macroeconomic drivers influencing how health institutions manage their facilities and plan for long-term resilience. As part of the broader county health system, the hospital acknowledges the impact of global disruptions such as pandemics, inflationary trends, and supply chain constraints on its sustainability priorities.

The hospital's sustainability policy framework prioritizes efficient resource use, inclusive service delivery, environmental hygiene, and local economic empowerment. This framework is operationalized through its Service Delivery Charter, which emphasizes patient-centred care, transparent contract management, and equitable access. During the reporting year, the hospital adopted measures to increase transparency in procurement, with a deliberate focus on allocating contracts to local suppliers and special interest groups. Out of all contracts issued, approximately 34% were awarded to youth and women-led enterprises, while 5% were allocated to persons living with disabilities (PWDs). This not only complies with government affirmative action policies but also contributes to local economic empowerment.

Achievements during the year included the completion of sustainable infrastructure improvements such as landscaping through volunteer efforts, ensuring a greener and more welcoming hospital environment. Failures were noted in delayed adoption of solar energy to supplement electricity needs, mainly due to budgetary constraints. To mitigate this, the hospital has initiated discussions with development partners for support in renewable energy integration. The hospital also faced occasional disruptions in medical waste disposal due to breakdown of the incinerator. Corrective measures included emergency servicing, procurement of additional burning chambers, and interim use of placenta pits to ensure safe waste management.

Environmental performance

Environmental hygiene and safety form the backbone of a functional health facility. In the year under review, Kimbimbi Sub County Hospital undertook deliberate interventions to strengthen its environmental performance. The hospital ensured the provision of adequate cleaning materials and disinfectants, supported by clear cleaning schedules monitored by departmental supervisors. To enhance occupational safety, Personal Protective Equipment

(PPEs) including gloves, boots, and overalls were supplied consistently to all staff involved in patient care, waste management, and cleaning functions.

The hospital further invested in burning chambers for safe disposal of medical waste, complemented by the provision of color-coded waste bins and bin liners to support segregation at source. A dedicated placenta pit was maintained in line with Ministry of Health environmental and sanitation guidelines, ensuring culturally sensitive and safe disposal of maternal-related waste. Environmental audits carried out internally confirmed compliance with the Public Health Act and Ministry of Health standards, even as the hospital acknowledged the need to upgrade its waste handling infrastructure for long-term sustainability.

Employee welfare

Sustainability within the workforce is grounded in policies that uphold fairness, diversity, and compliance with legal frameworks. Recruitment processes at the hospital are guided by gender, youth, and PWD inclusion principles, aligned with the two-thirds gender rule and county employment policies. During the reporting year, recruitment favoured a balanced gender ratio, with 41% of new hires being women, 53% youth, and 3% PWDs. This commitment reflects the hospital's recognition that sustainable health service delivery is impossible without equitable participation of all groups.

To strengthen human capital, the hospital implemented staff development initiatives including on-the-job training, mentorship programs, and participation in county-organized Continuous Medical Education (CME) sessions. Career progression was reinforced through performance appraisal systems, which provided the basis for recognition and fair reward. The hospital also reviewed its Human Resource policy to align with county directives, ensuring annual revisions capture evolving workplace realities.

Employee safety remained a central concern. In line with the Occupational Safety and Health Act (OSHA) 2007, the hospital conducted periodic workplace safety audits, ensuring safe handling of chemicals, biomedical waste, and clinical equipment. Records show that work-related injuries were minimal during the year under review, with two cases reported involving needle stick injuries. Both incidents were promptly managed under post-exposure prophylaxis protocols, and refresher training was instituted to minimize recurrence. This proactive approach underscores the hospital's strong culture of prevention, compliance, and staff welfare.

Market place practices

The hospital is committed to responsible and ethical practices in the broader healthcare marketplace, ensuring that its engagement with patients, suppliers, competitors, and the general public is transparent, fair, and socially responsible.

Responsible Competition Practices

The hospital adheres to principles of fairness, transparency, and integrity in its operations. Procurement processes are conducted through open tendering in compliance with the Public Procurement and Asset Disposal Act, thereby ensuring equal opportunity and value for money. Anti-corruption measures are actively enforced, with staff required to declare conflicts of interest at all stages of procurement and service delivery. Political neutrality is maintained, and service delivery is insulated from undue external influence. To improve patient access and transparency, the hospital has adopted automation initiatives, including electronic billing and cashless payment systems, reducing opportunities for fraud and enhancing efficiency. A whistleblowing mechanism is available for reporting malpractice or corruption, protecting whistleblowers' rights and reinforcing public trust in hospital services.

Responsible Supply Chain and Supplier Relations

The hospital maintains strong relationships with its suppliers, guided by a commitment to fairness and timely honor of contractual obligations. Contracts are awarded through competitive procurement to ensure quality, affordability, and accountability. Payments are made in adherence to agreed timelines, and suppliers are treated as strategic partners in sustaining reliable service delivery. Where possible, preference is given to local suppliers and special groups, thereby contributing to local economic empowerment and sustainability.

Responsible Marketing, Citizen Engagement, and Safeguarding Rights

The hospital does not engage in aggressive or misleading marketing but rather adopts responsible public sensitization practices. Information provided to patients and the public through service charters, brochures, community forums, and digital platforms is accurate, transparent, and respectful of diversity. Outreach programs and health awareness campaigns are conducted ethically, ensuring that citizens receive adequate and truthful information without false promises or social bias.

Beyond public education, the hospital actively safeguards citizens' rights and interests by providing adequate and clear information on access to essential services, including SHA registration and claims, NSSF contributions, and the application of identity documents such as IDs, passports, and logbooks where relevant for health insurance or care access. The hospital also acknowledges broader rights such as representation when arrested, entitlement to bail, and the right to peaceful demonstration, recognizing these as part of the wider framework of citizen dignity and protection. Mechanisms for dispute resolution and redress are established to ensure that grievances are addressed fairly and promptly.

Consumer Data and Privacy Protection

Recognizing the growing importance of data security in healthcare, the hospital has instituted measures to protect

patient and consumer data in line with the Data Protection Act (2019). Patient records are securely stored, with access restricted to authorized personnel only. Information systems are periodically audited for compliance with data protection standards, and staff receive training on confidentiality and responsible handling of patient data. Patients are informed about how their information is used, and consent is sought before data sharing, except where disclosure is required by law. By safeguarding patient confidentiality and citizen privacy, the hospital reinforces trust, upholds rights, and aligns with global best practices in healthcare governance.

Product Stewardship and Awareness Creation

Safeguarding patient rights and interests is central to hospital operations. The hospital ensures that all services and medical products are safe, of high quality, and compliant with national standards. Patients are given clear information about treatment options, costs, and expected outcomes to facilitate informed decision-making. Mechanisms for complaints resolution and feedback are well-established, ensuring that patient concerns are addressed promptly and fairly. Public health awareness creation is integrated into community outreach programs, contributing to preventive healthcare and empowerment of citizens in line with the SDGs.

Corporate Social Responsibility / Community Engagements

The hospital acknowledges its broader responsibility to the community it serves, beyond routine healthcare provision. Guided by its mandate of promoting health and wellness, the hospital engaged in Corporate Social Responsibility (CSR) and community engagement initiatives aimed at supporting vulnerable groups, strengthening community trust, and enhancing public participation.

During the reporting period, the hospital extended compassionate support to patients and families facing financial hardship. In select cases, medical bills for needy patients were waived after social assessment, ensuring that access to essential healthcare was not denied on the basis of inability to pay. This approach reflects the hospital's commitment to equity in service delivery.

Additionally, the hospital staff participated in outreach activities including a visit to Utugi Children's Home, where they engaged the children, shared health information, and offered psychosocial support. These activities reinforced the hospital's role as both a healthcare provider and a community partner.

In line with its preventive health agenda, the hospital facilitated community sensitization sessions on hygiene, maternal and child health, and the Social Health Authority (SHA) registration and claims process. Through such forums, community members were educated on their health rights and responsibilities, improving awareness and uptake of available services.

The hospital also supported public participation forums, inviting community representatives to provide input on service delivery, priorities for facility improvement, and accountability in resource use. These engagements fostered transparency and strengthened trust between the facility and the community.

These CSR and engagement initiatives, though modest, created meaningful impact in the community by reducing barriers to healthcare access, providing psychosocial support to vulnerable children, and enhancing community knowledge on health matters. The hospital remains committed to sustaining such activities as part of its contribution to the Sustainable Development Goals (SDGs), particularly SDG 3 (Good Health and Well-Being) and SDG 10 (Reduced Inequalities).

11. Report of The Board of Management

The Board of Management submits its report together with the financial statements for the year ended June 30, 2025, which present the state of the hospital's affairs during the reporting period.

Principal Activities

The hospital continued to undertake its core mandate of providing comprehensive health services to the community. This included inpatient and outpatient care, preventive and promotive services, maternal and child health, emergency response, and the implementation of national health priorities aligned to the Social Health Authority (SHA) framework.

Results

The financial results for the year ended June 30, 2025, are presented in the accompanying financial statements from page 1 to 8. These statements reflect the performance of the hospital in mobilizing and utilizing resources to support service delivery, infrastructure development, and patient care.

Board of Management

The members of the Board of Management who served during the year are set out on pages vii. During the reporting year, no member(s) retired or resigned, while no new member(s) were appointed. The Board continued to exercise oversight on governance, strategic direction, and compliance with applicable laws and regulations.

Auditors

In accordance with Article 229 of the Constitution of Kenya and the Public Audit Act, 2015, the Auditor-General is mandated to carry out statutory audits of public entities. During the year under review, the audit process had not been concluded at the time of preparing this report. The hospital, however, remains committed to working closely with the Office of the Auditor-General to ensure compliance once the audit is undertaken.

Alternatively, where applicable, the Auditor-General may appoint a certified firm of accountants to audit the Hospital in accordance with Section 23 of the Public Audit Act, 2015. The hospital will ensure that any such appointment is facilitated to enhance transparency and accountability.

Conclusion

The Board of Management affirms its continued commitment to providing stewardship over the hospital's resources, ensuring that service delivery remains efficient, transparent, and responsive to the needs of the community.

By Order of the management



.....

Name: Isaac Ribui

Secretary to the Board

12. Statement of Board of Management's Responsibilities

Section 164 of the Public Finance Management Act, 2012 requires the Board of Management to prepare financial statements for the hospital that give a true and fair view of its state of affairs at the end of each financial year and of its operating results for that year. The Board of Management is also required to ensure that the hospital keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Hospital. The Board further carries the responsibility for safeguarding the assets of the hospital.

The Board of Management is responsible for the preparation and presentation of the hospital's financial statements, which give a true and fair view of its state of affairs as at June 30, 2025, and of its financial performance for the year then ended. This responsibility includes:

1. Maintaining adequate financial management arrangements and ensuring that these remain effective throughout the reporting period.
2. Maintaining proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the hospital.
3. Designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, ensuring that they are free from material misstatement, whether due to fraud or error.
4. Safeguarding the assets of the hospital.
5. Selecting and applying appropriate accounting policies.
6. Making judgements and estimates that are reasonable and prudent under the circumstances.

The Board of Management accepts responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent estimates, in conformity with International Public Sector Accounting Standards (IPSAS) and the requirements of the Public Finance Management Act, 2012, as well as other relevant laws and regulations.

Kimbimbi Sub County Level 4 Hospital (Kirinyaga County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

The Board members are of the opinion that the financial statements fairly present the transactions of the hospital for the year ended June 30, 2025, and its financial position as at that date. These statements represent the Board's presentation of the financial affairs of the hospital and remain subject to audit by the Auditor-General in line with Article 229 of the Constitution of Kenya and the Public Audit Act, 2015.

In preparing the financial statements, the Board of Management has assessed the hospital's ability to continue operating as a going concern and confirms that nothing has come to its attention 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 27th August 2025 and signed on its behalf by:



.....
Name: Samuel Mwangi
Chairperson
Hospital Management Committee



.....
Name: Isaac Ribui
Hospital Manager

REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



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

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

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 Kimbimbi Sub County Level 4 Hospital set out on pages 1 to 57, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual

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

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kimbimbi Sub County Level 4 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 Facilities Improvement Financing Act, 2023, the County Governments Act, 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Expenditure Outside Reporting Period

The statement of financial performance and as disclosed in Note 15 to the financial statements reflects Kshs.55,667,621 relating to medical/clinical costs. Included in the amount is Kshs.9,389,810 and Kshs.4,156,200 in respect to food and rations and hospital information stationary respectively all totalling Kshs.13,546,010. Further, included in this is amount was Kshs.5,662,460 worth of expenses incurred by the Hospital in the previous financial years when it was operating as a department in the County Government of Kirinyaga.

In the circumstances, the current year's expenses were overstated by Kshs.5,662,460.

2.0 Failure to Disclose Assets in The Financial Statements

The statement of financial position and as disclosed in Note 32 to the financial statements reflects Nil balance in respect of property, plant, and equipment. A physical inspection of the Hospital premises in the month of November, 2025 revealed the following anomalies;

2.1 Failure to Value and Disclose Assets in The Financial Statements

The Hospital is located on a parcel of land and holds in its custody and use an operating theatre with radiology equipment, motor vehicles, medical equipment, computer accessories, furniture and fittings and hospital beds all of which are in good condition. However, the Hospital has not initiated the process of valuation to determine the assets values and disclose them in the financial statement.

2.2 Incomplete Assets Register

The asset register provided for audit lacked key information such as asset description, identification numbers, acquisition date and cost, location, custodianship and condition.

2.3 Failure to Tag the Hospital Assets

Physical inspection of the assets revealed that they had not been serialized or tagged for identification and consequently, these assets could not be reconciled with the asset register provided for audit review.

In the circumstances, the accuracy and completeness of the Nil property plant and equipment balance in Note 32 to the financial statements could not be confirmed.

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

Emphasis of Matter

Budgetary Controls and Performance

The statement of comparison of budget and actual amounts reflects total actual expenditure on a comparable basis of Kshs.123,506,313 against total actual receipts on a comparable basis of Kshs.206,279,171 resulting to an under expenditure of Kshs.82,772,858 or approximately 40%.

From the above analysis, Kimbimbi Level 4 Hospital under absorbed the approved budget by Kshs.82,772,858 which is an indication that crucial services may have remained underfunded resulting into ineffective service delivery at the Hospital.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-compliance with The Levy Order, 2023

The statement of financial performance and as disclosed in Note 15, 19 and 21 to the financial statements reflects Kshs.55,667,621, Kshs.6,672,733 and Kshs.15,966,082 in respect medical/clinical, repairs and maintenance and general expenses respectively all totaling Kshs.99,058,223. Included in the amount is Kshs.13,028,905 paid to suppliers of goods and services. However, the Hospital failed to recover and remit the capacity building levy to Public Procurement Regulatory Authority contrary to paragraph 5&6 of Public Procurement Regulatory Authority Circular No 01/2024 which provides that procuring entities shall remit the Levy amounts to the Authority through the eCitizen payment platform by the 20th day of the subsequent month.

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

2. Non-Compliance with Law on Ethnic Diversity

The statement of financial performance and as disclosed in Note 17 to the financial statements reflect Kshs.77,500 in respect of Board of Management expenses. Review of the Hospital's Board of Management composition revealed that all the six (6) Board members, comprised of persons drawn from one ethnic community contrary to Article 232 (1) of the Constitution of Kenya 2010 which provides that the values and principles of public service include representation of Kenya's diverse communities and affording adequate and equal opportunities for appointment, training and advancement, at all levels of the public service of the members of all ethnic groups.

In the circumstances, Management was in breach of law.

3. Deficiencies in Implementation of Universal Health Coverage

Review of records and physical inspection of the Hospital resources to confirm effectiveness in service delivery, equipment used and medical specialists at the time of audit in the month of November 2025, revealed that the Hospital did not meet the requirements of Kenya Quality Model for Health Policy guidelines due to staff deficits by seventy (63) members of staff therefore operating at 71% of the authorized establishment as shown below: -

Staff Requirements	Level 4 standards	Number in Hospital	Variance
Medical officers	14	5	9
Dental officers	2	1	1
Radiographers	6	3	3
Nutritional & dietetics officers	4	2	2
Physiotherapists	3	1	2
Kenya Registered Community Health Nurses	60	51	9
	89	63	26

In the circumstances, the Hospital may not be in a position to deliver on its mandate.

4. Under-establishment in Hospital Management Committee

Part 3 of the financial statements on the Hospital's Board of Management shows that the Hospital is governed by six (6) appointed members of the board contrary to Section 17 (1) of the Facilities Improvement Finance Act which provides that the Health Facility Management Committee shall consist of not less than seven and not more than nine members appointed by the county executive committee with a mix of skills and competencies required for the achievement of the Hospital's goals.

In the circumstances, Management was in breach of law.

5. Irregular Expenditure Charged to the Hospital

The Statement of financial performance and as disclosed in Note 19 to the financial statements reflects Kshs.6,672,733 in respect of repairs and maintenance expenses. Included in the amount is Kshs.4,679,080 paid from Kimbimbi Sub County Hospital's resources for supply of tires and servicing of radiology equipment for Kerugoya county referral Hospital and repair of Kirinyaga county government health department's vehicles. The above was done in contravention of Section 42. (1) of the Public Finance Management (County Governments) Regulations, 2015 which provides that an Accounting Officer shall sign financial statements thereby making himself or herself responsible for their correctness and ensure that public funds entrusted to their care are

properly safeguarded and are applied for purposes for only which they were intended and appropriated by the County Assembly;

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Deficiencies in Hospital Management Team

Part 4 of the financial statements on Key management team indicates that Kimbimbi Sub County Hospital does not have in place key management personnel such hospital administrator. The hospital accountant and the hospital procurement officer as required by Section 14 of Facilities Improvement Financing Act, 2023 which provides that every hospital in the county shall have a Hospital Management Team which shall consist of the medical superintendent, the hospital administrator, the hospital accountant, the hospital procurement officer and all departmental heads.

In the circumstances, effective service delivery at the Hospital may be hampered.

2. Failure to Develop a Waiver Policy

Note 25 to the financial statements reflect Kshs.2,601,120 in respect of Waivers and exemptions. However, it was established that Kimbimbi Sub-County Level 4 Hospital had not put in place a formal waiver and exemption policy to regulate the process of granting waivers to patients, contrary to Section 104 (1) (a) of the Public Finance Management Act, 2012 which provides that a county treasury shall monitor, evaluate and oversee the management of public finances and economic affairs of the county government including developing and implementing financial and economic policies in the county;

In the circumstances, it could not be ascertained the criteria the hospital used in granting of the waivers.

3. Lack of Internal Audit Arrangement

Kimbi Sub County Level 4 Hospital did not have internal audit arrangements in the year under review despite the fact that the Hospital operates in an environment characterized by substantial financial transactions, procurement activities, inventory management, and patient service operations, all of which require continuous oversight, control and evaluation. This is contrary to Section 155 (1) (a) of the Public Finance Management (PFM) Act, 2012 which stipulates that every county government entity shall ensure that it has appropriate arrangements for conducting internal audit according to the guidelines issued by the Accounting Standards Board.

In the circumstances, existence of effective oversight of internal controls could not be confirmed.

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

Responsibilities of the Management and the Board of Management

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

4 December, 2025

*Kimbimbi Sub County Level 4 Hospital (Kirinyaga County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

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

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the County Government	6	-	-
In- kind contributions from the County Government	7	97,370,723	-
Grants from donors and development partners	8	-	-
Transfers from other Government entities	9	-	-
Public contributions and donations	10	-	-
		97,370,723	-
Revenue from exchange transactions			
Rendering of services- Medical Service Income	11	108,908,448	-
Revenue from rent of facilities	12	-	-
Finance /Interest Income	13	-	-
Miscellaneous Income	14	-	-
Revenue from exchange transactions		108,908,448	-
Total revenue		206,279,171	-
Expenses			
Medical/Clinical costs	15	55,667,621	-
Employee costs	16	42,521,257	-
Board of Management Expenses	17	77,500	-
Depreciation and amortization expense	18	-	-
Repairs and maintenance	19	6,672,733	-
Grants and subsidies	20	-	-
General expenses	21	15,966,082	-
Finance costs	22	-	-
Total expenses		120,905,193	-
Other gains/(losses)			

Kimbimbi Sub County Level 4 Hospital (Kirinyaga County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Gain/Loss on disposal of non-Current assets	23	-	-
Unrealized gain on fair value of investments	24	-	-
Medical services contracts Gains/Losses	25	(2,601,120)	-
Impairment loss	26	-	-
Gain on foreign exchange transactions		-	-
Total other gains/(losses)		(2,601,120)	-
Net Surplus / (Deficit) for the year		82,772,858	-

(The notes set out on pages 10 to 68 form an integral part of the Annual Financial Statements.)

The Hospital's financial statements were approved by the Board on 27th August 2025 and signed on its behalf by:



.....
Samuel Mwangi
Chairman
Hospital Management
Committee



.....
Peter Mungai
Accountant
ICPAK No: 18247



.....
Isaac Ribui
Hospital Manager

Kimbimbi Sub County Level 4 Hospital (Kirinyaga County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

15. Statement of Financial Position as at 30th June 2025

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	27	17,624,996	-
Prepayments	28	-	-
Receivables from exchange transactions	29	45,890,407	-
Receivables from non-exchange transactions	30	-	-
Inventories	31	20,751,787	-
Total Current Assets		84,267,190	-
Non-current assets			
Property, plant, and equipment	32	-	-
Intangible assets	33	-	-
Investment property	34	-	-
Biological Assets	35	-	-
Total Non-current Assets		-	-
Total assets (A)		84,267,190	-
Liabilities			
Current liabilities			
Trade and other payables	36	1,494,333	-
Refundable deposits from Patients/Prepayments	37	-	-
Provisions	38	-	-
Finance lease obligation	39	-	-
Current portion of deferred income	40	-	-
Current portion of borrowings	41	-	-
Total Current Liabilities		1,494,333	-

Kimbinbi Sub County Level 4 Hospital (Kirinyaga County Government)
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Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Non-current liabilities			
Provisions	38	-	-
Non-Current Finance lease obligation	39	-	-
Non-Current portion of deferred income	40	-	-
Non - Current portion of borrowings	41	-	-
Service concession Arrangements	42	-	-
Total non-current liabilities		-	-
Total Liabilities (B)		1,494,333	-
Net assets (A-B)		82,772,857	-
Represented by:			
Revaluation reserve		-	-
Accumulated surplus/Deficit		82,772,858	-
Capital Fund		-	-
Net Assets		82,772,858	-

(The notes on pages 10 to 68 form an integral part of the Annual Financial Statements.)

The Hospital's financial statements were approved by the Board on 27th August 2025 and signed on its behalf by:



.....
Samuel Mwangi
Chairman
Hospital Management
Committee



.....
Peter Mungai
Accountant
ICPAK No: 18247



.....
Isaac Ribui
Hospital Manager

Kimbimbi Sub County Level 4 Hospital (Kirinyaga County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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

Description	Revaluation reserve	Accumulated surplus/Deficit	Capital Fund	Total
As at July 1, 2023	-	-	-	-
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	-	-	-
Capital/Development grants	-	-	-	-
As at June 30, 2024	-	-	-	-
At July 1, 2024	-	-	-	-
Prior Year adjustments	-	-	-	-
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	82,772,858	-	82,772,858
Capital/Development grants	-	-	-	-
At June 30, 2025	-	82,772,858	-	82,772,858

Kimbimbi Sub County Level 4 Hospital (Kirinyaga County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from the County Government		-	-
Grants from donors and development partners		-	-
Transfers from other Government entities		-	-
Public contributions and donations		-	-
Rendering of services- Medical Service Income		60,416,921	-
Revenue from rent of facilities		-	-
Finance / interest income		-	-
Miscellaneous receipts(<i>specify</i>)		-	-
Total Receipts		60,416,921	-
Payments			
Medical/Clinical costs		18,781,945	-
Employee costs		2,787,997	-
Board of Management Expenses		77,500	-
Repairs and maintenance		5,896,245	-
Grants and subsidies		-	-
General expenses		15,248,237	-
Finance costs		-	-
Refunds paid out		-	-
Total Payments		42,791,924	-
Net cash flows from operating activities	43	17,624,997	-
Cash flows from investing activities			
Purchase of property, plant, equipment		-	-
Purchase of intangible assets		-	-
Proceeds from the sale of PPE		-	-
Acquisition of investments		-	-
Net cash flows used in investing activities		-	-

Kimbimbi Sub County Level 4 Hospital (Kirinyaga County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Capital grants received		-	-
Net cash flows used in financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		17,624,997	-
Cash and cash equivalents as at 1 July	27	-	-
Cash and cash equivalents as at 30 June	27	17,624,997	-

Kimbimbi Sub County Level 4 Hospital (Kirinyaga County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	A	B	c=(a+b)	D	e=(c-d)	f=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs	
Budget carryovers from the previous year	-	-	-	-	-	
Receipts						
Transfers from the County Government	-	-	-	-	-	
In- kind contributions from the County Government	97,500,000	-	97,500,000	97,370,723	129,277	100%
Transfers from other Government entities	-	-	-	-	-	-
Public contributions and donations	-	-	-	-	-	-
Rendering of services- Medical Service Income	108,990,000		108,990,000	108,908,448	81,552	100%
Revenue from rent of facilities	-	-	-	-	-	-
Finance / interest income	-	-	-	-	-	-
Miscellaneous receipts (<i>specify</i>)	-	-	-	-	-	-
Total receipts	206,490,000	-	206,490,000	206,279,171	210,829	100%
Payments						
Medical/Clinical costs	55,700,000	-	55,700,000	55,667,621	32,379	100%
Employee costs	42,650,000	-	42,650,000	42,521,257	128,743	100%
Board of Management Expenses	77,500	-	77,500	77,500	-	100%
Repairs and maintenance	6,700,000	-	6,700,000	6,672,733	27,267	100%
General expenses	98,752,500	-	98,752,500	15,966,082	82,786,418	16%

Kimbimbi Sub County Level 4 Hospital (Kirinyaga County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Medical services contracts Gains/Losses	2,610,000	-	2,610,000	2,601,120	8,880	100%
Total Operational Expenditure paid	206,490,000		206,490,000	123,506,313	82,983,687	
Capital Expenditure paid	-	-	-	-	-	
Surplus	-	-	-	82,772,858		

Budget notes

1. The 16% utilization on General expenses was as a result of late vetting of the hospital committees and FIF board members led to late approvals of expenditure.

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	82,772,858
1	Less unreceived income expected from health insurance schemes	(45,890,407)
2	Less closing stock	(20,751,787)
3	Add back unpaid suppliers	1,494,333
4	Reason for differences	-
	Closing Cash and Cash Equivalent as per the statement of Cash flows	17,624,998

19. Notes to the Financial Statements

1. General Information

Kimbimbi sub county is a level 4 hospital established under gazette notice number 1828 of 21st March 2003 and is domiciled in Kirinyaga County under the Health Department. The hospital is governed by a Board of Management

Principal Activities

KSCH Vision:

To be a world class centre of excellence in the provision of integrated, affordable high quality healthcare services

KSCH Mission

To promote and participate in the provision of high quality, affordable, accessible health care services to all people.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant, and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Hospital's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in (No assumptions or estimates have been made in the preparation of these financial statements). The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Hospital. The financial statements have been prepared in accordance with the PFM Act and *Facility Improvement Financing Act 2023*, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

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

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

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

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

Standard	Effective date and impact:
	land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
<p>IPSAS 46 Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47- Revenue</p>	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
<p>IPSAS 48- Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>

Standard	Effective date and impact:
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1st 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.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii) Early adoption of standards

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

4. Summary of Significant Accounting Policies

a. Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other Government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

Notes to the Financial Statements (Continued)

b. Budget information

The original budget for FY 2024/2025 was approved by County Assembly on June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Hospital upon receiving the respective approvals in order to conclude the final budget. The Hospital's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

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

c. Taxes

Sales tax/ Value Added Tax

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

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

Notes to the Financial Statements (Continued)

d. Investment property

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

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. 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 Hospital recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

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 Hospital. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Hospital also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

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

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

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

g. Intangible assets

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

Notes to the Financial Statements (Continued)

h. Biological Assets

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

i. Research and development costs

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

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

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

j. Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. A financial instrument is any contract that gives rise to a financial asset of one Hospital and a financial liability or equity instrument of another Hospital. At initial recognition, the Hospital measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability

not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

The Hospital assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The Hospital recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management; - the hospital had no credit loss (ECL).

Financial liabilities

Classification

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

k. Inventories

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

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

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

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

l. Provisions

Provisions are recognized when the Hospital has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Hospital expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

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

Notes to the Financial Statements (Continued)

m. Social Benefits

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

n. Contingent liabilities

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

o. Contingent assets

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

p. Nature and purpose of reserves

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

q. Changes in accounting policies and estimates

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

Notes to the Financial Statements (Continued)

r. **Employee benefits**

Retirement benefit plans

The Hospital provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an hospital pays fixed contributions into a separate Hospital (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.

s. **Foreign currency transactions**

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

t. **Borrowing costs**

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

u. Related parties

The Hospital regards a related party as a person or an Hospital 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.

v. Service concession arrangements

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

w. Cash and cash equivalents

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

x. Comparative figures

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

y. **Subsequent events**

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

- The condition of the asset based on the assessment of experts employed by the 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. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

Notes to Financial Statements Continued

6. Transfers from the County Government

Description	FY 2024/2025	FY 2023/2024
	KShs	KShs
Unconditional grants		
Operational grant	-	-
Level 4/5 grants	-	-
Unconditional development grants	-	-
Conditional grants		
User fee forgone	-	-
Administration block grant	-	-
Laboratory grant	-	-
Total government grants and subsidies	-	-

6 b Transfers from The County Government

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

Notes to Financial Statements Continued

7. In Kind Contributions from The County Government

Description	FY 2024/2025	FY 2023/2024
	KShs	KShs
Salaries and wages	39,733,260	-
Medical supplies-Drawings Rights (KEMSA)	-	-

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Pharmaceuticals and Non-Pharmaceutical Supplies	57,637,463	-
Utility bills	-	-
Total grants in kind	97,370,723	-

8. Grants From Donors and Development Partners

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

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

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

9. Transfers From Other Government Entities

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

10. Public Contributions and Donations

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

10 (a)Reconciliations of amortised grants

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

Notes to Financial Statements Continued

11. Rendering of Services-Medical Service Income

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Xray	6,411,720	-
Lab	6,884,450	-
Plaster	1,077,670	-
Pharmacy	5,507,194	-
Medical	121,500	-
Opd	1,212,130	-
O.T	1,400	-
Ambulance	541,450	-
Male Ward	1,220,100	-
Female Ward	3,475,790	-
Mat	2,181,573	-
Mch	310,500	-
Theatre	494,591	-
Ent	67,900	-
H/Records	2,889,710	-
P.Health	15,400	-
Physio	296,300	-
Dental	405,800	-
Other medical services income-insurance payments	74,529,591	-
Total revenue from the rendering of services	107,644,789	-

12. Revenue From Rent of Facilities

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

13. Finance /Interest Income

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

14. Miscellaneous Income

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

Notes to the Financial Statements (Continued)

15. Medical/ Clinical Costs

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Dental costs/ materials	-	-
Laboratory chemicals and reagents	1,705,287	-
Public health activities	-	-
Food and Ration	9,389,810	-
Uniform, clothing, and linen	5,235,935	-
Dressing and Non-Pharmaceuticals	17,212,048	-

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Pharmaceutical supplies	15,365,583	-
Health information stationery	4,156,200	-
Reproductive health materials	-	-
Sanitary and cleansing Materials	602,758	-
Purchase of Medical gases	-	-
X-Ray/Radiology supplies	2,000,000	-
Other medical related clinical costs (<i>specify</i>)	-	-
Total medical/ clinical costs	55,667,621	-

16. Employee Costs

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Salaries and allowances	39,733,260	-
Wages	2,787,997	-
Contributions to pension schemes	-	-
Service gratuity	-	-
Staff medical expenses and Insurance cover	-	-
Group personal accident insurance and WIBA	-	-
Social contribution	-	-
Other employee costs (<i>specify</i>)	-	-
Employee costs	42,521,257	-

17. Board of Management Expenses

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Chairman's Honoraria	-	-
Sitting allowance	77,500	-
Mileage	-	-
Insurance expenses	-	-
Induction and training	-	-
Travel and accommodation allowance	-	-
Airtime allowances	-	-
Total	77,500	-

18. Depreciation and Amortization Expense

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

19. Repairs And Maintenance

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Property- Buildings	1,993,653	-
Medical equipment	-	-
Office equipment	-	-
Furniture and fittings	-	-
Computers and accessories	-	-
Motor vehicle expenses	4,679,080	-
Maintenance of civil works	-	-
Total repairs and maintenance	6,672,733	-

20. Grants And Subsidies

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

21. General Expenses

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Advertising and publicity expenses	-	-
Catering expenses	300,000	-
Waste management expenses	-	-
Insecticides and rodenticides	-	-
Audit fees	-	-
Bank charges	40,641	-
Conferences and delegations	-	-
Consultancy fees	-	-
Contracted services	-	-
Electricity expenses	972,545	-
Fuel and Lubricants	-	-
Insurance	-	-
Research and development expenses	-	-
Travel and accommodation allowance	-	-
Legal expenses	-	-
Licenses and permits	-	-
Courier and postal services	-	-
Printing and stationery	717,845	-
Hire charges	-	-
Rent expenses	-	-
Water and sewerage costs	359,495	-
Skills development levies	-	-
Library books/Materials	-	-
Parking charges	-	-
Operational Expenses	6,280,000	
CHMT Training and skills development expense	7,295,556	
Total General Expenses	15,966,082	-

22. Finance Costs

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

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

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

24. Unrealized Gain on Fair Value Investments

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

25. Medical Services Contracts Gains /Losses

Description	FY 2024/2025	FY 2023/2024
	KShs	KShs
Comprehensive care contracts with NHIF/SHA	-	-
Non- Comprehensive contracts care with NHIF/SHA	-	-
Linda Mama Program	-	-
Waivers and Exemptions	2,601,120	-
Total Gain/Loss	2,601,120	-

26. Impairment Loss

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

27. Cash And Cash Equivalents

Description	FY 2024/2025	FY 2023/2024
	KShs	KShs
Current accounts	17,624,996	-
On - call deposits	-	-
Fixed deposits accounts	-	-
Cash in hand	-	-
Others(<i>specify</i>)- Mobile money	-	-
Total cash and cash equivalents	17,624,996	-

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

Description		FY 2024/2025	FY 2023/2024
Financial institution	Account number	KShs	KShs
a) Current account			
Kenya Commercial bank	1224816722	566,900	-
Equity Bank	0420285555291	2,159,159	-
Equity Bank	0420285555288	14,898,937	-
Sub- total		17,624,996	-
b) Fixed deposits account			
Bank Name		-	-
Sub- total		-	-
Grand total		17,624,996	-

28. Prepayments

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

29. Receivables From Exchange Transactions

Description	FY 2024/2025	FY 2023/2024
	KShs	KShs
Medical services receivables	45,890,407	-
Rent receivables	-	-
Other exchange debtors	-	-
Less: impairment allowance	-	-
Total receivables	45,890,407	-

Analysis of Receivables From Exchange Transactions

Description	FY 2024/2025		FY 2023/2024	
	Kshs		Kshs	
	FY 2024/2025	% of the total	FY 2023/2024	% of the total
Less than 1 year	45,594,407	99%	-	%
Between 1- 2 years	296,000	1%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (a+b)	45,890,407	100%	-	%

30. Receivables From Non-Exchange Transactions

Description	FY 2024/2025	FY 2023/2024
	KShs	KShs
Transfers from the County Government	-	-
Undisbursed donor funds	-	-
Less: impairment allowance	-	-
Total	-	-

Analysis of Receivables From Non-Exchange Transactions

Description	FY 2024/2025		FY 2023/2024	
	Kshs		Kshs	
	FY 2024/20 25	% of the total	FY 2023/2024	% of the total
Less than 1 year	-	%	-	%
Between 1- 2 years	-	%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (a+b)	-	%	-	%

31. Inventories

Description	FY 2024/2025	FY 2023/2024
	KShs	KShs
Pharmaceutical supplies	14,403,593	-
Non pharmaceutical supplies	1,678,680	-
Laboratory Supplies	4,669,514	-
Maintenance supplies	-	-
General supplies	-	-
Less: provision for impairment of stocks	-	-
Total	20,751,787	-

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Detailed disclosure on inventories

	FY 2024/2025	FY 2023/2024
Opening balance	6,545,737	-
Additional Inventory in the year	73,573,305	-
Inventory expensed in the year	(59,367,255)	-
Write-downs in the year	-	-
Others specify	-	-
Closing balance	20,751,787	-

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Notes to the Financial Statements (Continued)

32. Property, Plant and Equipment

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

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Description	Land	Buildings and Civil works	Motor vehicles	Furniture, fittings, and office equipment	ICT Equipment	Plant and medical Equipment	Other Assets (specify)	Capital Work in progress	Total
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh		Ksh	Ksh
At 1 July 2023		-	-	-	-	-	-	-	-
Depreciation for the year		-	-	-	-	-	-	-	-
Disposals		-	-	-	-	-	-	-	-
Impairment		-	-	-	-	-	-	-	-
At 30 June 2024		-	-	-	-	-	-	-	-
At July 2024		-	-	-	-	-	-	-	-
Depreciation		-	-	-	-	-	-	-	-
Disposals		-	-	-	-	-	-	-	-
Impairment		-	-	-	-	-	-	-	-
Transfer/adjustment		-	-	-	-	-	-	-	-
At 30th June 2025		-	-	-	-	-	-	-	-
Net book values									
At 30 th Jun 2024	-	-	-	-	-	-	-	-	-
At 30 th Jun 2025	-	-	-	-	-	-	-	-	-

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Notes to the Financial Statements (Continued)

33. Intangible Assets-Software

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

34. Investment Property

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

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35. Biological Assets

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

36. Trade and other Payables

Description	FY 2024/2025		FY 2024/2025	
	KShs		KShs	
Trade payables	1,494,333		-	
Employee dues	-		-	
Third-party payments (<i>e.g. unremitted payroll deductions</i>)	-		-	
Audit fee	-		-	
Doctors' fee	-		-	
Total trade and other payables	1,494,333		-	
Ageing analysis:	FY 2024/2025	% of the Total	FY 2023/2024	% of the total
Under one year	1,494,333	100 %	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	1,494,333	100%	-	%

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37. Refundable Deposits from Customers/Patients

Description	FY 2024/2025		FY 2023/2024	
	KShs		KShs	
Medical fees paid in advance	-		-	
Credit facility deposit	-		-	
Rent deposits	-		-	
Others (<i>specify</i>)	-		-	
Total deposits	-		-	
Ageing analysis:	FY	% of the	FY 2023/2024	% of
	2024/2025	Total		the
				Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

38. Provisions

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

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39. Finance Lease Obligation

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

40. Deferred Income

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

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

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

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41. Borrowings

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

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

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

42. Service Concession Arrangements

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

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43. Cash Generated from Operations

Description	FY 2024/2025	FY 2023/2024
	KShs	KShs
Surplus for the year before tax	82,772,857	-
Adjusted for:		
Depreciation	-	-
Contribution to provisions	-	-
Contribution to impairment allowance	-	-
Working Capital adjustments		
Increase in inventory	(20,751,787)	-
Increase in receivables	(45,890,407)	-
Increase in deferred income	-	-
Increase in payables	1,494,333	-
Increase in payments received in advance	-	-
Net cash flow from operating activities	17,624,997	-

44. Financial Risk Management

The Hospital's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The hospital's overall risk management programme focuses on the unpredictability of changes in the business environment and seeks to 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 Hospital's financial risk management objectives and policies are detailed below:

(i) Credit risk

The Hospital has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the hospital's management based on prior experience and their assessment of the current economic environment. The carrying amount of financial assets recorded in the financial statements

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representing the Hospital's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Receivables from exchange transactions	-	-	-	-
Receivables from –non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-
At 30 June 2025				
Receivables from exchange transactions	45,890,407	45,890,407	-	-
Receivables from –non-exchange transactions	-	-	-	-
Bank balances	17,624,996	17,624,996	-	-
Total	63,515,403	63,515,403	-	-

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Notes to the Financial Statements (Continued)

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the hospital has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Hospital has significant concentration of credit risk on amounts due. 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 Hospital's short, medium and long-term funding and liquidity management requirements. The Hospital manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

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

Description	Less than 1	Between 1-3	Over 5	Total
	month	months	months	
	Kshs	Kshs	Kshs	Kshs
At 30 June 2025				
Trade payables	1,494,333	1,494,333	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	1,494,333	1,494,333	-	-

(iii) Market risk

The hospital has put in place an internal audit function to assist it in assessing the risk faced by the Hospital on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Hospital's income or the value of its holding of financial

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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 Hospital's exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

The Hospital 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 Hospital's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Description	KShs	Other currencies	Total
	Kshs		Kshs
At 30 June 2025			
Financial assets (investments, cash, debtors)	-	-	-
Liabilities	-	-	-
Trade and other payables	-	-	-
Borrowings	-	-	-
Net foreign currency asset/(liability)	-	-	-

The Hospital 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.

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Notes to the Financial Statements (Continued)

Description	KShs	Other currencies	Total
	Kshs		Kshs
At 30 June 2025			
Financial assets (investments, cash, debtors)	-	-	-
Liabilities			
Trade and other payables	-	-	-
Borrowings	-	-	-
Net foreign currency asset/(liability)	-	-	-

Foreign currency sensitivity analysis

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

Description	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs
2024			
Euro	10%	-	-
USD	10%	-	-
2025			
Euro	10%	-	-
USD	10%	-	-

b) Interest rate risk

Interest rate risk is the risk that the Hospital'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.

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Management of interest rate risk

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

Sensitivity analysis

The Hospital 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. A rate increase/decrease of 5% would result in a decrease/increase.

iv) Capital Risk Management

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

Description	2024/2025	2023/2024
	Kshs	Kshs
Revaluation reserve	-	-
Accumulated Surplus	82,772,857	-
Capital reserve	-	-
Total funds	82,772,857	-
Total borrowings	-	-
Less: cash and bank balances	17,624,996	-
Net debt/ (<i>excess cash and cash equivalents</i>)	65,147,861	-
Gearing	79%	-

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Notes to the Financial Statements (Continued)

45. Related Party Balances

Nature of related party relationships

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

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

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

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Transactions with related parties		
a) Services offered to related parties		
Services to	-	-
Sales of services to	-	-
Total	-	-
b) Grants from the Government		
In Kind Contribution from County Govt	97,370,723	-
Grants from the National Government Entities	-	-
Donations in kind		-
Total	97,370,723	-
c) Expenses incurred on behalf of related party		
Payments of salaries and wages for Kimbimbi Sub County Hospital employees	-	-

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Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Payments for goods and services for Kimbimbi Sub County Hospital	-	-
Total	-	-
d) Key management compensation		
Directors' emoluments	77,500	-
Compensation to the medical Sup	-	-
Compensation to key management	-	-
Total	77,500	-

46. Segment Information

47. Contingent Liabilities

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

48. Capital Commitments

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

49. Events after the Reporting Period

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

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50. Ultimate and Holding Hospital

The Hospital is a County a Semi- Autonomous Government Agency under the Department of Health. Its ultimate parent is the County Government of Kirinyaga.

51. Currency

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

20. Appendices

Appendix 1: Progress on Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>



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Isaac Ribui
Hospital Manager