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THE AUDITOR-GENERAL

ON

**SIGOR SUB-COUNTY LEVEL 4
HOSPITAL**

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

**COUNTY GOVERNMENT OF
WEST POKOT**

509



SIGOR SUB COUNTY HOSPITAL
Level 4 HOSPITALS
(West Pokot County Government)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2025

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

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1. Acronyms & Glossary of Terms

CSR	Corporate Social Responsibility
OSHA	Occupational Health & Safety Act
PFMA	Public Financial Management Act
FIF	Facilities Improvement Fund
SSCH	Sigor Sub County Hospital
IMCI	Integrated Management of Childhood Illness
NIIF	National Hospital Insurance Fund
ICU	Intensive Care Unit
FY	Financial Year
CPA	Certified Public Accountant
ICPAK	Institute of Certified Public Accountant
MED SUP	Medical Superintendent
Fiduciary Management	Key management personnel who have financial responsibility in the entity.
AMREF	Africa Medical and Research Foundation
CPA	certified public accounts
HIV	Human Immunodeficiency Virus
SHA	Social Health Authority
KCRH	Kapenguria County Referral Hospital
E-GP KENYA	Electronic Government Procurement Kenya
CHAI	Clinton Health Access Initiatives
GFD	Global Fund Donations
GOK	Government of Kenya
HMT	Health Management Team
CHMT	County Health Management Team
IPSAS	International Public Sector Accounting Standards

2. Key Entity Information and Management

(a) Background information

Sigor Sub County Hospital is a hospital established under section 25 of the health ACT and is domiciled in West Pokot County under the Health Department. The hospital is governed by a Board of Management.

(b) Principal Activities

To promote and participate in provision of affordable, integrated and high Quality promotive, curative and rehabilitative healthcare services.

Hospital Vision

To be providers of the most cost effective and efficient health care in Kenya.

Hospital Mission

To promote and participate in quality curative, preventive, rehabilitative health care services to all people.

Hospital Goals

To promote and improve the health status of the county through attainment of high standards of care

(c) Key Management

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

- County department of health
- Board of Management
- Accounting Officer/ Medical Superintendent
- Management

(d) Fiduciary Management

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

No.	Designation	Name
1.	Medical Superintendent	Dr Peter Oduor
2.	Accountant	Mr. Musa Merisia
3.	Supply chain and management	Ms. Alice Rutto
4.	Hospital Administrator	Ms. Selina Longiro
5.	Nursing In charge	Mr. Stephen Okumu

(Include all positions regarded as top management in your hospital).

(e) Fiduciary Oversight Arrangements

i) Audit and Risk Management Committee

The West Pokot County Audit Committee was constituted and inducted on 1st July 2018 as per the provisions of the Public Finance and Management Act, 2012. It is mandated to review audit reports and advise the Hospital on institutional risk management.

S/No	Name	Designation
1	Mr. Paul Loitangiro Rikilem	Chairperson
2	CPA Thomas Pkemoi Lotiaka, CPA	Secretary
3	Mr. Kizito Musakala Makhumi CPA	Member
4	Ms. Irene Chebet Lorot	Member

ii) County Assembly committees

Article 185(3) provides that a County Assembly, while respecting the principle of the separation of powers, may exercise oversight over the County Executive Committee and any other County Executive organs. The oversight role of the County assembly is exercised directly

by all members of the County assembly and through County assembly committees. The following are the committees responsible for oversight in the County assembly:

- Public Accounts and Investment Committee
- Health Sectorial Committees
- Finance and Planning Committee
- Implementation Committee

(f) Entity Headquarters

Sigor Sub County Hospital
P.O. Box 63-30600
Kapenguria, KENYA

(g) Entity Contacts

Telephone: (+254) 0736182216
E-mail: medsupssch@westpokot.go.ke
Website: www.westpokot@go.ke

(h) Entity Bankers

1. Kenya Commercial Bank
Kapenguria Branch,
P.O. Box 66 - 30600
Kapenguria, Kenya

(i) Independent Auditors

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

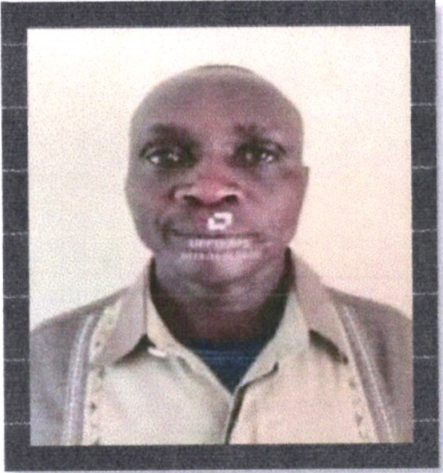

(j) Principal Legal Adviser

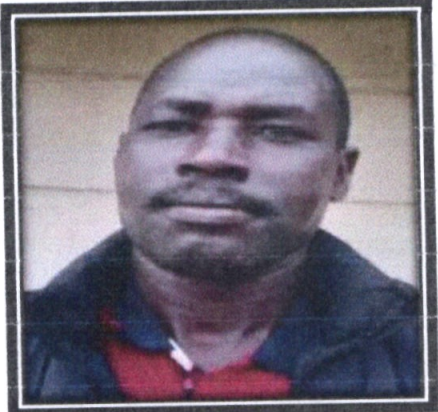

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya




(k) West Pokot County Attorney

P.O. Box. 222-30600
Kapenguria, Kenya



3. The Board of Management


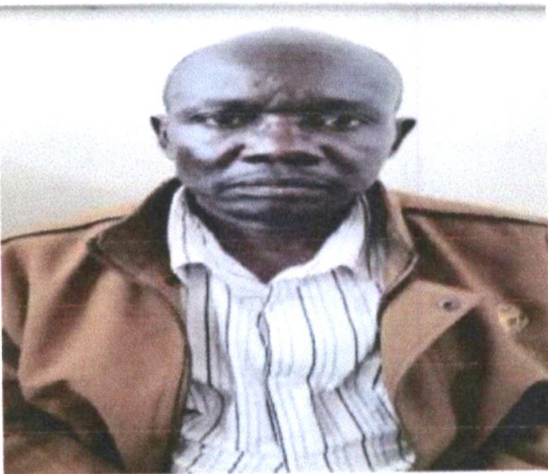
Seri al No.	Name	Details of qualifications and experience
1	<p>Mr. Martin Komolinyang Piro Title: board chairman</p> 	<p>Mr. Martin is the current Board Chairperson of the Hospital.</p> <p>The 48 years old holds a Master Degree in Education from Kisii University, Bachelor degree in education from Mt. Kenya University, Diploma in management from KEM, Certificate PTE Kaimos Teachers college, certificate A Level at old Kampala, certificate for secondary school at Weiwei Secondary school and certificate for primary school at Chepserum primary school.</p> <p>He has been a head teacher for 10 years, Deputy Head teacher for 4 years and P1 teacher for 5 years.</p>
2	<p>Ms. Grace Barganda Title: vice chairperson</p> 	<p>Ms Grace is the vice- Chairperson of the board. The 44 years old holds a bachelor degree in education from Kenya Methodist University, Diploma in education from Mosoriot TTC, Certificate for post primary education from Kaimosi TTC, Certificate in Kenya Secondary School Education from AIC Kambi ya Moto Girls Secondary School.</p> <p>Currently she works as CSO in the Ministry of Education and she has served in that capacity for 4 years. Previously she has worked as a P1 Teacher for 13 years.</p>

<p>3</p>	<p>Mr. John Loiywot Yoposiwa Ywalasiwa Title; Board member</p> 	<p>Mr. John is a member of the board. The 45 years old holds a Diploma in Land survey from Kenya Institute of surveying and Mapping, certificate for KSCE and certificate for KCPE.</p> <p>He currently works as Director Mtelo View Eco Lodge.</p>
<p>4</p>	<p>Mr. Joel Partich Title;Board member</p> 	<p>Mr. Joel Partich is a member of the board. The 54 years old holds a bachelor degree in ECDE from Africa Nazarene University, Diploma in ECDE from Kabarbet ECDE College, Certificate for P1 Teacher from Eregi TTC, Certificate for Kenya Secondary School Education from Tartar Secondary School and KCPE Certificate from Paroo Primary School.</p> <p>Work experience</p> <p>He is the current Chairperson KNUT West Pokot branch and has worked as teacher for 29 years.</p>
<p>5</p>	<p>Mr. Daniel Ngoletukei Limasia Title;Board member</p>	<p>Mr. Daniel Ngoletukei Limasia is a board member. The 46 years old holds a Bachelor Degree in Special Needs Education from Kenya Methodist University, Diploma in SNE from KISNE Mosoriot, Certificate in P1 Teacher from Egogi TTC, Certificate in KCSE from Chepkorniswo</p>

		<p>Boys Secondary School and KCPE Certificate from Kokwotendwa Primary School.</p> <p>Work experience</p> <p>He has worked as Primary Head Teacher for 14 years and as a p1 Teacher for 7 years</p>
<p>6</p>	<p>Mr Julius Loripo Title; Board member</p> 	<p>Mr Julius is a board member of the hospital. The 60 years old holds a KTC-2 for accounts. Certificates for Secondary School [KCSE] at Kapenguria Boys High School and Primary School Certificate [KCPE] at Sigor Mixed Primary School.</p> <p>Work experience</p> <p>He worked at World Vision as project Manager for 6 years before moving to EMOP for 3 years and finally World Food Program for a period of 2 year. He decided to retire and become a farmer.</p>
<p>7</p>	<p>Dr Peter Oduor Title; Secretary</p> 	<p>Dr Oduor is the Medical Superintendent and the Secretary to the board. He is a holder of Bachelor of science pharmacy from MGR university</p> <p>He worked at as county pharmacist from 2015 and currently The County Government of West Pokot, Ministry of Health in the year 2015 to 2024 June where he was prompted to Medical Superintendent Sigor Sub County Hospital</p>

4. Key Management Team

Ref	Management	Details
1.	<p>Dr. Peter Oduor Title: medical superintendant</p> 	<p>Dr Oduor is the Medical Superintendent and the Secretary to the board. He is a holder of Bachelor of science pharmacy from MGR university</p> <p>He worked at as county pharmacist from 2015 and currently The County Government of West Pokot, Ministry of Health in the year 2015 to 2024 June where he was prompted to Medical Superintendent Sigor Sub County Hospital.</p> <p>Over 29 years' experience</p>
2.	<p>Mr. Kiptoo Merisia Title: accountant</p> 	<p>Hospital Accountant</p> <p>He is holder of CPA section 2</p> <p>Area of Responsibility Voucher preparation, Bank reconciliation, Cash book preparation, quarterly and annual Financial report</p> <p>Over 18 years' experience</p>
3.	MS. Alice Ruto	Procurement Officer.

	<p>Title: Procurement officer</p>  <p>Supply Chain Management</p>	<p>Key responsibilities Contracts managements, in charge of supplies and commodities, Receiving and issuing of supplies in the Hospital Over 13 years in experience</p>
4.	<p>Mr Stephen Okumu Title: Nursing officer in charge</p>  <p>Bachelor's Degree in Nursing</p>	<p>Nursing Officer In-Charge. Holds a Diploma in Kenya Registered community nurse from Kenya Medical Training (KMTC) Over 27 years in experience</p>
5.	<p>Mr Jacob Chepkwony Title: Public Health officer</p>	<p>In charge of Hospital Sanitation Holds a Diploma in public Health Management from Kenya Medical Training Over 23 years' experience</p>

	 <p>Certificate in Public Health</p>	
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5. Chairman's Statement

I am honored to present the financial statements for Sigor Sub County Level 4 Hospital for the year ended 30 June 2025. These statements have been prepared in accordance with Section 164 (2) of the Public Finance Management Act, 2012, and include appropriation accounts detailing the services rendered, actual expenditures incurred, and any variances from the approved budget for the financial year 2024/2025.

- Key milestone achievements in the year;

Despite facing numerous challenges during the year under review, the hospital achieved several key milestones as a Level 4 facility. The transition of National Health Insurance Fund (NHIF) to Social Health Insurance Fund (SHIF) and enhanced financial oversight through regular board meetings and budget reviews.

In order to ensure improved transparency, accountability and fiscal responsibility the Hospital is committed to prudent use of its finances guided by sound fiscal policies that ensure efficient utilization of resources. Taking consideration of the importance of the citizens' voice in prioritizing development programmes, we continuously engage and update the citizens of Sigor Sub County through public participation. This upholds the key objective of devolution, which is to promote sustainable and equitable social, political and economic development in the County.

The hospital maintained a steady supply of medical and non-pharmaceutical commodities, avoided accumulation of pending bills, and fostered a culture of teamwork among staff. Continuous follow-up ensured that the Social Health Authority (SHA) remained functional throughout the year. These achievements were made possible through consistent quarterly board meetings, during which resolutions were diligently implemented and budgets were scrutinized to ensure compliance with legal and financial standards.

CHALLENGES

- ✓ Inadequate perimeter fencing, compromising hospital security
- ✓ Staffing gaps across critical departments
- ✓ Shortages of medical commodities due to limited financial resources
- ✓ Absence of a utility vehicle, morgue, and sewerage system
- ✓ Lack of specialized units such as ENT, Dental, Surgical, Obstetrics, and Gynecology

WAY FORWARD

- ✓ Full automation of hospital operations to enhance revenue collection and efficiency
- ✓ Engagement with the County Government to address staffing gaps and provide a utility vehicle
- ✓ Lobbying for the construction of a modern outpatient department, patient pavements, and waiting bays
- ✓ Expansion of specialized services including ENT, Gynecology, Dental, and related units

Sigor Sub-County Level 4 Hospital (West Pokot County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

With the continued support of the County Government, development partners, and the community—and by the grace of God—we remain confident in our ability to enhance service delivery, strengthen financial management, and deepen community integration before the end of our tenure.

The Annual Report 2024/2025 provides details on the various activities undertaken by the management to ensure that the clients get high standard of services.



.....
Name Mr Martin Komolinyang Piro
Chairman to the Board

6. Report of The Medical Superintendent

It is my privilege to present the Medical Superintendent's Report for the financial year ended 30 June 2025. This report outlines the hospital's operational performance, financial outcomes, infrastructure development, and strategic priorities. Sigor Sub-County Level 4 Hospital remains committed to delivering quality, accessible, and equitable healthcare to the residents of Pokot central.

Sigor-Sub-County Hospital provides both outpatient and inpatient services to the population of Pokot central and the neighboring counties of Turkana and Marakwet, its also in the process of introducing services to kalazaar patients through a partner

key services;

- Curative Services:
- Maternity Services: Antenatal and postnatal care, maternity inpatient services
- Preventive Services: Baby well clinics, family planning and health education
- Specialized Clinics: TB clinics, Kala-azar treatment, diabetes and hypertension clinics, comprehensive care clinics for HIV patients,
- Pharmacy Services: On-site pharmacies providing convenient access to prescribed medications
- Counselling Services: Mental health support and counselling

Operational Achievements;

The facility has achieved some key milestones,

- Construction of a modern theatre
- Purchase of equipment's for the theatre
- Purchase of computers and accessories so as to automate its services
- Also the ability to transits from NHIF to SHIF which helps all citizens to access health care

Financials:

On the financials the facility collects its revenues from two sources that is cash and reimbursement from NHIF/SHA. The facility was able to realize revenue of **Kshs: 7,608,268/=** this represented **95%** of its yearly target of **Kshs: 8,000,000/=** which was tremendous improvement compared to last year. The revenues are summarized as below;

Q1 MONTH	CASH	NHIF	TOTALS
JULY	206,990	5,940	212,930
AUG	148,575	115,644	264,219
SEPT	373,240	-	373,240
TOTALS	728,805	121,584	850,389

Q2 MONTH	CASH	NHIF/SHA	TOTALS
OCT	172,045	441,870	613,915
NOV	57,550	160,650	218,200
DEC	139,060	-	139,060

Sigor Sub-County Level 4 Hospital (West Pokot County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

TOTALS	368,655	602,520	971,175
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Q3 MONTH	CASH	SHA	TOTALS
JAN	133,810		133,810
FEB	176,930	401,860	578,790
MARC	171,330	1,788,494	1,959,824
TOTALS	482,070	2,190,354	2,672,424

Q4 MONTH	CASH	SHA	TOTALS
APR	135,570	1,435,619	1,571,189
MAY	174,890	322,130	497,020
JUNE	156,740	844,115	1,000,855
TOTALS	467,200	2,601,864	3,069,064

The facility was able to receive funds to the tune of **Kshs: 102,080,036/=** spent in totals as below;

Receipts

In- kind contributions from the County Government		82,333,275
Rendering of services		7,608,268
grants and donors		12,138,493
Total Receipts		102,080,036

The above funds where spent as below;

Expenditures

ITEMS	AMOUNT	Percentage
Medical/Clinical costs	23,312,065	23%
Employee costs	67,360,490	68%
Board of Management Expenses	607,000	1%
Depreciation and amortization expense	811,726	1%
Repairs and maintenance	653,860	1%
Grants to CHMT	1,169,416	1%
General expenses	4,677,659	5%
Total expenses	99,592,216	99%

Challenges

- ✓ Lack of stores
- ✓ Eye unit service
- ✓ Mortuary
- ✓ Wall fence
- ✓ Patient uniforms
- ✓ Power stabilization
- ✓ Operationalization of theatre

Way forward;

- ✓ Construct a perimeter wall for security
- ✓ Full automation of the facility services.
- ✓ Build a modern outpatient department
- ✓ Improve patient flow with pavements and waiting bays
- ✓ Fully automate hospital operations
- ✓ Recruit specialized medical personnel
- ✓ Establish medical and surgical wards
- ✓ Rehabilitate the sewerage system
- ✓ Expand water storage capacity
- ✓ Operationalize Sigor Hospital for Kala-azar treatment

Partners and collaborators;

The hospital continues to benefit from strong partnerships from:

- County Government: Infrastructure and staffing support
- Fredhollows; eye treatments
- Amparth; HIV cases

Despite resource constraints, the hospital achieved significant milestones in infrastructure, service delivery, and financial management. With continued support from stakeholders, we remain committed to improving health outcomes and delivering high-quality care to the community.



.....
Name Dr Peter Oduor

Medical superintendent

7. Statement of Performance Against Predetermined Objectives

Section 164 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statement, a statement of the County Government entity's performance against predetermined objectives.

Sigor Sub- County Hospital has five strategic pillars and objectives within the current Strategic Plan for the health systems These strategic pillars are as follows;

- 1: Leadership and Governance
- 2: Medical supplies and technologies
- 3: Service delivery
- 4: Health Infrastructure
- 5: Health Financing

Other key priorities

- i. Preventive and health service
- ii. General administration and support service
- iii. Curative and Rehabilitation Health service

Sigor develops its annual work plans based on the above five key pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Hospital achieved its performance targets set for the FY 2024/2025 period for its hospital strategic pillars, as indicated in the diagram below:

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Pillar 1:	To ensure proper management of the hospital	Subcommittee meetings	Sub-committee meetings in finance,	Proper management of resources and

Sigor Sub-County Level 4 Hospital (West Pokot County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

			surveillance, advisory, catering etc	resources and patients
Pillar 2:	Ensure proper timely procurement of medical commodities	Proper procurement procedures	Continuous stock taking, timely order and re order	Enough supplies of medical commodities
Pillar 3:	Ensure enough availability of resources	Improve in collection Timely dispatch of FIF Proper utilization of funds	Timely payment of suppliers Timely Procurement Timely respond to emergencies etc	Reduced pending bills Availability of medical commodities, Food etc
Pillar 4:	Ensure effective and efficient services to clients	Reduced complaints	Enough medical commodities at the hospital, enough man power, affordable charges	Reduction in oucry from the large population
Pillar 5:	Ensure provision of physical infrastructure, in patients' beds, equipment etc	Sufficient wards, inpatient beds, equipment, ambulances etc	Purchase of equipment, enough wards, moving ambulance etc	Proper service delivery to clients

8. Corporate Governance Statement

The Board of Sigor Sub County Level 4 Hospital is establishment from section 23(a) of the Facility Improvement Financing Act, 2023.

Functions of the Hospital Management Board;

Includes the following;

- (a) consider and submit for approval to the chief officer the annual facility work plan and budget;
- (b) consider and submit for approval to the chief officer the facility quarterly budgets;
- (c) ensure the quarterly implementation plans and budgets are based on available resources;
- (d) monitor the utilization of facility improvement financing and take corrective action in relation to implementation challenges identified that hinder efficient absorption of funds;
- (e) ensure all financial procedures and reporting requirements are met by the facility in-charges and conform to the Public Finance Management Regulations;
- (f) ensure strict adherence to the procurement rules as prescribed in the Public Procurement and Asset Disposal Act (No. 33 of 2015);
- (g) ensure public awareness on administration of the facility improvement financing through public participation during annual planning and budgeting;
- (h) receive the audit report and initiate responses to management queries;
- (i) Implement the recommendations of the Auditor-General made pursuant to section 31(3)(a) of the Public Audit Act (No. 34 of 2015);
- (j) Implement the recommendations of the Senate and the respective county assembly on the, relevant report of the Auditor-General;
- (k) implement the relevant recommendations of the Controller of Budget of the facility; and
- (l) act as liaison between the health centre or dispensary and the community to strengthen delivery of Quality health services.

The Board after gazettelement were inducted and thereafter developed their development agendas for the period they will remain in service, as each member will be assessed on an individual capacity performance.

Minutes of the meeting;

The Board holds its sittings to transact the business of the Board once every three months and therefore the Board held 4 board meetings in deliberations for the FY 2024-2025. The Chairperson of the Board of hospital may, and upon request in writing by at least one-third of the members of the Board shall, convene a special meeting to transact any urgent business of the Board. All regular meetings of the Board of the hospital called for transacting business, where a majority of the members elected are present, shall be open to the public. A majority of the members of the Board of the hospital is a quorum to conduct business, but a smaller number may meet and compel attendance of absent members as prescribed

Conflict of interest;

A member of the Board of the hospital who is interested in any discussions or decision-making regarding any subject or transaction under consideration by the Board, shall not be counted as participating in the discussions or decision-making, and is not entitled to vote on or agree to the subject or transaction relating to it. An Attendance record for each of the deliberation is well kept in the each of the management Board files.

Succession Plan

The succession plan of the Board and senior management members are well documented in the Facility Improvement Funding (FIF) Act, 2023 and complied by the hospital.

Code of conduct

The members of the Board conducted themselves in accordance with the code of conduct governing public officers and provisions of Chapter Six of the Constitution and therefore there was no any conflict of interests realized but rather good ethical and conduct observed by the board during the year.

Governance Audit;

The board has successfully overseen the audit process of the hospital for the last 4 successful financial years from (FY 2021-2025) were the hospital managed to get a qualified Opinion in the last 3 successful years.

Terms of references of the committee;

The Board uses mainly amongst others the PFM Act 2012, PPAD Act 2015, FIF Act, 2023 and the Constitution of Kenya, 2010 when carrying out its business and each member life style.

Remuneration of the Board;

The members of the Board of the Hospital are not be entitled to a salary. However, members of the Board are paid allowances as advised by the Salaries and Remuneration Commission.

9. Management Discussion and Analysis

Operational Performance

Sigor Hospital has a bed capacity of 62 beds. The Hospital has a general ward, pediatric ward, maternity unit and general outpatient, and majorly those who visit the hospital are children and the elderly because their immunity is low. Overall patient attendance during the year for both inpatient and outpatient stood at 12427, with outpatient being the majority at around 8091 people while inpatients were 4336.

There were an average of 10 accidents and emergencies attended in the facility majorly contributed by motorbikes and slightly few obstetric emergencies. Our special clinics attendance is majorly contributed by chest clinic, comprehensive care clinic, nutrition, maternal child health and family planning clinic and eye clinic totaling to 973.

In our hospital the average length of stay for acute illness is around 3 days and for chronic illness is an average of 2 weeks. The bed occupancy rate is an average of 99% and mostly in the pediatric and maternity unit where we have many admissions. The mortality rate of our hospital is 1%. this can be summarized as below:

ITEMS	Q1	Q2	Q3	Q4	TOTALS
Inpatient	1211	1139	726	1260	4336
outpatient	2826	2077	1510	1678	8091
Bed occupancy	38	42	33	39	152
Deaths	9	9	12	7	30
Mortality rate	1%	1%	2%	1%	1%

The issues that the facility cannot handled are mostly referred to Kapenguria County Referral Hospital. On special clinics the partners have been collaborating with the facility.

Financial performance

Revenue collections summary

The management main source of collection is from NHIF/SHIF and user fee from the services that it offers. This can also be classified as per streams for easy tracking of performance. Summarized as;

Sigor Sub-County Level 4 Hospital (West Pokot County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Q1 MONTH	CASH	NHIF	TOTALS
JULY	206,990	5,940	212,930
AUG	148,575	115,644	264,219
SEPT	373,240	-	373,240
TOTALS	728,805	121,584	850,389

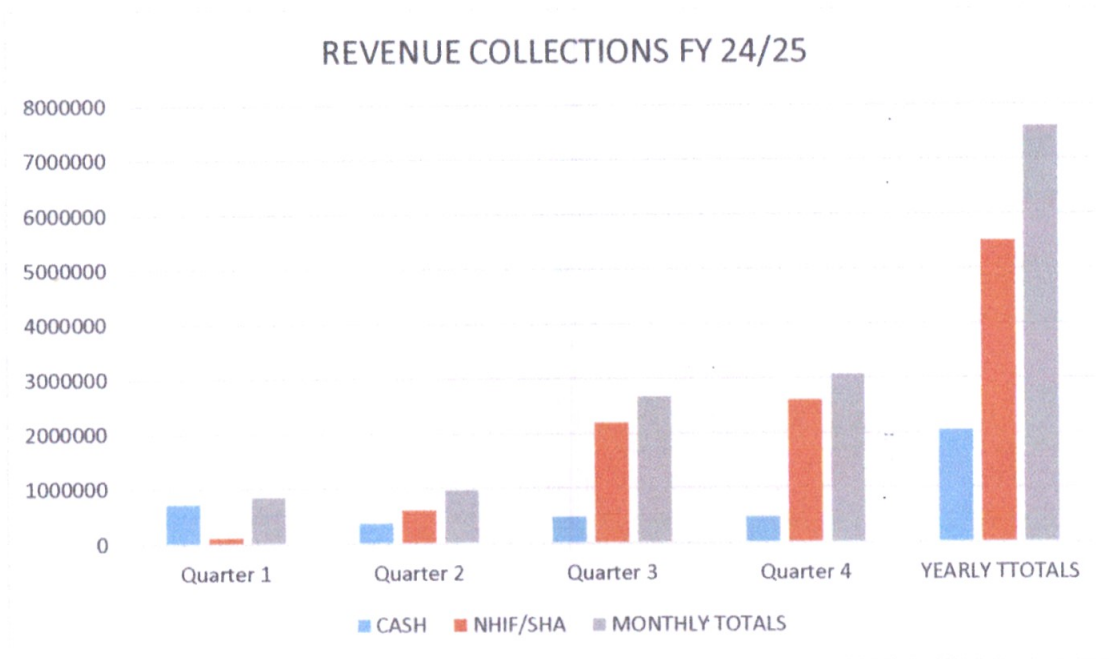
Q2 MONTH	CASH	NHIF/SHA	TOTALS
OCT	172,045	441,870	613,915
NOV	57,550	160,650	218,200
DEC	139,060	-	139,060
TOTALS	368,655	602,520	971,175

Q3 MONTH	CASH	SHA	TOTALS
JAN	133,810		133,810
FEB	176,930	401,860	578,790
MARC	171,330	1,788,494	1,959,824
TOTALS	482,070	2,190,354	2,672,424

Q4 MONTH	CASH	SHA	TOTALS
APR	135,570	1,435,619	1,571,189
MAY	174,890	322,130	497,020
JUNE	156,740	844,115	1,000,855
TOTALS	467,200	2,601,864	3,069,064

ITEM	CASH	SHA	TOTALS
GRAND TOTALS	2,046,730	5,516,322	7,608,268

From the above table it shows the quarterly revenue collection from two sources that is the NHIF/SHA and cash collection.



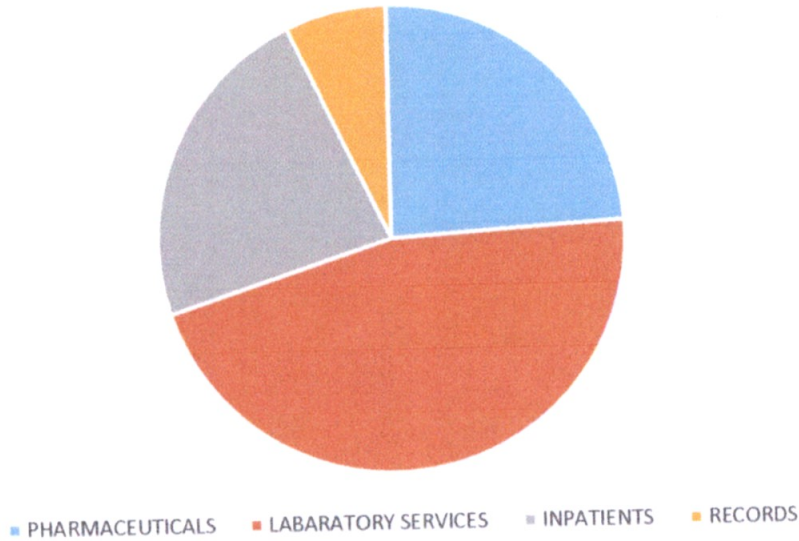
NHIF/SHA is the major contributor to revenue at the hospital with **kshs; 5,516,322/=** being **73%** while cash was **kshs; 2,06,730/=** being **23%** of the total amount for the year of **kshs; 7,608,268/=**

Revenue streams.

This can also be analyzed into the deferent stream at the facility. Tabled as;

Pharmaceuticals & Non-Pharmaceuticals	2,591,009
Laboratory	4,966,100
Inpatients	2,483,050
Records	755,711
Total revenue from the rendering of services	10,795,869

REVENUES PER STREAM



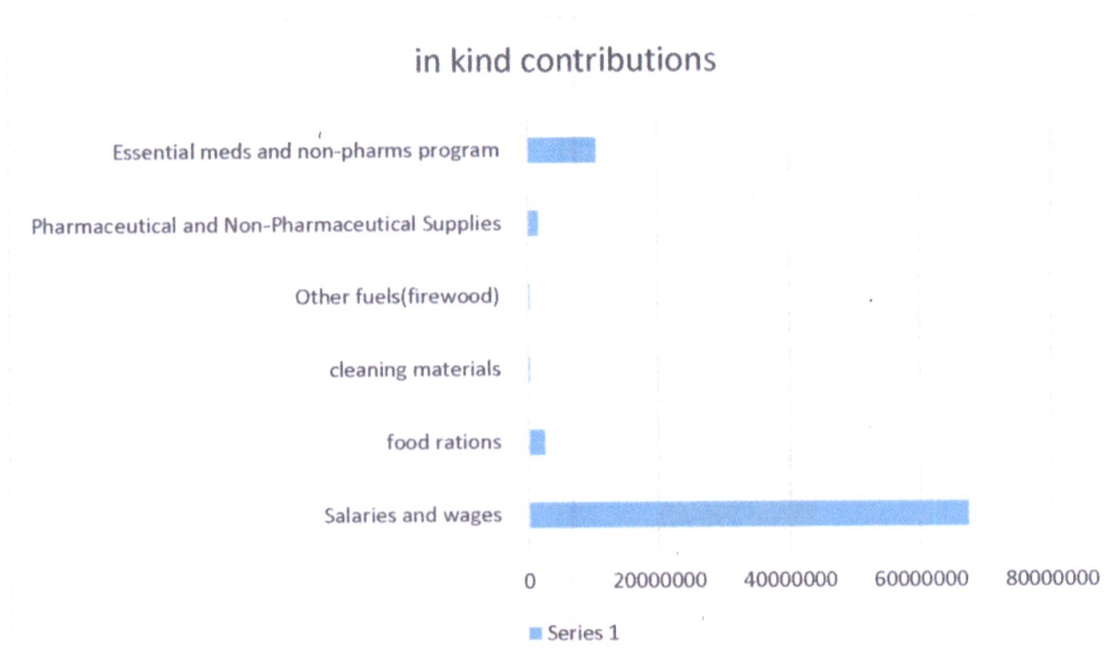
From the above pie chart, it shows different revenues streams which shows that major contributor of revenue is he laboratory followed by pharmacy the inpatient and lastly from sale of record files.

In kind contribution.

the hospital is also supported by county government and different development partners as shown below;

Salaries and wages	67,360,490
food rations	2,499,960
cleaning materials	349,250
Other fuels(firewood)	350,000
Essential meds and non-pharms program	10,631,096
Total grants in kind	81,190,796

Majorly payments done for the hospital are salaries and wages as this can be seen from the below graphs,



Expenditures;

The expenditures for the financial year were mainly spent on;

- I. Salaries and wages
- II. Board allowances
- III. Repair and maintenance
- IV. Depreciation
- V. Support of supervision
- VI. Pharmaceuticals
- VII. Non-pharmaceuticals
- VIII. Lab materials
- IX. General expenditures

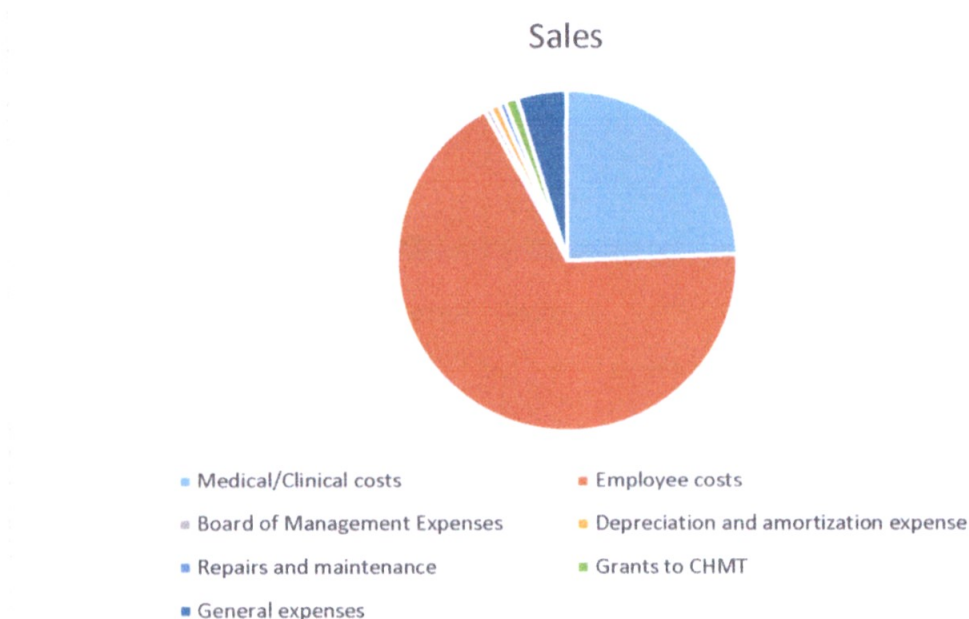
This can be tabled as below;

Expenses	AMOUNT	Percentage
Medical/Clinical costs	24,312,065	24%
Employee costs	67,360,490	68%
Board of Management Expenses	607,000	1%
Depreciation and amortization expense	811,726	1%
Repairs and maintenance	653,860	1%
Grants to CHMT	1,169,416	1%

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General expenses	4,677,659	5%
Total expenses	99,592,216	100%

For better understanding this can presented through a pie chart



Budget absorption

ITEM	BUDGET	EXPENDITURE	VARIANCE	ABSORPTION RATE
Medical/Clinical costs	26,000,000	23,312,065	2,687,935	90%
Employee costs	70,000,000	67,360,490	2,639,510	96%
Remuneration of directors	800,000	607,000	193,000	76%
Repairs and maintenance	1,000,000	653,860	346,140	65%
Grants and subsidies	2,400,000	1,169,416	1,230,584	49%
General expenses	5,129,289	4,677,659	451,630	91%
TOTALS	105,329,289	97,780,490	7,548,799	97%

The absorption rate shows below 90% for remuneration of director because we had planned to have committee meetings during the year but was possible because the board had not done election for members to the different committees

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On the grants and subsidies this resulted after the county health headquarters did not release the funds in total for last two quarters as 30% was directly deducted from there end

Sponsorships and partners

The hospital is supported by different sponsors and partners to deliver its mandate and several services to the population that it serves. Listed below

S/No	Stakeholder	Role
1	Kenya Red Cross Society	Nutrition outreaches, Ebola preparedness, Community Epidemic and Pandemic Preparedness Program (CP3) and WASH soft ware
2	UNICEF	WASH
3	International Red Cross Society (IRC)	Nutrition
4	AMPATH Uzima	HIV-Care and treatment
5	Action Against Hunger (ACF)	Nutrition
6	PS-Kenya	Malaria –Supply of LLINs
7	DSW Kenya (German Foundation for world population)	Family Planning services

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	NEPHAK	HIV –Key population
	Health Right International-Kenya	Family Planning
	AMREF KENYA	Nutrition WASH
	International Rescue Committee (IRC)	Nutrition-Combined Protocol for Acute Malnutrition Study (CoMPAS)
	FREDHOLLOWS	Trachoma and Cataract, WASH, Health system, strengthening
	Q-Initiative	HIV prevention- MSM, MSW
	Afya Ugavi	Health system strengthening
	Peace wind Japan	WASH



Dr. Peter Oduor
Secretary to the Board

10. Environmental and Sustainability Reporting

Sigor sub county hospital exists to promote and participate in provision of affordable, integrated and high Quality promotive,curative and rehabilitative. It's 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 organization's policies and activities that promote sustainability.

i) Sustainability strategy and profile

Sigor sub county Hospital exists to promote and participate in provision of affordable, integrated and high Quality promotive,curative and rehabilitative services. The Sigor sub-County Hospital with the support of West Pokot County Government has actively sought partnerships with the National Government and others in a bid to increase grants and donations and this has led to signing of Intergovernmental Participation agreement between the National Government and County Government of West Pokot to support health activities

ii) Environmental performance

Sigor sub-County Hospital has in place a Solid Waste Management Policy that has assisted the public and the institution in waste management. The policy has also provided framework to address solid waste problems and ensures at achieving zero waste generation. The policy has further ensured that the Hospital in collaboration with other stakeholders is able to sustain the provision of adequate quality services in solid waste management and establish appropriate response to solid waste challenges. In conjunction with department of Environment, we have developed Environmental Rules and Regulations, which include Noise Regulations among others and this has led to reduction in loud noise, unnecessary or unreasonable noise to ensure health and safety of the others.

iii) Employee welfare

Employee welfare is a critical component for unified service delivery. Sigor sub-County Hospital is very committed in ensuring that the welfare of all its employees is catered for by providing a favourable working environment. During the 2022/2023 financial year and with the stewardship of the County Public Service board and the HR department the following key issues were achieved towards staff welfare:

- Provision of full medical cover for staff and their dependents as well as capacity building through trainings and workshops both internally and at the Kenya School of Government.
- Purchased office furniture and stationeries.
- Result Based Management / Performance management System is key in ensuring staff perform their work and are rewarded accordingly. In this regard the department ensured staff were appraised through systematic staff performance appraisal system where staff participates through work planning, target setting and execution, feedback and reporting. During the year under review, the staff were appraised using a scale to indicate the level of performance and those who performed exemplary were rewarded through trainings.
- The organisation ensures compliance on the policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA.)

iv) Market place practices-

The organisation should outline its efforts to:

a) Responsible competition practice.

The Sigor sub-County Referral Hospital applies the principles of public procurement as espoused in the Public Procurement and Asset Disposal Act, 2015; fairness, competitiveness, integrity, professionalism, transparency and accountability, promotion of local industry, promotion of citizen contractors and maximization of value for money.

The County uses the Public Procurement and Regulatory Authority market price index and its own market survey to assure competitive prices of procured goods, works and services. In compliance with achieving affirmative action as provided by the Constitution under Articles 55 and 56 and as enacted in the Public Procurement and Asset Disposal Act, 2015 Sections 155,156,157 & 158, the County reserves 30% of its procurement budget to Youths, Women and Persons Living with Disability. Furthermore, the department prepares and submits the reports to Public Procurement and Regulatory Authority Quarterly and bi-annually as required under the Act and Executive Order no 2/2018

b) Responsible Supply chain and supplier relations

The Hospital applies the procurement methods that ensure promotion of local industry through Request for Quotations and Open County Specific Tenders. In accordance, as provided in the first schedule of the Act, the threshold matrix guides all other procurement for adoption for each procurement, which is included in a procurement plan and approved by the accounting officer.

v) Corporate Social Responsibility / Community Engagements

The Hospital engaged in tress planting activities and organized free medical camps for TB and Malnutrition within the county.

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 entity are to promote and participate in provision of affordable, integrated and high Quality promotive, curative and rehabilitative

Results

The results of the entity for the year ended June 30 2025 are set out on pages 1 to 6

Board of Management

The members of the Board who served during the year are shown on page vii. During the year, 2022 the term of board members expired and board members were appointed with effect from October 2022.

Auditors

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

By Order of the Board



.....
Dr. Peter Oduor
Secretary to the Board

12. Statement of Board of Management's Responsibilities

Section 23(a) of the Facilities improvement financing Act, 2023 requires the Board of Management to prepare financial statements in respect of that SSCH, which give a true and fair view of the state of affairs of the Hospital at the end of the financial year and the operating results of the Hospital for that year. The Board of Management is also required to ensure that the hospital keeps proper accounting records which disclose with reasonable accuracy the financial position of the hospital. The council members are also responsible for safeguarding the assets of the entity.

The Board of Management is responsible for the preparation and presentation of the hospitals financial statements, which give a true and fair view of the state of affairs of the hospital for and as at the end of the financial year ended on June 30, 2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the SSCH; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Board of Management accepts responsibility for the SSCH financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and FIF Act 2019. The Board members are of the opinion that the SSCH financial statements give a true and fair view of the state of SSCH's transactions during the financial year ended June 30, 2024, and of the SSCHs financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the SSCH, which have been relied upon in the preparation of the SSCH financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The Hospital's financial statements were approved by the Board on 16/10/2025 and signed on its behalf by:


.....

Name: Mr. Martin Piro
Chairperson


.....

Name: Dr. Peter Oduor
Accounting Officer

REPUBLIC OF KENYA



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Website: www.oagkenya.go.ke

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

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

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 the 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 Sigor Sub-County Level 4 Hospital – County Government of West Pokot set out on pages 1 to 45, 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 Sigor Sub-County Level 4 Hospital – County Government of West Pokot as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Health Act, 2017, the County Governments Act, 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies of In-Kind Contributions from the County Government

The statement of financial performance reflects in-kind contributions from the County Government amount of Kshs.81,190,796 as disclosed in Note 7 to the financial statements. However, schedules of in-kind contributions presented for audit supported an amount of Kshs.81,390,796 resulting in unreconciled variance of Kshs.200,000.

In the circumstances, the accuracy and completeness of the in-kind contributions from the County Government amount of Kshs.81,190,796 could not be confirmed.

2. Inaccuracies of Total Grants from Development Partners

The statement of financial performance reflects total grants from development partners amount of Kshs.12,138,493 as disclosed in Note 8 to the financial statements. However, schedules of total grants from development partners indicated an amount of Kshs.15,365,207 resulting in unreconciled variance of Kshs.3,226,716.

In the circumstances, the accuracy and completeness of the total grants from development partners amount of Kshs.12,138,493 could not be confirmed.

3. Inaccuracies of Medical/Clinical Costs

The statement of financial performance reflects medical/clinical costs amount of Kshs.23,312,065 as disclosed in Note 10 to the financial statements. However, schedules of medical/clinical costs presented for audit supported an amount of Kshs.10,984,046 resulting in unreconciled variance of Kshs.12,328,019.

In the circumstances, the accuracy and completeness of the medical/clinical costs amount of Kshs.23,312,065 could not be confirmed.

4. Unsupported Receivables from Exchange Transactions

The statement of financial position reflects receivables from exchange transactions balance of Kshs.2,320,480 as disclosed in Note 18 to the financial statements as amounts

due from the defunct National Health Insurance Fund (NHIF) for medical services rendered. However, the balance was not supported with a schedule of outstanding invoices identifying the specific patients and services offered.

In the circumstances, the accuracy and completeness of receivables from exchange transactions balance of Kshs.2,320,480 could not be confirmed.

5. Unsupported Inventories Balance

The statement of financial position reflects inventories balance of Kshs.2,066,910 as disclosed in Note 21 to the financial statements. However, the balance was not supported with stock ledgers. Further, no physical stock-taking records to confirm the existence, condition, value, and quantities of the inventory on hand were provided for audit review.

In the circumstances, the accuracy, existence and completeness of the inventories balance of Kshs.2,066,910 could not be confirmed.

6. Unsupported Property, Plant and Equipment

The statement of financial position reflects a property, plant and equipment balance of Kshs.14,294,589 as disclosed in Note 22 to the financial statements. However, a detailed asset register in support of the balance was not provided for audit.

In the circumstances, the accuracy and completeness of property, plant and equipment balance of Kshs.14,294,589 could not be confirmed.

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

Key Audit Matters

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

Other Information

Management responsible for the Other Information set out on pages iii to xxxvi which comprise of Key Entity Information and Management, the Board of Management, Key Management Team, Chairman's Statement, Report of the Medical Superintendent, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Management and 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 USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on the Lawfulness and Effectiveness in 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 Meet Level-4 Hospital Requirements

Review of the Hospital against the mandatory requirements for a Level 4 Hospital revealed critical deficiencies in service scope, infrastructure and staffing as follows:

1.1 Inadequate Infrastructure

The Hospital lacked a functional Emergency and Critical Care unit due to absence of advanced life support equipment and trained personnel. Surgical services were restricted due to non-functional caesarean section and main operating theatre. Pediatric, obstetric and gynecological services were not fully functional and specialized services like renal dialysis, dental and palliative care were absent. Further, the physical infrastructure was deficient and did not meet the spatial and facility requirements stipulated for a Level 4 Hospital as detailed in **Appendix 1**.

1.2 Inadequate Medical Personnel

Review of establishment records against the required norms revealed a severe shortage of medical personnel. There was an aggregate shortage of five hundred and eighteen (518) personnel across all critical cadres, including medical officers, consultants, nurses and clinical officers as analyzed in the **Appendix 2**.

This was Contrary to Rule 7 of the Medical Practitioners and Dentists (Medical Institutions) Rules of 2000, which provides the mandatory resourcing requirements for each category of Hospital.

In the circumstances, the insufficiencies may lead to severely inefficient and sub-standard service delivery to the public.

2. Non-Compliance with Facility Improvement Financing (FIF) Act

Review of bank statements and transaction records revealed that the Hospital collected and deposited total revenue of Kshs.9,221,764 into its legitimate designated account, However, the entire amount was subsequently transferred to the West Pokot County Health Account with only Kshs.7,233,243 being returned to the Hospital's operational account while Kshs.1,988,521 was withheld at the County level. This was contrary to Section 5 of the Facility Improvement Financing Act, 2023, which requires that all facility funds be retained in designated FIF accounts and explicitly prohibits the transfer of such funds to any other account.

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, based on the audit procedures performed, I confirm that nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

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

Responsibilities of the Management and those Charged with Governance

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

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

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

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

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 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

04 December, 2025

Appendices:

Appendix 1: Inadequate Infrastructure

Infrastructure Category	Required	Available	Variance (gap)
Land, Capacity, and Bed Requirements			
1. Land and Space:			
At least 5 acres of land or approx. 2,500 sq. meters of office space	5	5	0
2. Bed Capacity:			
At least 150 beds with a minimum of 30 beds each in:			
Male ward	30	16	14
Female ward	30	16	14
Pediatric ward	30	22	8
Antenatal ward	30	12	18
Postnatal ward	30	12	18
	150	78	72
3. Labour Ward:			
At least 1 labour ward with 3 delivery beds	3	1	2
4. Newborn and Critical Care Units:			
Newborn Unit: 5 incubators and 5 cots	5	0	5
Functional ICU: at least 6 beds with monitors and ventilators	6	0	6
High Dependency Unit (HDU): at least 6 beds	6	0	6
Clinical and Specialized Units			
Radiology Unit	1	0	1
ENT Unit	1	0	1
Dental Unit	1	0	1
Ophthalmology Unit	1	0	1
Endoscopy, Laparoscopy & Colonoscopy Unit	1	0	1
Renal Unit: at least 5 dialysis machines	5	0	5
CSSD Unit (mandatory)	1	0	1
Medical Engineering Unit	1	0	1
MCH/FP Unit:	1	1	0
Immunization services room	1	1	0
FP coordination room	1	1	0
Antenatal coordination room	1	1	0
Community Services/Public Health Office	1	1	0
Diagnostic Equipment			
MRI Machine	1	0	1
CT Scan Machine	1	0	1

Infrastructure Category	Required	Available	Variance (gap)
Mammography Machine	1	0	1
Ultrasound Machine	1	1	0
General X-ray Machine	1	0	1
Dental X-ray (e.g. IOPA, OPG)	1	0	1
One X-ray Room	1	0	1
One Ultrasound Room	1	1	0
Emergency and Critical Equipment			
Three defibrillators (A&E, Theatre, ICU)	3	1	2
One ventilator per ICU bed	1	1	0
Consultation and Support Rooms			
Waiting Rooms	8	6	2
Consultation Rooms	8	2	6
Registration Rooms	8	1	7
Injection Room	1	1	0
Plaster Room	1	0	1
Minor Theatre	1	1	0
Sluice Room	1	1	0
Two Operating Theatres (Maternity and General – mandatory)	2	0	2
Mortuary/Cold Room (mandatory)	1	0	1
Pharmacy and Storage			
Pharmacy:			
Separate inpatient and outpatient areas	1	1	0
Drug store(s)	1	1	0
General Supplies Store	1	1	0
Administrative and Staff Facilities			
Administration Unit:			
Medical Superintendent/CEO	1	1	0
Admin Officer	1	1	0
Human Resource Manager	1	1	0
Finance Office	1	1	0
Board Room	1	0	1
Director's Office	1	1	0
Health Records Room	1	1	0
General Store	1	1	0
Cloak Rooms	1	1	0
Staff Quarters for at least 4 on-duty personnel	1	1	0
General Utilities and Services			
Laundry	1	1	0
Kitchen	1	1	0

Appendix 2 -Sigor Sub-County L4 Hospital: Under-Staffing

Category of Personnel	Required Staff Level	Current Staff Level	Under-Staffing
Resident Medical Officers (<i>mandatory</i>)	16	0	16
Anesthesiologists	2	0	2
General Surgeons	2	0	2
Orthopaedic Surgeon	1	0	1
ENT Surgeon	1	0	1
Obstetrician/Gynecologists	2	0	2
Neonatologist	1	0	1
Nephrologist	1	0	1
Neurologist	1	0	1
Ophthalmologist	1	0	1
Optometrist	1	0	1
Dermatologist	1	0	1
Pediatricians	2	0	2
Pathologist	1	0	1
Psychiatrists	2	0	2
Radiologists	2	0	2
Physicians (Internists)	2	0	2
Public Health Specialist	1	1	0
Clinical Officers			
General Clinical Officers	30	9	21
Graduate Clinical Officers	14	0	14
Clinical Officers – Lung & Skin	4	0	4
Ophthalmology or Cataract Surgeons	4	0	4
Clinical Officers – Pediatrics	2	0	2
Clinical Officers – Reproductive Health	2	0	2
Clinical Officer – Dermatology/Venereology	1	0	1
Clinical Officer – Orthopaedic	1	0	1
Clinical Officer – Anaesthetists	6	0	6
Clinical Officer – Psychiatry/Mental Health	1	0	1
Clinical Officer – Oncology/Palliative Care	1	0	1
Nursing Staff			
BScN Nurses	40	2	38
Kenya Registered Community Health Nurses	75	26	49

Category of Personnel	Required Staff Level	Current Staff Level	Under-Staffing
Kenya Enrolled Nurses	6	2	4
Kenya Registered Nurses – Mental Health & Psychiatry	6	0	6
Kenya Registered Nurses	10	0	10
Oncology Nurses	5	0	5
Ophthalmic Nurses	4	1	3
Pediatric Nurses	10	0	10
Pediatric ICU Nurses	5	0	5
Palliative Care Nurses	5	0	5
Psychiatry/Mental Health Nurses	6	0	6
Sign Language Staff	1	0	1
Theatre Nurses	20	0	20
Anaesthetist Nurses	10	0	10
Accident & Emergency Nurses	5	0	5
ICU Nurses	16	0	16
Renal Nurses	10	0	10
Forensic Nurses	4	0	4
Neonatal Nurses	5	0	5
Kenya Registered Psychiatric Nurses (KRPN)	4	0	4
Registered Midwives	10	0	10
Pharmaceutical Staff			
Pharmacists	4	1	3
Clinical Pharmacists	2	0	2
Pharmaceutical Technologists	8	3	5
Rehabilitative and Allied Health Professionals			
Plaster Technicians/Technologists	4	0	4
Orthopaedic Technologists	3	0	3
General Physiotherapists	6	0	6
BSc Physiotherapist	1	0	1
Specialized Physiotherapists	2	0	2
Occupational Therapists	10	0	10
Clinical Psychologist	1	0	1
Dental Staff			
Dental Officers	4	0	4
Oral & Maxillofacial Surgeon	1	0	1
Pediatric Dentists	2	0	2
Dental Technologists	6	0	6

Category of Personnel	Required Staff Level	Current Staff Level	Under-Staffing
Community Oral Health Officers	2	0	2
Imaging and Radiography Staff			
General Radiographers	6	0	6
Ultrasonographer	1	0	1
Nutrition and Dietetics Staff			
Nutrition and Dietetic Officers	10	2	8
Nutrition and Dietetic Technologists	8	0	8
Nutrition and Dietetic Technicians	2	0	2
Cateresses	2	0	2
Health Promotion and Social Services			
Health Promotion Officers	4	0	4
Medical Social Workers	6	1	5
Administrative and Support Staff			
Medical Superintendent	1	1	0
Health Administrative Officers	2	1	1
Human Resource Management Officers	2	0	2
Clerks	10	1	9
Secretary	1	0	1
Accountants	2	1	1
Supply Chain Assistants	4	0	4
Supply Chain Officers	2	1	1
Health Records and Information Management Officers	8	1	7
ICT Officers	2	0	2
Medical Engineering Technicians	2	0	2
Laboratory and Public Health			
Medical Laboratory Technologists	40	7	33
Public Health Officers	4	1	3
Support Services			
Cooks	10	2	8
Drivers	12	1	11
Support Staff	40	32	8
Mortuary Attendants	6	0	6
Security Officers	10	1	9
			518

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

Description	Notes	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the County Government	6	-	4,645,506
In-kind contributions from the County Government	7	81,190,796	79,277,303
Total grants from development partners	8	12,138,493	7,949,715
Revenue from exchange transactions			
Rendering of services	9	10,795,869	
Total revenues		104,125,158	91,872,524
Expenses			
Medical/Clinical costs	10	23,312,065	15,736,468
Employee costs	11	67,360,490	67,216,850
Board of Management Expenses	12	607,000	430,500
Depreciation and amortization expense	13	811,726	-
Repairs and maintenance	14	653,860	40,000
Grants to CHMT	15	1,169,416	680,790
General expenses	16	4,677,659	4,649,290
Total expenses		98,592,216	88,753,898
GAINS			
Net Surplus for the Quarter		5,532,942	3,118,626
Attributable to:			
Surplus/(deficit) attributable to minority interest		-	-
Surplus attributable to owners of the controlling entity		-	-
		-	-

(The notes set out on pages 10 to 44 form an integral part of the Annual Financial Statements)

Sigor Sub-County Level 4 Hospital (West Pokot County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

The Hospital's financial statements were approved by the Board on 16/10/2025 and signed on its behalf by:



.....
Chairman
Board of Management



.....
Head of Finance
ICPAK No: 27397



.....
Medical Superintendent


Sigor Sub-County Level 4 Hospital (West Pokot County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

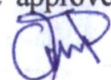
15. Statement of Financial Position As At 30th June 2025

Description	Notes	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	17	2,450,023	48,066
Receivables from exchange transactions	18	2,320,480	2,083,694
Receivables from non-exchange transactions	19	2,789,051	401,500
Inventories	21	2,066,910	2,358,536
Total Current Assets		9,626,464	4,891,796
Non-current assets			
Plant property and equipment	22	14,294,589	100,000
Total Non-current Assets		14,294,589	100,000
Total assets		23,921,053	4,991,796
Liabilities			
Current liabilities			
Trade Payables		-	-
Total Current Liabilities		-	-
Non-current liabilities			
Total Non-current liabilities		-	-
Total Liabilities		-	-
Net assets		23,921,053	4,991,796
Balance Brought Forward			
Revaluation reserve		-	-
Accumulated surplus/Deficit		23,921,053	4,991,796
Capital Fund			-
Total Net Assets and Liabilities		23,921,053	4,991,796

Sigor Sub-County Level 4 Hospital (West Pokot County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

(The notes set out on pages 10 to 44 form an integral part of the Annual Financial Statements)
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Board of Management


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Head of Finance 27397
ICPAK No:


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Medical Superintendent

Sigor Sub-County Level 4 Hospital (West Pokot County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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

Description	Revaluati on reserve	Accumulate d surplus/Defi cit	Capit al	Total
			Fund	
As at July 1, 2023 (previous year)	0	-	-	-
Revaluation gain	0	-	-	-
Surplus/(deficit) for the year	-	4,991,796	-	4,991,796
Capital/Development grants	-	-	-	-
As at June 30, 2024 (previous year)	0	4,991,796	-	4,991,796
Prior adjustment (Property, Plant and Equipment)		13,396,315		13,396,315
At July 1, 2024(current year)	0	18,388,111	-	18,388,111
Revaluation gain	0	-	-	-
Surplus/(deficit) for the period	-	5,532,942	-	5,532,942
Capital/Development grants	-	-	-	-
30 June, 2025	0	23,921,053	-	23,921,053

(The notes set out on pages 10 to 44 form an integral part of the Annual Financial Statements)

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

Description	Note	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from the County Government			4,645,506
In-kind contributions from the County Government		81,190,796	79,277,303
rendering of services		10,795,869	
grants and donors		12,138,493	7,949,715
Total Receipts		104,125,158	91,872,524
Payments			
Medical/Clinical costs		23,312,065	15,736,468
Employee costs		67,360,490	67,216,850
Board of Management Expenses		607,000	430,500
Repairs and maintenance		653,860	40,000
Grants to CHMT		1,169,416	680,790
General expenses		4,677,659	4,649,290
Total Payments		97,780,490	88,753,898
working capital			
increase in receivables		(2,624,337)	(1,210,638)
Increase in inventories		291,626	(2,358,536)
Increase in Payables		-	-
Net cash flows from operating activities		4,011,957	- 450,548
Cash flows from investing activities			
Purchase of property, plant, equipment, & intangible assets		(1,610,000)	- 100,000
Proceeds from the sale of property, plant, and equipment		-	-

Sigor Sub-County Level 4 Hospital (West Pokot County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Acquisition of investments		-	-
Net cash flows used in investing activities			
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Capital grants received			-
Net cash flows used in financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		2,401,957	- 550,548
Trade payables			
Cash and cash equivalents at 1 July	17	48,066	598,614
Cash and cash equivalents at 30 Mach 2025	17	2,450,023	48,066

The notes set out on pages 10 to 44 form an integral part of the Annual Financial Statements)

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	a	b	c=(a+b)	d	e=(c-d)	f=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs	
Budget carryovers from the previous year	-	-	-	-	-	%
Receipts		-	-		-	
Rendering of services	12,000,000	-	12,000,000	10,795,869	1,204,131	90%
Grants from donors and development partners	12,138,493	-	12,138,493	12,138,493	-	100%
In Kind contributions	81,190,796	-	81,190,796	81,190,796	-	100%
Miscellaneous receipts (<i>specify</i>)	-	-	-	-	-	
Total receipts	105,329,289	-	105,329,289	104,125,158	1,204,131	99%
Payments		-	-		-	
Medical/Clinical costs	26,000,000	-	26,000,000	23,312,065	2,687,935	90%
Employee costs	68,000,000	-	68,000,000	67,360,490	639,510	99%
Remuneration of directors	800,000	-	800,000	607,000	193,000	76%
Repairs and maintenance	1,000,000	-	1,000,000	653,860	346,140	65%
Grants and subsidies	2,400,000	-	2,400,000	1,169,416	1,230,584	49%
General expenses	7,129,289	-	7,129,289	5,489,385	1,639,904	77%
Depreciation		-	-		-	
Refunds	-	-	-	-	-	
Total Operational Expenditure paid	105,329,289	-	105,329,289	98,592,216	6,737,073	94%
Capital Expenditure paid	-	-	-	-	-	
Surplus	-	-	-	5,532,942	5,532,942	

NOTES

1. the remuneration of directors was low as committee were not formed during the year so as to hold meetings in order to be paid their allowances which were budgeted for.

2. on grants and subsidies there was a direct deduction by the county headquarters for Q3 and Q4 which lead to the low absorption.

3. All other vote heads (Receipts and payments) that we exceeded 90% was as a result of team work, consistent availability of medical commodities, good internal controls, proper management of funds in compliance with the applicable laws such as PFM Act 2012, PPDA, 2015, FIF Act 2023 and regulations relating to good financial practice (GFP).

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	5,532,942
	depreciation	811,726
1	Increase/decrease in receivables	-2,624,337
2	Increase/Decrease in inventories	291,626
3	Net cash flow from operating activities	4,011,957
	purchase of investment property	-1,610,000
4	Opening Cash and cash equivalents as per the statement of Cash flows	48,066
	Closing Cash and Cash Equivalent as per the statement of Cash flows	2,450,023

19. Notes to the Financial Statements

1. General Information

CSCH entity is established by and derives its authority and accountability from FIF Act. The entity is wholly owned by the West Pokot County Government and is domiciled in West Pokot County in Kenya. The entity's principal activity is promotive health

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant, and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the SSCH accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the SSCH The financial statements have been prepared in accordance with the PFM Act, and FIF ACT 2023, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>No impact</i></p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><i>No impact</i></p>
IPSAS 45- Property	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets,</p>

Standard	Effective date and impact:
Plant and Equipment	<p>infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p><i>No impact</i></p>
IPSAS 46 Measurement	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>No impact</i></p>
IPSAS 47- Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>

Standard	Effective date and impact:
IPSAS 48- Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>No impact</i></p>
IPSAS 49- Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>No impact</i></p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii) Early adoption of standards

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

4. Summary of Significant Accounting Policies

a. Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other Government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

b. Budget information

The original budget for FY 2024/2025 was approved by Board on xxxx. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the SSCH recorded additional appropriations of 0 on the FY 2024/2025 budget following the Board's approval. The SSCHs budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

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

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

c. Taxes

Sales tax/ Value Added Tax

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

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

Notes to the Financial Statements (Continued)

d. Investment property

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

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

e. Property, plant and equipment

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

f. Leases

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

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

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

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

g. Intangible assets

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

h. Biological Assets

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

i. Research and development costs

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

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

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

j. Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the hospital's financial statements.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that

is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

k. Inventories

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

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

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

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

l. Provisions

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

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

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

m. Social Benefits

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

n. Contingent liabilities

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

o. Contingent assets

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

p. Nature and purpose of reserves

The entity creates and maintains reserves in terms of specific requirements. None maintained

q. Changes in accounting policies and estimates

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

r. Employee benefits

Retirement benefit plans

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

s. Foreign currency transactions

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

t. Borrowing costs

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

u. Related parties

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

v. Service concession arrangements

The Entity analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the SSCH 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 SSCH also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

w. Cash and cash equivalents

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

x. Comparative figures

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

y. Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

- The condition of the asset based on the assessment of experts employed by the Entity.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset.

Provisions

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

6. Transfers from the County Government

Description	3/31/2025	FY 2023-2024
	KShs	KShs
Transfer from County Government		4,645,506
Total government grants and subsidies	-	4,645,506

6 b Transfers from The County Government

Name of the Entity sending the grant	Amount recognized to Statement of financial performance	Amount deferred under deferred income	Total grant income during the year	Total
	KShs	KShs	KShs	FY 2023-2024
West Pokot County Government	-			4,645,506
Total	-	-	-	4,645,506

7. In Kind Contributions from The County Government

Description	3/31/2025	FY 2023-2024
	KShs	KShs
Salaries and wages	67,360,490	67,216,850
food rations	2,499,960	2,199,084
cleaning materials	349,250	
Other fuels (firewood)	350,000	399,460
Pharmaceutical and Non-Pharmaceutical Supplies		4,789,004
Essential meds and non-pharms program	10,631,096	4,672,905

Total grants in kind	81,190,796	79,277,303
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8. Grants From Donors and Development Partners

Description	FY 2024-2025	FY 2023-2024
	KShs	KShs
Grant and donors		6,068,037
Total grants from development partners	12,138,493	7,949,715

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

Name of the Entity sending the grant	Amount recognized to of financial performance	Amount deferred under deferred income	Total grant income during the year	FY 2023-2024
	KShs	KShs	KShs	KShs
Global funds	6289818		6,289,818	6,068,037
African medical and research foundation	4416572		4,416,572	
Clinton health foundation	55132		55,132	
ministry of health	462000		462,000	
international development association	445914		445,914	
united nations population fund	469057		469,057	
Total	12138493		12,138,493	6,068,037

9. Rendering of services

Description	FY 2024-2025	FY
		2023-2024
	Kshs	Kshs
Pharmaceuticals & Non-Pharmaceuticals	2,591,009	-
Laboratory	4,966,100	-
Inpatients	2,483,050	-
Records	755,711	-
Total revenue from the rendering of services	10,795,869	-

10. Medical/ Clinical Costs

Description	FY 2024/2025	FY 2023-2024
	KShs	KShs
Laboratory chemicals and reagents	-	218,500
Dressing and Non-Pharmaceuticals	152,950	179,880
Pharmaceutical supplies/Medical Drugs	23,159,115	15,338,088
Total medical/ clinical costs	23,312,065	15,736,468

11. Employee Costs

Description	FY2024/2025	FY 2023-2024
	KShs	KShs
Salaries, for P&P	67,360,490	67,216,850
wages for casuals		-
Employee costs	67,360,490	67,216,850

12. Board of Management Expenses

Description	FY 2024/2025	FY 2023-2024
	KShs	KShs
Sitting allowance	607,000	430,500
Total	607,000	430,500

13. Depreciation and Amortization Expense

Description	FY 2024/2025	FY 2023-2024
	Kshs	Kshs
Property, plant and equipment	811,726	
Intangible assets	-	-
Investment property carried at cost	-	-
Total depreciation and amortization	811,726	-

14. Repairs And Maintenance

Description	FY 2024/2025	FY 2023-2024
	KShs	KShs
Motor vehicle expenses	-	
Maintenance of building and stations	653,860	40,000
Total repairs and maintenance	653,860	40,000

15. Grants And Subsidies

Description	FY 2023-2024	
	FY 2024/2025	
	Kshs	Kshs
Community development and social work		
Education initiatives and programs		
Free/ subsidized medical camp		
Disability programs		
Free cancer screening		
Social benefit expenses		
Grants to CHMT	1,169,416	680,790
Total grants and subsidies	1,169,416	680,790

16. General Expenses

Description	FY 2024/2025	FY 2023-2024
	KShs	KShs
Advertising and Publicity expenses		-
Catering Expenses	17,800	90,000
Daily Subsistence Allowance	1,381,075	1,457,806
Sanitary and Cleaning Materials	390,610	130,000
Food and Ration	2,404,820	2,199,084
General Office Supplies	99,245	97,000
Bank charges	4,109	36,950
fuel and lubricants		-
Other fueis	365,000	565,960
automation		-
data/ connectivity	15,000	72,490
purchase of furniture		-
Total General Expenses	4,677,659	4,649,290

17(a) Cash And Cash Equivalents		
Description	FY2024/2025	FY 2023-2024
	KShs	KShs
Current accounts	2,450,023	48,066
Total cash and cash equivalents	2,450,023	48,066

17(b) Detailed Analysis of Cash and Cash Equivalents

Description		FY2024/2025	FY 2023-2024
Financial institution	Account number	KShs	KShs
a) Current account			
Kenya Commercial bank	1,197,892,931	984,503	45,216
Kenya Commercial bank	1,267,071,141	1,465,520	1,852
Kenya Commercial bank	1,163,287,237	998	998
Grand total		2,450,023	48,066

18. Receivables From Exchange Transactions

Description	FY2024/2025	FY 2023-2024
	KShs	KShs
NHIF Medical services receivables	2,320,480	2,083,694
Less: impairment allowance	-	-
Total receivables	2,320,480	2,083,694

Aging analysis

	FY2024/2025		
	Kshs		
	FY 2024-2025	% of the total	% of the total
Less than 1 year	2,320,480	100%	100%
Between 1- 2 years	-		
Between 2-3 years	-		
Over 3 years	-		
Total (a+b)	2,320,480	100%	100%

19. (a)Receivables From Non-Exchange Transactions

Description	FY2024/2025	FY2023-2024
	KShs	KShs
Transfers from the County Government	2,789,051	401,500
Fuel and lubricants		
Less: impairment allowance		-
Total	2,789,051	401,500

19(b)Analysis of Receivables From Non-Exchange Transactions

Description	FY 2024/2025		
	Kshs		
	Current FY	% of the total	% of the total
Less than 1 year	2,789,051	100%	100%
Between 1- 2 years	-	0%	0%
Between 2-3 years	-	0%	0%
Over 3 years	-	0%	0%
Total (a+b)		100%	100%

20. Cash Generated from Operations

	FY2024/2025	FY 2023-2024	
	KShs	KShs	
Surplus for the year before tax	5,532,942	3,118,626	
Adjusted for:			
Depreciation	811,726	-	
Non-cash grants received	-	-	
Impairment	-	-	
Gains and losses on disposal of assets	-	-	
Contribution to provisions	-	-	
Contribution to impairment allowance	-	-	
Working Capital adjustments			
Increase in inventory	291,626	-	2,358,536
Increase in receivables	-	2,624,337	-
Increase in deferred income	-	-	-
Increase in payables	-	-	-
Increase in payments received in advance	-	-	-
Net cash flow from operating activities	4,011,957	-	450,548

21. Inventories

	FY2024/2025	FY 2023-2024
Description	KShs	KShs
Pharmaceutical supplies	1,971,770	2,358,536
Maintenance supplies	-	-
Food supplies	95,140	-
Linen and clothing supplies	-	-
Cleaning materials supplies	-	-
General supplies	-	-

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Less: provision for impairment of stocks	-	-
Total	2,066,910	2,358,536

disclosure on inventories

	FY 2024-2025	FY 2023-2024
Opening balance	2,358,536	-
Additional Inventory in the year		2,358,536
Inventory expensed in the year	291,626	-
Write-downs in the year		-
Others specify		-
Closing balance	2,066,910	2,358,536

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22. Property, Plant and Equipment

Description	Land	Buildings and Civil works	Furniture, fittings, and office equipment	ICT Equipment	Capital Work in progress	Total
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh
Cost						
At 1 July 2024			100,000			100,000
Additions						-
Disposals			-			-
Transfers/adjustments			-			-
At 30th Jun 2024			100,000			100,000
						-
At 1 July 2024			100,000			100,000
Additions		13,396,315		1,610,000		15,006,315
Disposals						-
Transfer/adjustments						-

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At 30th June 2024	13,396,315	100,000	1,610,000	15,106,315
Depreciation and impairment				-
At 1 July 2024		-		-
Depreciation for the year	267,926	12,500	531,300	811,726
Dispcals		-		-
Impairment		-		-
At 30th June 2024	267,926	12,500	531,300	811,726
At July 2024		-	-	-
Depreciation	267,926	12,500	531,300	811,726
Dispcals		-		-
Impairment		-		-
Transfer/adjustment		-		-
At30th june 2024	267,926	12,500	531,300	811,726
				-
Net book values				-
At 30th Jun 2024	13,396,315	100,000	1,610,000	15,106,315

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At 31st June 2024	13,128,389	87,500	1,078,700	14,294,589
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. Investment Property

Description	FY 2024-2025		FY 2023-2024	
	KShs		KShs	
At beginning of the year				
Additions				-
Disposals during the year		-		-
Fair value gain		-		-
Depreciation		-		
Impairment		-		-
At end of the year				

Financial Risk Management

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

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

(i) Credit risk

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

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

(ii) Liquidity risk management

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

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

(iii) Market risk

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

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

a) Foreign currency risk

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

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

Foreign currency sensitivity analysis

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

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

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

iv) Capital Risk Management

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

8. Related Party Balances

Nature of related party relationships

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

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

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

9. Events after the Reporting Period

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

10. Ultimate and Holding Entity

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

11. Currency

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

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20. Appendices

Appendix 1: Progress on Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Non-disclosure of property plant and equipment	The management has included plant property and equipment in its current year	Resolved	Immediately
2	Shortage of medical staff	County government has employed new staff and deployed them to the facility	Resolved	Immediately
3	Deficiency in equipment	In the process of procuring more equipment's	Not resolved	ASAP
4	Idle theatre and facility Generator	The theatre was waiting for new staff in order to operationalize The generator is the process of being connected to the facility power line	Not resolved	Immediately
5				

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report.
- (ii) Obtain the "Issue/Observation" and "management comments", required above, from the final external audit report that is signed by Management.

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- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible the for implementation of each issue.
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.



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Accounting Offier

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Appendix II: Inter-Entity Confirmation Letter

Name of Transferring entity...Ministry of health west Pokot county

Name of Beneficiary entity...Sigor Sub County Hospital

Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30 th June (Current FY)					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
1	15/07/24	579,000.		579,000	
2	15/07/24	1,460,000.		1,460,000	
3	25/10/24	638,369.		638,369	
4	16/12/24	265,000		265,000	
5	15/01/25	965,323.		965,323	
6	30/04/25	1,870,262		1,870,262	
7	19/06/25	1,465,289		1,465,289	
Total		7,243,244.		7,243,244	

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

Head of Accounts Department - Disbursing Entity:
 Name JACKSON MERIAROL Sign [Signature] Date 16/10/2025

Head of Accounts Department - Beneficiary Entity:
 Name Dr Peter Odour Sign [Signature] Date 16/10/2025

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Appendix III Trial balance

SIGOR SUB COUNTY LEVEL 4 HOSPITAL			SIGOR SUB COUNTY LEVEL 4 HOSPITAL		
REPORTS AND FINANCIAL STATEMENTS			REPORTS AND FINANCIAL STATEMENTS		
FOR THE YEAR ENDED June 31, 2025			FOR THE YEAR ENDED JUNE 30, 2024		
AS OF 31/06/2025			AS OF 30/06/2024		
TRIAL BALANCE			TRIAL BALANCE		
Description	DR	CR	Description	DR	CR
Revenue from non-exchange transactions			Revenue from non-exchange transactions		
Transfers from the County Government			Transfers from the County Government		4,645,506
In- kind contributions from the County Government		81,190,796	In- kind contributions from the County Government		79,277,303
rendering of services		10,795,869			
Grants from donors and development partners		12,138,493	Grants from donors and development partners		7,949,715
Total revenue		104,125,158	Total revenue		91,872,524
Expenses			Expenses		

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Medical/Clinical costs	23,312,065		Medical/Clinical costs	15,736,468	
Employee costs	67,360,490		Employee costs	67,216,850	
Board of Management Expenses	607,000		Board of Management Expenses	430,500	
Depreciation and amortization expense	811,726		Depreciation and amortization expense	-	
Repairs and maintenance	653,860		Repairs and maintenance	40,000	
Grants to CHMT	1,169,416		Grants to CHMT	680,790	
General expenses	4,677,659		General expenses	4,649,290	
Plant property and equipment's	14,294,589		Plant property and equipment	100,000	
CASH AND BANK BALANCES			CASH AND BANK BALANCES		
Kenya Commercial bank 1267071257	984,503		Kenya Commercial bank 1267071257	45,216	

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

Kenya Commercial bank 1144925754	1,465,520		Kenya Commercial bank 1144925754	1,852	
cash in hand	-		cash in hand	-	
ACCOUNTS RECEIVABLES-			ACCOUNTS PAYABLE-		
Payables			Payables		-
Prepayments	-		Prepayments	-	
Receivables from exchange transactions	2,320,480		Receivables from exchange transactions	2,083,694	
Receivables from-non exchange transactions	2,789,051		Receivables from non-exchange transactions	401,500	
Inventories	2,066,910		inventories	2,358,536	
Fund balance b/fwrđ 2023/2024		18,388,111	Fund balance b/fwrđ 2022/2023		1,872,172
Capital fund					
TOTAL	122,513,269	122,513,269	TOTAL	93,744,696	93,744,696