

REPUBLIC OF KENYA

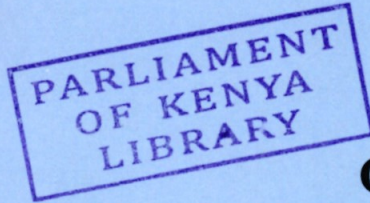


REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL  
Enhancing Accountability

REPORT

272



OF

THE AUDITOR-GENERAL

ON

SENA LEVEL 4 HOSPITAL

FOR THE YEAR ENDED  
30 JUNE, 2025

COUNTY GOVERNMENT OF HOMA BAY

PAPERS LAID	
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**SENA LEVEL 4 HOSPITAL  
(Homa Bay County Government)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

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

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

**Table of Contents**

1. Acronyms & Glossary of Terms .....	ii
2. Key Entity Information and Management.....	iii
3. The Board of Management.....	v
4. Key Management Team .....	viii
5. Chairman’s Statement .....	ix
6. Report of The Medical Superintendent .....	xi
7. Statement of Performance Against Predetermined Objectives .....	xiv
9. Management Discussion and Analysis.....	xxi
Clinical/ operational performance .....	xxi
Utilization of funds is well captured in the Statement of Comparison of Budget and Actual Amounts for the year ended 30 June 2025 for your kind perusal and verification.....	xxii
10. Environmental and Sustainability Reporting.....	xxiii
11. Report of The Board of Management.....	xxvi
12. Statement of Board of Management’s Responsibilities .....	xxvii
13. Report of the Independent Auditor ( <i>specify entity name</i> ).....	xxviii
14. Statement of Financial Performance for The Year Ended 30 June 2025 .....	1
15. Statement of Financial Position As At 30 <sup>th</sup> June 2025 .....	3
16. Statement of Changes in Net Assets for The Year Ended 30 June 2025.....	5
17. Statement of Cash Flows for The Year Ended 30 June 2025 .....	6
18. Statement of Comparison of Budget and Actual Amounts for Year Ended 30 Jun 2025 .....	7
19. Notes to the Financial Statements.....	9
23. Appendices .....	30

***Sena Level 4 Hospital (Homa Bay County Government)***  
***Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025***

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**1. Acronyms & Glossary of Terms**

*Provide a list of all acronyms and glossary of terms used in the preparation of this report e.g.*

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

*(This list is an indication of the common acronyms and glossary of terms; the entity should include all from the annual report and financial statements prepared)*

**2. Key Entity Information and Management**

**a) Background information**

Sena is a level (4) hospital established under gazette notice number 13505 and is domiciled in Homa Bay County under the Department of Health Services. The hospital is governed by a Board of Management.

The principal activity of the facility is to provide essential health care service based on scientifically sound and socially acceptable methods and technology.

Our Vision and Mission are anchored on that of the Department of Health Services, Homa Bay County,

**b) Vision**

To ensure that Mfangano Island and neighbouring islands become and remain an area free of preventable diseases and controllable ill health.

**c) Mission**

To provide sustainable, technologically- driven, evidence based and client- centred health services.

**d) Key Management**

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

- 1) Homa Bay County Department of Health Services
- 2) Board of Management
- 3) Accounting Officer/ Medical Superintendent
- 4) Hospital Management Team (HMT)

**e) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2024 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Medical Superintendent	Denis Orifa
2.	Head of finance	Benson Ouma
3.	Health Administrative Officer	Oprah Winfrey
4.	Nursing Officer incharge	Felix Oiki

**f) Fiduciary Oversight Arrangements**

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

**g) Entity Headquarters**

Homa Bay County  
Department of Health Services  
P.O. Box 52- 40300  
HOMA BAY  
KENYA

**h) Entity Contacts**

P.O. BOX 50 – 40305, MBITA.  
[Sena.health@homabay.go.ke](mailto:Sena.health@homabay.go.ke)

**i) Entity Bankers**

Co Operative Bank, Mbita Branch  
Account no. 01141076847900

**j) Independent Auditors**

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


**k) Principal Legal Adviser**

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




**l) County Attorney**

P.O. Box 52- 40300  
HOMA BAY  
KENYA




**3. The Board of Management**

Ref	Directors	Details
1.	<p>Board Chairman</p>  <p>Emmans Abisa Otadoh BoM Chair</p>	<p>Mr. Emmans Abisa Otadoh who is the serving as Board Chairman was born on 25th February 1960. He holds a Diploma in Business Administration and CPA (K). Mr Emmans is a retired public servant having served 40 years at Kenya Power &amp; Lighting Company Limited as an Accountant and Administrator in various capacities</p> <p>He has also served in various Committees and Boards, including currently serving in the Board of Homa Bay County Teaching and Referral Hospital, He is the also the Chairman of Mfangano Development Forum Credit Co-operative Society, a member of the Executive Committee of Lake Victoria Field of the SDA Church, Executive Committee of West Kenya Union Conference of the SDA Church, Board Chair of Kagoro Adventist Girls Secondary School, a member of the board of SDA Church Home Health Education Services, Board Chair of Mfangano Central Adventist Mission Health Center, the immediate past Chairman of the Supervisory Committee of Stima Investment Society and the past National Treasurer of Stima Sacco Society Ltd among many other public responsibilities entrusted upon him.</p>




*Sena Level 4 Hospital (Homa Bay County Government)  
Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

<p>2.</p>	 <p>Sister Caroline Osogo Deputy BoM Chairperson</p>	<p>Sister Caroline Osogo, also known as Mother Teresa, is a former Catholic nun, turned activist. who has dedicated her entire life to creating a smile on the faces of the less fortunate in the society. She left the Convent in 1999 after discovering a mission of helping the needy, saving lives and fighting against HIV Epidemic. She has an orphanage through which she is currently funding education of 205 HIV orphans in various boarding schools in the country. She is also a member of the Board of Homa Bay County Teaching and Referral Hospital and Homabay High School. Sister Caroline Osogo is holding a degree in Community Development.</p>
<p>3.</p>	 <p>Joanes Odongo Nyakwana</p>	<p>Mr. Joanes is a serving Ward Administrator in. Suba West Sub County. Mfangano Ward, Homa Bay County. He is a holder of Bachelor of Agribusiness from Egerton University</p>
<p>4.</p>	 <p>George Okoth Odero Finance Committee Chair</p>	<p>Mr. George is an Accountant by Profession with a vast experience, having served in various capacities as Finance Manager, Internal Auditor, Finance and Administration Officer among others. George is a holder of B. Com and CPA (K)</p>

*Sena Level 4 Hospital (Homa Bay County Government)  
Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

5.	 <p>Timons Sigo</p>	<p>Mr. Timons is a Medical Laboratory Scientist who holds Msc Medical Immunology, MBA – Strategic Planning and Bsc Medical Laboratory Sciences</p>
6.	 <p>Daniel J. O. Oteri</p>	<p>Mr. Oteri is a Finance specialist holding B. Com Finance. He has a vast experience serving as Finance Officer for many years</p>
7.	<p>MED SUP</p>  <p>Denis Orifa</p>	<p>Diploma in Clinical Medicine and Surgery Clinical Officer Incharge</p>

**4. Key Management Team**

Ref	Management	Details
1.	Manager 1  Denis Orifa	Clinical Officer Incharge also serving as the Board Secretary He holds Diploma in Clinical Medicine and Surgery
2.	Manager 2  Benson O. Ouma	Senior Accountant He holds a MBA- Finance and CPA II
3.	Manager 3  Oprah Winfrey	Health Administrative officer. She has a BSC. Health Services Management

### **5. Chairman's Statement**

During the financial year under review, the following activities were approved by the board for implementation:

- a) Provision of quality Health Services
- b) Strengthening collaboration with private and other sectors.
- c) Renovation of the hospital buildings - maternity wing, new building hosting theatre and outpatient by painting, replacing worn-out ceiling board, introducing translucent roofing sheets to scare away bats and repair of electricity line. (Repairs and maintenance of non-residential building)
- d) Relocating outpatient to the new building
- e) Repair of wiring faults and replacement of the maternity electric bulbs (Electricity expenses)

### **Successes consolidated**

In the period under review, the hospital attended to 4,046 patients. Out of these, 1,562 patients were males and 2,484 were females. Comparatively, the number of patients grew from 2,807 in the previous financial year to 4,046 in the year under review. The patients included children under 5 years of age and over 5 years. Out of these, 1,562 patients were males and 2,484 were females.

The hospital buildings were successfully renovated and painted on both interior and exterior, followed by relocation of outpatient services to the new building. Wiring faults were repaired and replacement of the maternity electric bulbs done.

### **Challenges Being Faced**

Challenges facing the facility include inability to respond to emergency cases within the Island. We have no ambulance to transport patients with referral cases within the Island and to Mbita. The facility also suffers from frequent blackouts that make storage of vaccines not safe.

The hospital, which has a bed capacity of 25 patients, does not have a modern kitchen to prepare meals for in-patients. The facility also lacks an approved site plan to help locate where to place the kitchen. We also have other challenges that include low uptake of SHA in the catchment area, inadequate medical personnel such as nurses, clinical officers, medical officers, radiologists and laboratory technicians. The facility also has a non-functional theatre

### **Way Forward/ future outlook for the hospital**

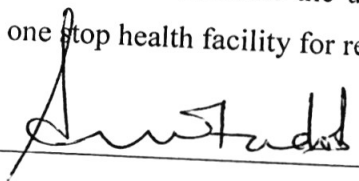
The County Government of Homa Bay should provide Grant in Aid to the facility to enable it realize its development agenda. There is urgent need for the theatre to be functional. While we are grateful for supply of an X-Ray machine to our hospital by the development partners, we appeal to the County

*Sena Level 4 Hospital (Homa Bay County Government)*  
*Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

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Government to functionalize the unit and the theatre by providing the required skilled staff and make Sena a one stop health facility for residents of Mfangano and neighboring islands

Sign: \_\_\_\_\_



**Emmans Abisa Otadoh**  
**Chairman to the Board**

**6. Report of The Medical Superintendent**  
**(Two to three pages)**

I am pleased to present the Hospital's Financial Statements for the Financial Year ended 30<sup>th</sup> June 2025.

The performance review for financial year 2024/2025 provides us with another opportunity to reflect on gains made and opportunities for improvement towards continuous provision of quality, timely, cost effective and patient centred specialized services. Sena Level 4 Hospital maintained steady growth throughout the year attributed to increased activity levels with majority of the areas achieving or exceeding the targeted performance.

During the period just to mention some of the achievements that Sena Level 4 Hospital managed during the period of review were as below:

**Main Objective.**

The Hospital is entrusted with the responsibility of ensuring the provision of quality health care services to patients within and outside its catchment area.

**Sub Objectives we had for the year under review:**

- To eliminate communicable diseases.
- To reverse the rising burden of non- communicable conditions.
- To provide essential health services.
- To minimize exposure to health risk factors.
- To strengthen collaboration with private and other sectors.
- To carry out renovation of the hospital buildings - maternity wing, new building hosting theatre and outpatient by painting, replacing worn-out ceiling board, introducing translucent roofing sheets to scare away bats and repair of electricity line. (Repairs and maintenance of non-residential building)
- To relocate outpatient services to the new building
- To repair wiring faults and replace of the maternity electric bulbs (Electricity expenses)

**Operational Performance**

The Hospital provides essential health care service based on scientifically sound and socially acceptable methods and technology. To meet our patients' needs, we have tailored our services to make them safe, timely, equitable, efficient, effective and patient centred.

The facility provided quality Health Services, a fact that won the confidence and trust of residents and led to the number of patients seen during the year growing from 2,807 in the previous financial year to 4,046 in the year under review. The patients included children under 5 years of age and over 5 years. Out of

***Sena Level 4 Hospital (Homa Bay County Government)***  
***Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025***

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these, 1,562 patients were males and 2,484 were females. In addition to that, we also had 1,744 patients who came for immunization, 641 patients for Anti Natal Clinic and 166 patients for Post Natal Clinic.

The hospital buildings were successfully renovated and painted on both interior and exterior, using Crown Vinyl Silk Emulsion, first quality. Worn-out chip boards on the ceiling were also replaced with new ones and translucent roofing sheets introduced to scare away bats.

Outpatient services were relocated to the new building immediately after renovations, to keep away bats and birds whose droppings and nests had rendered the new building unusable before the renovations were done. Wiring faults were repaired and replacement of the maternity electric bulbs done.

### **Financial Review**

The main source of revenue relied upon by the hospital for operations and maintenance is Medical Service Income. During the year under review, the Hospital Generated Kshs 14,808,879 against the target of Ksh 15,000,000. We thus fell short of the target by 1.3%, but had an increase in revenue of 67.2% up from Ksh 8,856,099 raised in the previous year to the Kshs 14,808,879.

### **Challenges**

Sena Level 4 Hospital is located on Mfangano Island, 26kms away by water from Mbita. The challenges in travelling to and from the island makes it unsafe to refer patients who need urgent medical attention, especially at night during bad weather to Mbita. It is upon this that we find it necessary to seek for support from the County Government to have Sena Level 4 Hospital made complete with radiology department to provide X-Ray service, a well-functioning theatre, eye unit and a mortuary to serve Mfangano and neighboring Islands. We also have inadequate medical personnel such as nurses, clinical officers, medical officers and laboratory technicians. The facility also has a non-functional theatre which should be made to function.

### **Way Forward**

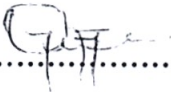
Medical Service Income in form of Facility Improvement Fund (FIF) collected from patients and SHA claims are too inadequate to enable realization of the development agenda. The County Government of Homa Bay should consider providing the facility with Grant in Aid to enable the facility to realize its development agenda, which include a car and speed boat ambulances, solar backups for lighting and safety of vaccines, a site plan and a modern kitchen.

***Sena Level 4 Hospital (Homa Bay County Government)***  
***Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025***

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Since Mfangano Island is 26kms away from Mbita, which takes a minimum of one and half hours to travel across, bearing in mind that the lake also has weather challenges. which make travelling not easy at times, Sena Level 4 Hospital should be made complete with radiology department to provide X-Ray service, a well-functioning theatre, eye unit and a mortuary to serve Mfangano and neighboring Islands. The county government should address the issue of shortage of nurses and laboratory technicians by employing and posting technical staff to relieve the facility from contracting technicians on locum basis.

I take this opportunity to acknowledge the support of Homa Bay County Government. Development partners, chairman and other members of the board. I wish also register my appreciation to all stakeholder.



.....  
**Denish Orifah**

**Secretary to the Board**

**7. Statement of Performance Against Predetermined Objectives**

Sena Sub County Level 4 Hospital had 4 key activities listed for achievement during the year under review.

**Pillar/theme/issue 1:** To provide essential health care service based on scientifically sound and socially acceptable methods and technology aimed at eliminating communicable diseases from Mfangano Island so that its environment becomes and remain an area free of preventable diseases and controllable ill health.

**Pillar/theme/issue 2.** To minimize exposure to health risk factors

**Pillar/ Theme/Issue 3.** To carry out renovation of facility by painting

Sena Level 4 Hospital developed its annual work plan based on the above 4 pillars/Themes/Issues. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The facility achieved its performance targets set for the FY 2024/2025 period for its 4 strategic pillars, as indicated in the diagram below:

<b>Strategic Pillar/Theme/ Issues</b>	<b>Objective</b>	<b>Key Performance Indicators</b>	<b>Activities</b>	<b>Achievements</b>
Pillar /theme /issue				
<b>1: Provision of Essential Health Care</b>	To ensure that everyone has access to the quality health services	<b>Preventive Health Service Coverage;</b> Number of patients seen for Immunization cases were 1,744, Anti Natal Clinic Patients were 641 and patients for Post Natal Clinic	We carried out Health Promotion and Disease Prevention measures by: Providing information about health problems, hygiene, and preventative measures like vaccination and safe water practices. <b>Nutrition:</b>	<b>Increased access to essential services: More people visited the facility to access services like early essential newborn care, sexual and reproductive health services.</b> We also carried

*Sena Level 4 Hospital (Homa Bay County Government)  
Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

	<p>they need, when and where they need them, without facing financial hardship</p>	<p>were 166.</p> <p><b>Curative Health Service Coverage;</b> The number of patients treated for common illnesses and injuries grew from 2807 the previous year to 4046.</p> <p><b>Access to essential medicines;</b> The facility stocked the pharmacy with adequate drugs and Patients received the necessary medications</p> <p><b>Number of Health Care professionals;</b> We have 8 clinical officers, 7 nurses, 3 lab specialists, 2 Pharmacists, 2 Nutritionists, 4 public Health officers and Community Health Workers who are</p>	<p>We gave adequate information on proper nutrition, especially for mothers and children.</p> <p><b>Hygiene and Sanitation:</b> We promoted use of safe water and basic sanitation practices to prevent the spread of disease.</p> <p><b>Immunization:</b> We administered vaccines to protect against major infectious diseases.</p> <p><b>Curative Care:</b> We carried out timely Treatment of Common Illnesses and Injuries including referral to higher levels of care when necessary.</p> <p><b>Maternal and Child Health:</b> We provided antenatal care, safe delivery services, and postnatal care, including family planning, growth monitoring, and nutritional support.</p> <p><b>Medication:</b></p>	<p>out successful immunization campaigns,</p> <p><b>Disease elimination and control:</b> Progress has been made in eliminating or controlling several diseases within the island, including STIs and corona virus within the island. Malaria programs have also shown resilience, with distribution of insecticide-treated nets and chemoprevention.</p> <p><b>HIV treatment advancements:</b> Effective HIV testing, counseling and treatment has significantly reduced AIDS-related deaths within Mfangano Island and neighbouring</p>
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		well dedicated to performing their duties.	Ensuring access to essential medications for common illnesses and injuries.	islands. <b>Community health initiatives:</b> We have build community health networks and trained community health volunteers to expand access to care, in remote areas of the island. <b>Vaccination milestones:</b> Vaccinations have prevented millions of cases of serious diseases within the island.
<b>Pillar /theme/ issue 2:</b> To minimize exposure to health risk factors	2. To reduce the likelihood of developing diseases and other health problems	Health staff attended regular seminars and trainings on health and safety measures for round the clock preparedness and knowledge of risk mitigation. <b>Risk identification</b>	<b>Identifying Hazards:</b> We recognized potential dangers in the environment or activities <b>Risk Assessment:</b> We evaluated the likelihood of harm and the severity of potential consequences. <b>Implementing Controls:</b>	<b>Reduced Disease Incidence and Mortality:</b> Minimizing exposure to pathogens through measures like handwashing, safe food handling have

		<p><b>and assessment</b> <b>Our team is able to track the percentage of identified risks assessed and documented, demonstrating proactive identification of hazards.</b></p>	<p><b>Elimination:</b> We considered removing the hazard entirely. <b>Substitution:</b> We replaced hazardous substance or process with a safer one. <b>Isolation:</b> Physically separating people from the hazard was done. <b>Engineering Controls:</b> We implemented physical changes to the environment to reduce risk (e.g., ventilation systems, <b>Administrative Controls:</b> We established procedures, carried out training, and introduced work practices to minimize risk <b>Personal Protective Equipment (PPE):</b> We provided appropriate equipment like gloves, masks and respirators as a last line of defense.</p>	<p>significantly reduced the spread of infectious diseases like cholera, typhoid, and influenza <b>Maternal and Child Health:</b> Improved sanitation, access to clean water, and adequate nutrition in the Island has decreased maternal mortality and improved child health outcomes. <b>Increased Life Expectancy:</b> Public education on diseases prevention and minimizing exposure to health risks has led to increased life expectancy. The rare to see oldest people are found in Mfangano Island</p>
<b>Pillar /theme/</b>	3.To	<b>Cost Control:</b>	<b>Planning and Design:</b>	More rooms

<p><b>issue 3:</b> Renovation by Painting</p>	<p>enhance patient experience and care, improve operational efficiency, and ensure a safe and modern environment.</p>	<p>We tracked actual versus budgeted costs and ensured staying within financial limits.</p> <p><b>Quality of Work:</b> We assessed the workmanship and materials used and it met the standards and specifications.</p> <p><b>Safety Performance:</b> We Monitored the works to ensure no safety violations during the renovation process.</p> <p><b>Client Satisfaction:</b> We gathered feedback from hospital staff and stakeholders who confirmed their satisfaction with the renovation process and outcome.</p>	<p><b>Strategic Planning:</b> We defined the project's objectives and aligned them with the hospital's overall strategic goals.</p> <p><b>Feasibility Studies:</b> We assessed the current state of the facility, identified needs, and created a roadmap for the renovation.</p> <p><b>Stakeholder Engagement:</b> Staff members were involve, patients, and other relevant parties in the likely outcome to ensure their needs were met.</p> <p><b>Evidence-Based Design:</b> We used silk vinyl paint that promote patient safety, reduce stress, and enhance the overall healing environment.</p> <p><b>Infection Control Integration:</b> We kept prevented staff and patients from entering every building that was</p>	<p>became available and the number of patients increased The Hospital now has a new look and better future. The new building has been put to use after we relocated out patient service to keep it active and scare away birds and bats by the presence of humans and activities. There is increased staff satisfaction and more efficient use of space and resources.</p>
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			<p>undergoing renovation</p> <p><b>Permitting and Compliance:</b>          We ensured all renovation activities adhered to relevant building codes and regulations.</p> <p><b>Renovation of Patient Rooms and Corridors:</b>          We did everything to ensure functionality, aesthetics, and patient comfort.</p> <p><b>Electrical and other System Upgrades:</b>          We repaired wiring faults, replaced malfunctioned electric bulbs, replaced worn-out ceiling board and introduced translucent roofing sheets to scare away bats</p>	
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## **8. Corporate Governance Statement**

Sena Sub County Level 4 Hospital is governed by a Hospital Management Committee (HMC) pursuant to Homa Bay County Health Services Bill, 2019 Part X. The HMC has a chairman, who is a non-public servant or politician, with a vast amount of knowledge and experience in management, administration, financial and audit Matters. Other members are the area Sub-County Administrator, County Director of Health Services, County public health officer in-charge of the sub-county, the person in charge of this facility, who is the secretary, appointed by the County Executive Committee Member for health. The team also include one person nominated by women groups, one person nominated by the Faith based organizations one person nominated by the local Community Based Organizations, one person nominated by the umbrella body representing persons living with disability and one person representing the youth groups.

### **Process of Appointment and Removal of Board Members**

Appointment of HMC is a responsibility of County Executive Committee Member for health and is done after every three years. However, a member may be removed from office if he/ she is declared unfit to hold a public office by being convicted in a law court, being declared bankrupt or involving in acts that go against public policy.

A member of HMC may also leave the office voluntarily by tendering a resignation to the appointing authority or renouncing his membership in public.

### **Duration of HMC Membership**

A member of the HMC apart from *ex-officio* holds office for a period of three years and is eligible for re-appointment for one further term.

### **Meetings**

The HMC meets once per quarter which totals four meetings a year and maintains records of its deliberations that are submitted to the County Health Committee every quarter. The quorum for the meetings of the committee is five of all its members including the secretary.

### **Induction and Training**

Homa Bay County Health Committee has the sole responsibility of organizing for Induction and Training of Hospital Board Members to enable them understand their oversight role for smooth running of facilities.

### **Conflict of Interest**

A Board Member who develops interest in trading with the health facility is supposed to tender his resignation to the appointing authority so as to be able to apply for tenders and become a supplier or contractor.

### **Board Remuneration**

Office of the chief officer, Department of Health Services provides the rates used in paying allowances for Hospital Boards/ Health Management Committees payable rationally and subject to availability of funds. Only four board and committee meetings are payable in a year. The allowances are as tabled below:

*Sena Level 4 Hospital (Homa Bay County Government)  
Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

ALLOWANCE	PAYEE	LEVEL 5 HOSPITALS KSH	LEVEL 4 HOSPITALS KSHS	LEVEL 2 & 3 HOSPITALS KSHS
Sitting Allowance	Chairperson	7,500	4,000	2,000
Sitting Allowance	Members	5,000	2,500	1,500
Lunch where non is provided	Chairperson and members	1,000	500	500

**Roles of HMC**

According to Homa Bay County Health Services Bill, 2019, Part X, the roles and functions of HMC are as listed below:

- (1) Supervise and oversee the administration of funds allocated to the rural facility.
- (2) Open and operate an account at a bank to be approved by the County Executive Member for the time of being responsible for finance.
- (3) Approve prepared budgets and Annual Work Plans based on estimated expenditures
- (4) Cause to be kept basic books of accounts of the income, assets and liabilities of the facility as prescribed by the officer administering the Fund
- (5) Prepare and submit to County Committee certified periodic financial and performance reports and
- (6) Cause to be kept a permanent record of all its deliberations.

**Functions of HMC**

- (a) Oversee the administration of funds allocated to Health Facility
- (b) Mobilize resources for the hospital
- (c) Approve work plans on estimated expenditures.
- (d) Approve budgets before AIE (Authority to Incur Expenditure) is issued.
- (e) Cause to be kept basic books of accounts and records of accounts of the income, expenditure, assets and liabilities of health facilities as prescribed by officer administering the fund,
- (f) Prepare and submit to County chief officer of health certified periodic financial and performance reports; and
- (g) Cause to keep a permanent record of all its deliberations.

**9. Management Discussion and Analysis**

The management uses tables to make the information easily understandable. However, the information does not show a trend for the previous years because this is the first time the management is preparing financial statements

**Clinical/ operational performance**

- Bed capacity of the hospital - 25 beds
- Overall patient attendance during the year for both inpatient and outpatient – 2,807 patients
- Accident and Emergency attendance- 35 cases
- Specialised clinic attendance- 950 patients

*Sena Level 4 Hospital (Homa Bay County Government)*  
*Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

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- Average length of stay for in patient- 2 Days
- Bed occupancy rate- 60%
- Mortality rate- less than 1%
- Surgical theatre utilisation (number of operations over a period of time)- 3
- Sponsorships and partnerships- 2

**Financial performance**

The facility's main revenue sources are Facility Improvement Fund (FIF) charged on patients served in the facility on cashless basis or through SHA. In the FY 2024/25, the Hospital Generated Kshs 14,808,879 against the target of Ksh 15,000,000. We thus fell short of the target by 1.3%, but had an increase in revenue of 67.2% up from Ksh 8,856,099 raised in the previous year to the Kshs 14,808,879.

**Utilisation of Funds**

Utilization of funds is well captured in the Statement of Comparison of Budget and Actual Amounts for the year ended 30 June 2025 for your kind perusal and verification.

## **10. Environmental and Sustainability Reporting**

Sena Sub County Level Four Hospital exists to transform lives. It is what guides us to deliver our strategy, putting the client/citizen first, delivering health services, and improving operational excellence. Below is an outline of the organisation's policies and activities that promote environmental sustainability.

One of the objectives of Sena as a Health Facility is to provide for environmental mitigation through Public Health Department to improve the health and well-being of the entire population in Mfangano Island and its neighbouring Islands. Our Public Health Officers regularly carry out Environmental and Social Assessment Procedures (ESAP) to ensure every human activity initiated in the region does not cause health risks.

Several environmental conservation activities were achieved during the period under review. Through the efforts of our public Health Department, we managed to have pit latrines constructed in homes, public and business places within the Island. We also managed to have a septic constructed in the facility fully funded by the County government to replace the old and worn out septic that was posing health risk to patients and staff.

Other environmental and social sustainability measures have been addressed by constructing a waste burning chamber within the facility in the previous financial year to keep the environment safe and clean free from unnecessary health risks. An old staff house with cracks on the wall was also condemned as unfit for use as a residential house.

For a long time, the hospital has never had a running water which is a pre-requisite for a health facility. In the financial year under review, the facility managed to hire water pumping service direct from the lake on need basis to supplement the inadequate rain water and ensure the facility has uninterrupted supply of running water from a raised tank in the facility. Trees have also been planted and watering well organised to ensure healthy growth.

However, some of the measures to ensure complete implementation of the Code of Good Practices have not been met due to illiquidity challenges.

### **ii) Employee welfare**

The facility has a mixed workforce consisting of county government staff, seconded staff from development partners, staff on contract and casuals on temporary employment, all hired on merit. We have gender considerations with 45% of the staff being females.

The facility has deliberate efforts to improve the skills and knowledge of the work force by allowing staff to attend short term trainings and seminars relevant to their areas of competence. This is done in strict adherence to the set rules guiding the process. After training, there is continuous sharing of the training experiences, where the trained staff discusses the training content with the rest of the hospital staff. This has ensured that the employees are oriented towards achieving the results as stated in the hospital's objectives.

To ensure implementation of occupational safety and Health Act 2007 (OSHA), the facility procures non-pharmaceutical items for use by staff on duty, which includes dust coat, face masks, hand gloves and sanitizers. Staff tea and chapati is also served at 11. am to those on duty.

**i) Market place practices-**

Below is the outline of our efforts to:

**a) Responsible competition practice.**

The hospital organizes community dialogues through Community Health Officers (CHOs) and Community Health Volunteers (CHVs) to pass information regarding services offered and get to know where there is need to improve service delivery. We also have outreach programs where we visit beaches and offer integrated services ranging from immunization, vaccinations, HIV testing and sensitization on the basics of preventing common diseases.

**b) Responsible Supply chain and supplier relations**

The facility ensures timely settlement of debts whenever adequate funds are available to make it easy for suppliers to have trust and keep giving support by supplying on credit during hard times.

**c) Responsible marketing and advertisement**

The hospital organizes community dialogues through Community Health Officers (CHOs) and Community Health Volunteers (CHVs) to market and advertise services offered and get to know where there is need to improve service delivery. We also have outreach programs where we visit beaches and offer integrated services ranging from immunization, vaccinations, HIV testing and sensitization on the basics of preventing common diseases as a means of marketing the services we offer.

**d) Product stewardship**

The facility has openly displayed a printed tabulation of patient rights on the notice board for all to read. A suggestion box has also been suspended on the wall and a complain register for implementation of the same. A staff seconded to the facility by MIMBA project does exit interviews for every client seen which helps the facility to take corrective measure towards the evaluation report.

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

The hospital management provides waiver to patients who are not able to pay medication bills based on investigations and report done by social services department as stated in the waiver policy. The facility also gives in kind donations to maternity patients that include washing basin, bathing soap and pampers upon delivery. We are also strengthening community-based care services especially in schools, churches and beaches, ensuring ongoing patient education and empowerment.

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

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

**Principal activities**

The principal activities of the hospital are

- i. To provide affordable and accessible universal health coverage
- ii. To modernise infrastructure, machinery and equipment
- iii. To attain Financial Sustainability
- iv. To strengthen human resource capability
- v. To develop Facility Health Management Information System

**Results**

The results of the entity for the year ended 30<sup>th</sup> June 2025 are set out on page xiv to page xix of this document.

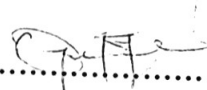

**Board of Management**

The members of the Board who served during the year are shown on page v to page vii.

**Auditors**

The Auditor General is responsible for the statutory audit of the Sena Sub County Level 4 Hospital in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board

  
.....  


Name **DEBORAH ORIA**

**Secretary to the Board**

# REPUBLIC OF KENYA

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



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

## **REPORT OF THE AUDITOR-GENERAL ON SENA LEVEL 4 HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2025 – COUNTY GOVERNMENT OF HOMA BAY**

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### **PREAMBLE**

I draw your attention to the contents of my report which is in three parts:

- A. Report on the 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 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 the 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 Sena Level 4 Hospital - County Government of Homa Bay set out on pages 1 to 30, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance,

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Sena Level 4 Hospital - County Government of Homa Bay as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Non-compliance with the Prescribed Reporting Framework**

Review of the financial statements revealed the following instances of non-compliance with the reporting template prescribed by the Public Sector Accounting Standards Board:

- i. While signing the financial statements, the Head of Finance did not indicate his or her name and ICPAK number, and indication that the financial statements may have been prepared by an unqualified accountant.
- ii. The footnote to the statement of financial position does not include the following sentence as required.  
"The Hospital's financial statements were approved by the Board on \_\_\_\_\_ and signed on its behalf by",

Therefore, Management violated Section 164(3) of the Public Finance Management Act, 2012, which provides that the accounting officer shall prepare the financial statements in a form that complies with relevant accounting standards prescribed and published by the Accounting Standards Board from time to time.

In the circumstances, the financial statements do not comply with the accounting standards as prescribed by the Public Sector Accounting Standards Board, and Management was in breach of the law.

#### **2. Inaccuracies in the Financial Statements**

Review of the financial statements revealed the following inaccuracies:

- i. The statement of financial position reflects accumulated surplus balance of Kshs.6,622,684 which differs with the re-calculated balance of Kshs.10,314,428, resulting in an unreconciled variance of Kshs.3,691,744.

- ii. The statement of changes in net assets reflects nil capital fund balance which differs with a balance of Kshs.1,836,646 reported in the statement of financial position, resulting in an unreconciled variance of negative Kshs.1,836,646.
- iii. The statement of changes reflects deficit for the year amount of Kshs.1,457,033, while the statement of financial performance indicates surplus for the year of Kshs.7,099,400, resulting in an unexplained variance of negative Kshs.8,556,433.
- iv. The statement of comparison of budget and actual amounts reflects nil performance difference against grants from donors and development partners, while re-calculation gives negative Kshs.52,214, resulting in a casting error of Kshs.52,214.

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

### **3. Undisclosed Assets**

The statement of financial position, and as disclosed in Note 19 to the financial statements, reflects property plant and equipment balance of Kshs.1,836,646. However, audit inspection of the Hospital and review of the asset register revealed that the Hospital had or was in possession of land, motor vehicles, furniture, fittings and office equipment and ICT equipment which are not disclosed in the financial statements.

In addition, Management did not maintain a detailed fixed asset register detailing the types of assets, serial/log book number, opening balances, additions, date of acquisitions, disposals, depreciation charged, accumulated depreciation to date and net book value of the assets.

In the circumstances, the accuracy, completeness and fair presentation of the property, plant and equipment balance of Kshs.1,836,646 could not be confirmed.

### **4. Unsupported and Outstanding Receivables from Exchange Transactions**

The statement of financial position, and as disclosed in Note 17 to the financial statements, reflects receivables from exchange transactions balance of Kshs.4,180,850 which relates to SHA claims. However, the supporting detailed ageing analysis, ledger and other requisite documents were not provided for audit. Further, there was no policy for the provision for bad and doubtful debt. Also, there was no reconciliations for receivables paid and due done in the period under review.

In the circumstances, the accuracy, completeness and recoverability of the receivables from exchange transactions balance of Kshs.4,180,850 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Sena Level 4 Hospital Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical

responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

## **Emphasis of Matter**

### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects total operational expenditure final budget and actual on comparable basis amounts of Kshs.15,000,000 and Kshs.7,761,693 respectively, resulting in under expenditure of Kshs.7,238,307 or 48% of the budget. Similarly, the Hospital spent Kshs.7,761,693 out of the actual receipts amount of Kshs.14,949,939, resulting in underutilization of Kshs.7,188,246 or 48%. Similarly, the Hospital spent Kshs.7,761,693 out of the actual receipts of Kshs.14,949,939, resulting in underutilization of Kshs.7,188,246.

The under expenditure and underutilization affected planned activities and may have negatively impacted the operation of the Hospital.

### **Key Audit Matters**

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

### **Other Information**

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

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

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

# REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

## Conclusion

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

## Basis for Conclusion

### 1. Failure to Retain Facilities Improvement Funds at the Hospital

Review of revenue records obtained from the Sena Level IV Hospital revealed total collection of Kshs.14,861,093 towards the health facilities improvement. Out of this amount, a total of Kshs.7,307,949 was transferred to Special Purpose Account at the health department. However, Special Purpose Account reimbursed a total of Kshs.6,646,350.9 to the health facilities resulting in a deficit of Kshs.661,598.10 This was contrary to Section 5(1) of the Facilities Improvement Financing Act, 2023 which requires that all monies raised or received by or on behalf of all public health facilities be retained in the Hospital Facilities Improvement Financing account. In addition, failure to reimburse the total amount transferred by the facilities negatively impacted on service delivery by the health facilities.

In the circumstances, Management of the County Special Purpose Account (SPA) was in breach of the law.

### 2. Non-compliance with Universal Health Coverage Requirement for Level 4 Hospitals

Review of the Hospital's operations and records during the year under review revealed that it operated below the set standards as per the Kenya Quality Assurance Model for Health Checklist for level 4 hospitals. The following deficiencies in implementation of Universal Health Coverage programme were observed:

The Hospital did not meet the necessary requirements for staffing outline as shown below:

Staff Requirements	Level 4 Std	Actual	Variance
Medical officers	16	1	15
Anaesthesiologists	2	0	2
Physician	2	0	2
General Surgeons	2	0	2
Paediatricians	2	0	2
Radiologists	2	0	2

<b>Staff Requirements</b>	<b>Level 4 Std</b>	<b>Actual</b>	<b>Variance</b>
Registered nurses	75	5	70
Pharmacists	2	0	2
Pharm Techs	5	2	3
Lab Technologists	5	1	4
Lab Technicians	2	2	0
Medical Engineers Technologists	2	0	2
Social Health Workers	3	0	3

Further, the Hospital lacked or had shortage of the necessary equipment and machines outlined in the Health Policy Guidelines as detailed below:

<b>Service</b>	<b>Level 4 Std</b>	<b>Actual</b>	<b>Variance</b>
Resusitaire	3	1	2
New born unit incubators	5	1	4
New born unit cots	5	0	5
ICU beds	6	0	6
Hdu beds	6	0	6
Renal unit with 5 dialysis machines	5	0	5
Functional operating theatres	2	0	2
Beds	150	60	90

The deficiencies contravene the First Schedule of Health Act, 2017 and imply that accessing the highest attainable standard of health, which includes the right to health care services, including reproductive health care as required by Article 43(1) of the Constitution of Kenya, 2010 may not be achieved.

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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### Conclusion

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

## **Basis for Conclusion**

### **1. Lack of Proper Inventory Records**

The statement of financial position reflects Inventories balance Kshs.657,412 as disclosed in Note 18 to the financial statement. Audit verification done on 10 November, 2025, on inventory revealed that Management did not employ inventory management and control software to assist it meet the objectives of sound supply chain management and easy tracking of inventory levels. Records were manually maintained and some pin cards in the store were not updated. Further it was observed that the store lacks security surveillance and fire extinguishers in place had not been serviced to date.

In the circumstances, the effectiveness of internal controls on inventory management could not be confirmed.

### **2. Lack of Internal Audit Function**

Management did not provide evidence of existence of internal audit functions such as internal audit reports, internal audit charter and internal audit work plan. As a result, there was no review of governance structures, value for money and risk-based audits. There was also no verification of internal controls and assets of the Hospital.

In the circumstances, the effectiveness of internal controls and risk management in the Municipality could not be confirmed.

### **3. Lack of Risk Management Policy**

During the year under review, the Hospital operated without a risk management policy, contrary to the provisions of Regulation 165(1)(a) and (b) of the Public Finance Management (National Government) Regulations, 2015. The Fund therefore lacked a blue print for identifying, and mitigating against risks in case of a disaster.

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

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

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

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

In preparing the financial statements, the 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.

The 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, the 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.

Those charged with governance are 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 also consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

11 December, 2025

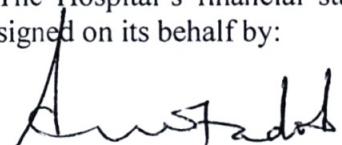
*Sena Level Four Hospital (Homa Bay County Government)*  
*Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

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

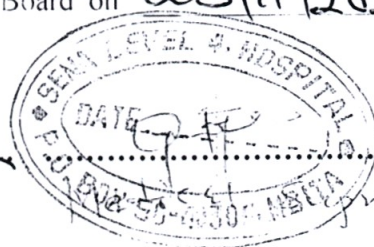
Description	Note	2024/2025	2023/2024
		FY Kshs	FY Kshs
<b>Revenue from non-exchange transactions</b>			
Transfers from the County Government	6	0	0
In-kind contributions from the County Government	7	0	1,527,620
Grants from donors and development partners (Danida)	8	52,214	0
<b>Total Revenue from Non -Exchange Transactions</b>		<b>52,214</b>	<b>1,527,620</b>
<b>Revenue from exchange transactions</b>			
Rendering of services- Medical Service Income	9	14,808,879	10,270,230
<b>Revenue from exchange transactions</b>		<b>14,861,093</b>	<b>11,797,850</b>
<b>Total revenue</b>		<b>14,861,093</b>	<b>11,797,850</b>
<b>Expenses</b>			
Medical/Clinical costs	10	3,275,103	4,066,465
Employee costs	11	1,403,012	1,527,371
Board of Management Expenses	12	82,000	106,000
Depreciation and amortization expense	13	0	0
Repairs and maintenance	14	1,400,850	657,500
General expenses	15	1,600,728	1,789,295
<b>Total expenses</b>		<b>7,761,693</b>	<b>8,146,631</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>7,099,400</b>	<b>3,651,219</b>

*(The notes set out on pages 9 to 28 form an integral part of the Annual Financial Statements.)*

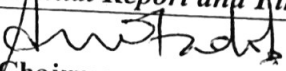
The Hospital's financial statements were approved by the Board on 28/11/2025 and signed on its behalf by:

  
 .....  
 Chairperson

  
 .....  
 Treasurer



*Sena Level Four Hospital (Homa Bay County Government)*  
*Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

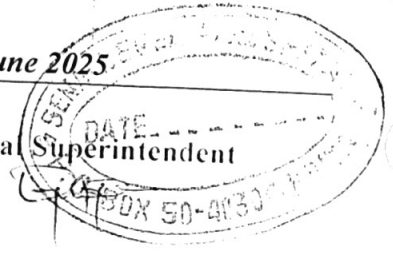
  
Chairman

Board of Management

  
Head of Finance

ICPAK No:

Medical Superintendent



*Sena Level Four Hospital (Homa Bay County Government)  
Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

**15. Statement of Financial Position As At 30<sup>th</sup> June 2025**

Description	Note	2024/2025	2023/2024
		FY	FY
		Kshs	Kshs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	16	3,497,002	88,846
Receivables from exchange transactions	17	4,180,850	4,180,850
Inventories	18	657,412	657,412
<b>Total Current Assets</b>		<b>8,334,764</b>	<b>4,927,108</b>
<b>Non-current assets</b>			
Property, plant, and equipment	19	1,836,646	1,836,646
<b>Total Non-current Assets</b>		<b>1,836,646</b>	<b>1,836,646</b>
<b>Total assets (A)</b>		<b>10,171,410</b>	<b>6,763,754</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	20	1,712,080	1,712,080
<b>Total Current Liabilities</b>		<b>1,712,080</b>	<b>1,712,080</b>
<b>Non-current liabilities</b>		0	0
<b>Total non-current liabilities</b>		<b>0</b>	<b>0</b>
<b>Total Liabilities (B)</b>		<b>1,712,080</b>	<b>1,712,080</b>
<b>Net assets (A-B)</b>		<b>8,459,330</b>	<b>5,051,674</b>
<b>Represented by:</b>			
Accumulated surplus/Deficit		6,622,684	3,215,028
Capital Fund		1,836,646	1,836,646
<b>Net Assets</b>		<b>8,459,330</b>	<b>5,051,674</b>

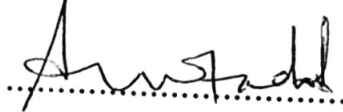
*(The notes on pages 9 to 28 form an integral part of the Annual Financial Statements.)*

*Sena Level Four Hospital (Homa Bay County Government)*  
*Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

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

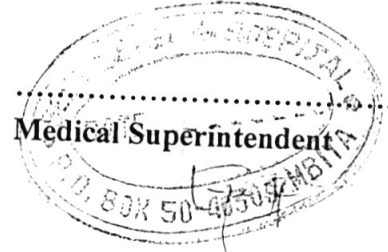
28/6/2025 and



Chairman  
Board of Management



Head of Finance  
ICPAK No:



Medical Superintendent

*Sena Level Four Hospital (Homa Bay County Government)*  
*Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

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

Description	Accumulated surplus/Deficit Ksh	Capital Fund Kshs	Total Ksh
As at July 1, 2023 (previous year)	3,925,998	0	3,925,998
Surplus/(deficit) for the year	4,153,739	0	4,153,739
As at June 30, 202024 (previous year)	8,079,737	0	8,079,737
At July 1, 2024 (current year)	8,079,737	0	8,079,737
Surplus/(deficit) for the year	(1,457,053)	-	(1,457,053)
At June 30, 2025 (current year)	6,622,684	0	6,622,684

*Sena Level Four Hospital (Homa Bay County Government)*  
*Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

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

Description	Note	2024/2025	2023/2024
		FY Kshs	FY Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from the County Government		0	0
Grants from donors and development partners		52,214	0
Rendering of services- Medical Service Income		11,117,635	10,270,230
Miscellaneous receipts( <i>specify</i> )		0	0
<b>Total Receipts</b>		<b>11,169,849</b>	<b>10,270,230</b>
<b>Payments</b>			
Medical/Clinical costs		3,275,103	4,066,465
Employee costs		1,403,012	1,527,371
Board of Management Expenses		82,000	106,000
Repairs and maintenance		1,400,850	657,500
General expenses		1,600,728	1,789,295
<b>Total Payments</b>		<b>7,761,693</b>	<b>8,196,631</b>
<b>Net cash flows from operating activities</b>	21	<b>3,408,156</b>	<b>709,468</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment		(0)	(309,026)
<b>Net cash flows used in investing activities</b>		<b>(0)</b>	<b>(309,026)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		0	0
Repayment of borrowings		(0)	(0)
Capital grants received		0	0
<b>Net cash flows used in financing activities</b>		<b>(0)</b>	<b>(0)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>3,408,156</b>	<b>400,442</b>
Cash and cash equivalents as at 1 July		88,846	502,520
<b>Cash and cash equivalents as at 30 June</b>		<b>3,497,002</b>	<b>902,962</b>

*Sena Level 4 Hospital (Homa Bay County Government)*  
*Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> 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	-	88,846	88,846	88,846	0	%
<b>Receipts</b>						
Transfers from the County Government	0	0	0	0	0	0%
Grants from donors and development partners	0	0	0	52,214	0	0%
Rendering of services- Medical Service Income	20,000,000	(5,088,856)	14,911,154	14,808,879	102,275	99.3%
Miscellaneous receipts ( <i>specify</i> )	0	0	0	0	0	0%
<b>Total receipts</b>	<b>20,000,000</b>	<b>(5,000,000)</b>	<b>15,000,000</b>	<b>14,949,939</b>	<b>50,061</b>	<b>99.7%</b>
<b>Payments</b>						
Medical/Clinical costs	7,800,000	1,950,000	5,850,000	3,275,103	2,574,897	56%
Employee costs	4,000,000	1,000,000	3,000,000	1,403,012	1,596,988	47%
Board of Management Expenses	200,000	50,000	150,000	82,000	68,000	55%
Repairs and maintenance	2,800,000	700,000	2,100,000	1,400,850	699,150	67%
General expenses	5,200,000	1,300,000	3,900,000	1,600,728	2,299,272	41%
<b>Total Operational Expenditure paid</b>	<b>20,000,000</b>	<b>5,000,000</b>	<b>15,000,000</b>	<b>7,761,693</b>	<b>7,238,307</b>	
<b>Capital Expenditure paid</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Surplus</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,188,246</b>	<b>(7,047,186)</b>	<b>0%</b>

**Budget notes**

1. The budgeted receipts had a positive variance with a utilization rate of 98.7% due to improved performance in revenue collection. However, payments against the budget figures were under 90% because of delayed receipts and debts that were still owing from SHA as at 30<sup>th</sup> June 2025. IPSAS 24.14
2. Changes between the original and final budget, were due to realignment of budget figures to make them realistic and consistent with the macroeconomic constraints observed on the ground as the financial year progressed. (IPSAS 24.29)

*Sena Level Four Hospital (Homa Bay County Government)*  
*Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

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:  
**Budget Reconciliation**

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	7,188,246
	Closing Cash and Cash Equivalent as per the statement of Cash flows	7,188,246

Actual surplus as per the statement of budget was equal to the closing Cash and Cash Equivalent as per the statement of Cash flows

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

### **1. General Information**

Sena Sub County Level 4 Hospital is established by and derives its authority and accountability from The Homa Bay County Health Services Act, 2020. The entity is wholly owned by the Homa Bay County Government and is domiciled in Homa Bay County in Kenya. The entity's principal activity is to provide essential health care based on scientifically sound and socially acceptable methods and technology.

### **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 Sena Sub County Level 4 Hospital's accounting policies. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Sena Sub County Level 4 Hospital. The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

**3. Adoption of New and Revised Standards**

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

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

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

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 43	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
IPSAS 45- Property Plant and Equipment	<p><i>Applicable 1<sup>st</sup> 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</p>

Standard	Effective date and impact:
	<p>satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46 Measurement</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47- Revenue</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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</p>

Standard	Effective date and impact:
	for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49- Retirement Benefit Plans	<p><i>Applicable 1<sup>st</sup> January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1<sup>st</sup> January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> <li>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</li> <li>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.</li> <li>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.</li> </ul>

*iii) Early adoption of standards*

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

*Notes to the Financial Statements (Continued)*

**4. Summary of Significant Accounting Policies**

**a. Revenue recognition**

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

**Transfers from other Government entities**

The facility never received any revenue from non-exchange transactions during the financial year under review. This includes revenue from the county government or any other government entities.

**ii) Revenue from exchange transactions**

**Rendering of services**

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

**b. Budget information**

The original budget for FY 2024/2025 was approved by Board on *20<sup>th</sup> June 2024*. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The entity'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.

*Notes to the Financial Statements (Continued)*

**c. Property, plant and equipment**

All property, plant and equipment are stated at cost. The County government has not sent in a professional valuer to help us know the book value of PPE to be able to charge depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

*Notes to the Financial Statements (Continued)*

**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.

**Financial liabilities**

**Classification**

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

**d. Inventories**

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

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

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

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

*Notes to the Financial Statements (Continued)*

**e. Provisions**

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

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

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

**f. Social Benefits**

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

**g. Contingent liabilities**

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

**h. Contingent assets**

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

*Notes to the Financial Statements (Continued)*

**i. Nature and purpose of reserves**

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

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

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

**k. Employee benefits**

**Retirement benefit plans**

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

**l. 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

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

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.

**m. 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.

**n. Related parties**

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

**o. Service concession arrangements**

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

**p. 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

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

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.

**q. Comparative figures**

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

**r. 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, 20XX.

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

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

**Estimates and assumptions.**

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

**Useful lives and residual values**

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

- The condition of the asset based on the assessment of experts employed by the Entity.
- 

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

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

**Provisions**

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

6. The County government did not transfer any funds to the facility during the financial year 2024/25

**7. In Kind Contributions from The County Government**

Description	2024/2025	2023/2024
	KShs	KShs
Salaries and wages	0	0
Construction of a septic		1,527,620
<b>Total grants in kind</b>	<b>0</b>	<b>1,527,620</b>

In Kind Contributions from The County Government for the year was in form of salaries to staff paid directly to their bank accounts, whose money value we cannot ascertain due to confidentiality of payroll

**8. Grants From Donors and Development Partners**

Description	2024/2025	2023/2024
	FY	FY
	KShs	KShs

**Sena Level 4 Hospital (Homa Bay County Government)**  
**Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025**

Cancer Centre grant- DANIDA	52,214	0
<b>Total grants from development partners</b>	<b>52,214</b>	<b>0</b>

We received the above indicated sum of money from DANIDA that became part of our revenue included and accounted for in the financial statements.

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

**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	2023/2024 FY
	KShs	KShs	KShs	KShs	KShs
Donor e.g., DANIDA	52,214	0	0	52,214	0
<b>Total</b>	<b>52,214</b>	<b>0</b>	<b>0</b>	<b>52,214</b>	<b>0</b>

**9. Rendering of Services-Medical Service Income**

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Pharmaceuticals	43,200	39,652
Laboratory	33,430	40,220
Medical Records	7,710	22,125
SHA	14,630,169	10,015,880
In -Patient	11,920	2,600
Other medical service income (PEFA Mfangano)	82,450	149,753
<b>Total revenue from the rendering of services</b>	<b>14,808,879</b>	<b>10,270,230</b>

*Notes to the Financial Statements (Continued)*

**10. Medical/ Clinical Costs**

Description	2024/2025	2023/2024
	FY	FY
	Kshs	Kshs
Laboratory chemicals and reagents	646,800	947,482
Food and Ration	698,855	760,000
Uniform, clothing, and linen	81,200	308,000
Dressing and Non-Pharmaceuticals	529,480	449,080
Pharmaceutical supplies	904,924	877,903
Health information stationery	238,260	316,000
Sanitary and cleansing Materials	175,584	358,000
Purchase of Medical gases	0	50,000
<b>Total medical/ clinical costs</b>	<b>3,275,103</b>	<b>4,066,465</b>

**11. Employee Costs**

Description	2024/2025	2023/2024
	FY	FY
	Kshs	Kshs
Salaries, wages, and allowances	1,174,403	1,231,739
SHA Contributions	57,399	81,800
Compulsory National Social Security Fund contribution	171,210	213,832
<b>Employee costs</b>	<b>1,403,012</b>	<b>1,527,371</b>

**12. Board of Management Expenses**

Description	2024/2025	2023/2024
	FY	FY
	Kshs	Kshs

**Sena Level 4 Hospital (Homa Bay County Government)**  
**Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025**

Sitting allowance	82,000	106,000
<b>Total</b>	<b>82,000</b>	<b>106,000</b>

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

**13. Depreciation and Amortization Expense**

No depreciation was charged on the assets since the County Government is yet to send a professional valuer to ascertain the net worth of all assets in the facility and recommend their possible life for arriving at the depreciation rate.

**14. Repairs and Maintenance**

Description	2024/2025	2023/2024
	FY	FY
	Kshs	Kshs
Property- Buildings	1,400,850	627,500
Computers and accessories	0	30,000
<b>Total repairs and maintenance</b>	<b>1,400,850</b>	<b>657,500</b>

**15. General Expenses**

Description	2024/2025	2023/2024
	FY	FY
	Kshs	Kshs
Catering expenses	89,500	115,000
Insecticides, Fungicides and rodenticides	200,100	0
Bank charges	5,788	10,995
Conferences and delegations	34,500	0
Electricity expenses	180,000	262,500
Fuel and Lubricants for Transport	130,000	162,750
Fuel for Production	153,900	123,000
Other Fuel	86,000	64,000
Travel and accommodation allowance	340,800	144,000
Daily Subsistence Allowance		50,000
General Office Supplies	82,470	315,000
Printing and Stationery	29,070	200,000
Water and Sewerage Costs	9,500	7,050
Telephone and mobile phone services	121,000	150,000

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Internet expenses	138,100	185,000
<b>Total General Expenses</b>	<b>1,600,728</b>	<b>1,789,295</b>

*Notes to the Financial Statements (Continued)*

**16. Cash and Cash Equivalents**

Description	2024/2025 FY	2023/2024 FY
	KShs	KShs
Current accounts	3,497,002	88,846
Cash in hand	0	0
<b>Total cash and cash equivalents</b>	<b>3,497,002</b>	<b>88,846</b>

**16(a) Detailed Analysis of Cash and Cash Equivalents**

Description		2024/2025 FY	2023/2024 FY
Financial institution	Account number	KShs	KShs
a) Current account			
Co Operative Bank of Kenya	01141076847900	3,497,002	88,846
cash in hand		0	0
<b>Grand total</b>		<b>3,497,002</b>	<b>88,846</b>

**17. Receivables From Exchange Transactions**

Description	2024/2025 FY	2023/2024 FY
	KShs	KShs
Medical services receivables SHA Claims	4,180,850	4,180,850
<b>Total receivables</b>	<b>4,180,850</b>	<b>4,180,850</b>

*Notes to the Financial Statements (Continued)*

**17(a) Analysis of Receivables From Exchange Transactions**

Description	2024/2025 FY		2023/2024 FY	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	4,180,850	100%	4,180,850	100%
<b>Total (a+b)</b>	<b>4,180,850</b>	<b>100%</b>	<b>4,180,850</b>	<b>100%</b>

**18. Inventories**

Description	2024/2025 FY	2023/2024 FY
	KShs	KShs
Pharmaceutical supplies	312,836	136,320
Non-Pharmaceutical Supplies	54,800	38,000
Food supplies	32,500	63,400
Lab Reagents	152,000	87,142
Linen and clothing supplies	98,276	308,000
Cleaning materials supplies	4,300	22,250
General supplies	2,700	2,300
Less: provision for impairment of stocks	(0)	(0)
<b>Total</b>	<b>657,412</b>	<b>657,412</b>

**Note;** The County government has not sent in professionals to conduct stock impairment tests for us to have authenticated provision for impairment of stocks.

**18(a) Detailed disclosure on inventories**

<b>Description</b>	<b>2024/2025 FY</b>	<b>2024/2024 FY</b>
Opening balance	657,412	0
Additional Inventory in the year	3,357,573	4,381,465
Inventory expensed in the year	(3,357,753)	(3,724,053)
Write-downs in the year	0	0
Others specify	0	0
<b>Closing balance</b>	<b>657,412</b>	<b>657,412</b>

*Notes to the Financial Statements (Continued)*

**19. 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 Refrigerators	Total
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh		Ksh
<b>Cost</b>								
At 1 July 2024 (previous year)	0	1,527,620	0	0	0	259,026	50,000	1,836,646
Additions	0	0	0	0	0	0	0	0
Disposals	(0)	(0)	(0)	(0)	(0)	(0)	0	(0)
<b>At 30<sup>th</sup> Jun 2025</b>	<b>0</b>	<b>1,527,620</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>259,026</b>	<b>50,000</b>	<b>1,836,646</b>

Notes to the Financial Statements (Continued)

**20. Trade and other Payables**

Description	2024/2025		2023/2024	
	FY		FY	
	KShs		KShs	
Trade payables	1,604,903		1,161,580	
Employee dues	89,036		456,915	
Third-party payments (e.g. unremitted payroll deductions)	18,141		93,585	
<b>Total trade and other payables</b>	<b>1,712,080</b>		<b>1,712,080</b>	
<b>Ageing analysis:</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Comparative FY</b>	<b>% of the total</b>
Under one year	1,712,080	100%	1,712,080	100%
<b>Total</b>	<b>1,712,080</b>	<b>100 %</b>	<b>1,712,080</b>	<b>100%</b>

**21. Cash Generated from Operations**

Description	FY	
	2024/2025	2023/2024
	KShs	
Surplus for the year before tax	3,408,156	4,153,739
<b>Adjusted for:</b>		
Depreciation	0	0
<b>Working Capital adjustments</b>		
Increase in inventory	0	(657,412)
Increase in receivables	0	(4,180,850)
Decrease in payables	0	1,712,080
<b>Net cash flow from operating activities</b>	<b>3,408,156</b>	<b>1,027,557</b>

*(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)*

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

**22. Financial Risk Management**

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

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

**(i) Credit risk**

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June 2024 (previous year)</b>				
Receivables from exchange transactions	4,180,850	4,180,850	0	0
Bank balances	88,846	88,846	0	0
<b>Total</b>	<b>4,269,696</b>	<b>4,269,696</b>	<b>0</b>	<b>0</b>
<b>At 30 June 2025 (current year)</b>				
Receivables from exchange transactions	4,750,120	4,750,120	0	0
Bank balances	3,497,002	3,497,002	0	0
<b>Total</b>	<b>8,247,122</b>	<b>8,247,122</b>	<b>0</b>	<b>0</b>

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

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

**23. Appendices**

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

The facility has never been audited by OAG

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**Accounting Officer**

