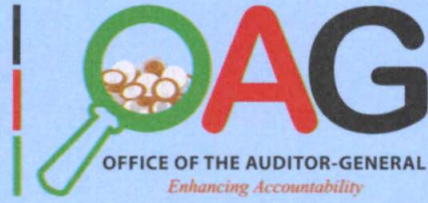


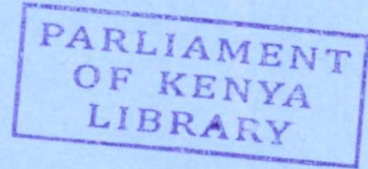
REPUBLIC OF KENYA



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REPORT

OF



THE AUDITOR-GENERAL

ON

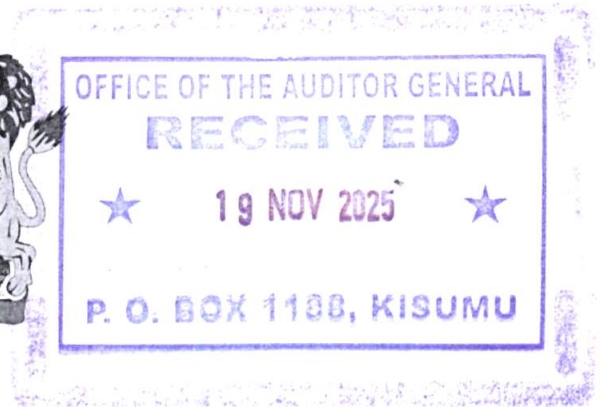
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SIAYA COUNTY REFERRAL HOSPITAL

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

COUNTY GOVERNMENT OF SIAYA

2



**SIAYA COUNTY REFERRAL
Level 4 HOSPITAL
(Siaya County Government)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2025**

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

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1. Acronyms & Glossary of Terms

CSR	Corporate Social Responsibility
OSHA	Occupational Health & Safety Act
PFMA	Public Financial Management Act
MED SUP	Medical Superintendent
Fiduciary Management	Key management personnel who have financial responsibility in the facility.
NGO	Non-Governmental Organization
CEO	Chief Executive Officer
MCA	Member of the County Assembly
SHA	Social Health Authority
NEMA	National Environmental Management Authority
FIF	Facility Improvement Fund
NHIF	National Health Insurance Fund
UHC	Universal Health Coverage
MOU	Memorandum of Understanding
CT	Computerised Tomography
OPG	Orthopantomogram
HMT	Hospital Management Team
SLC	Service Level Contract
HMB	Hospital Management Board
NCD	Non Communicable Diseases
PWD	People with Disabilities
WHO	World Health Organization
PAS	Performance Appraisal Systems
PPE	Personal Protective Equipment

2. Key Facility Information and Management

(a) Background information

Siaya County Referral Hospital is a level (4) hospital established under the Kenya gazette notice number 87 of state year and is domiciled in Siaya County under the County's Department of Health.

N/B: The Facility continues to operate as a level 5 Hospital awaiting gazettment, thus for purposes of reporting it will be recognised as a level 4 Hospital.

(b) Principal Activities

The principal activity/mission/ mandate of the hospital is to offer high quality and affordable health services to its clients as captured in the following statements.

Vision

Provide efficient and high quality health care that is accessible, equitable and affordable to every Kenyan.

Mission

To promote and participate in the provision of an integrated high quality promotive, preventive, curative, rehabilitative and palliative health services.

(c) Key Management

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

- County Department of Health
- Hospital Management Board, HMB
- Hospital Management Team, HMT led by the Medical Superintendent who is the CEO/Accounting Officer
- Various thematic sub committees

(d) Fiduciary Management

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

No.	Designation	Name
1.	Medical Superintendent/CEO	Dr. Caleb Otieno
2.	Head of Finance	CPA. Violet Waswa Wanyonyi
3.	Head of Supply Chain	Mr. Edwin Ngode
4.	Head of Administrative Services	Mr. Andrew Hongo

(e) Fiduciary Oversight Arrangements

- i. Hospital Board Audit sub-committee
- ii. Department of Health
- iii. County Internal Audit Department
- iv. Department of Finance
- v. Siaya County Assembly Health committee
- vi. Siaya County Assembly Committee on Finance and Trade
- vii. Siaya County Assembly PIC/PAC
- viii. Office of the Auditor General
- ix. The Senate PIC

(f) Facility Headquarters

Siaya- Rang'ala Road
P.O. Box 144-40600
SIAYA, KENYA

(g) Facility Contacts

Telephone: +254717197349
E-mail: siyacountyrh@gmail.com

(h) Facility Bankers

Kenya Commercial Bank
P. O Box 52-40600
SIAYA

(i) Independent Auditors

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

(j) Principal Legal Adviser

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

(k) County Attorney

P.O. Box.803-40600
Siaya County Headquarters
Siaya, Kenya

3. The Board of Management

Ref	Directors	Details
1.	MAUREEN ATIENO	Representing Faith based organisation.
2.	NANCY AKOTH OMONDI	Representing NGOs
3.	MILLICENT OKWACH	Representing Health professionals
4.	FRANCIS OTIENO	Representing person with knowledge in financial management
5.	DR. CALEB OTIENO	Hospital CEO
6.	DIRECTOR OF MEDICAL SERVICES	Represents the Chief Officer of Health
7.	HON. OBIERO OTARE	Local MCA
8.	SHA Branch representative	Representing Health Insurance

4. Key Management Team

Management	Key Qualifications	Details
1. DR. CALEB OTIENO	MDS-ORAL AND MAXILLOFACIAL SURGERY	MEDICAL SUPERINTENDENT
2. MR. SILVESTER NG'ANDA	BSc. NURSING	NURSING MANAGER
3. DR. MERCY OKWISIA	BACHELOR OF PHARMACY	PHARMACY IN CHARGE
4. MR. DANIEL OYOO	BSc. MEDICAL LABORATORY SCIENCE	LAB MANAGER
5. MR. ANDREW HONGO	BA (Hons) S.L.D.P	HOSPITAL ADMINISTRATOR
6. MS. VIOLET WASWA WANYONYI	CPA FINALIST	ACCOUNTANT IN CHARGE
7. MS. EGLA CHEPTOO	HND ULTRASONOGRAPHY	RADIOLOGY I/C

5. Chairman's Statement

*At the time of submitting this report, the members of the Hospital Management Board had been appointed but not yet commissioned. Plans are underway for them to meet and elect a Chairperson from within, who will sign the subsequent financial statements.

.....

Name

Chairman to the Board

6. Report of The Medical Superintendent

1. Introduction

Siaya County Referral Hospital (SCRH) is a key regional and teaching referral facility, serving the population of Siaya County and its neighbouring counties. The hospital strives to build a progressive, sustainable, and client-cantered healthcare environment grounded in technological advancement and evidence-based medicine.

This report summarizes key achievements, challenges, financial performance, and the strategic outlook for the hospital in the 2024/2025 Financial Year.

2. Key Activities and Achievements

2.1. Clinical and Service Delivery

- The hospital managed 91,593 outpatients and 8,777 inpatients in the financial year 2024-25.
- Over 3,232 deliveries were conducted, 100% attended by skilled personnel.
- Specialized services (nephrology, oncology, orthopaedics, dermatology, cardiology and critical care introduced at mid-range level) and shows significant uptake.
- Advanced Maxillo facial and ENT services introduced and enhanced.
- Rehabilitation Department equipped, thanks to the Chief Officer of Health.
- In reach by a Team of Canadian medical team led to valuable skills exchange.
- Employment of 2 additional general surgeons led to improvement of service delivery.
- Wellness services introduced for staff.
- Tele-medicine exploited for faster reporting on radiology.
- Enhanced registration and SHA claims

2.2. Infrastructure and Capital Developments

- Completion of a 10,000-litre oxygen tank courtesy of the National Government.
- Surgical Complex with four operating theatres, 11 ICU beds and spacious Central Sterilizing Supplies Department, CSSD
- Renovations done in Psychiatry Ward, Pharmacy, Health Records, Laboratory, Eye departments and a total overhaul of the Accidents and Emergency department
- Funeral Parlour constructed with a cold room capable of holding 48 bodies.
- Site identified for a Level 5 hospital upgrade by the National Government.
- Removal of asbestos roofing in compliance with the NEMA laws.

2.3. Governance and Stakeholder Engagement

- Hospital Management Board (HMB) gazetted, improving governance and community engagement.
- Integration of HIV/AIDS and TB services ongoing despite donor cuts.
- Outreaches on mental health, Eye, and Rehabilitation services.
- Improved linkages with the community units that has enhanced primary health care.

3. Financial Performance

Revenue Sources:

- FIF/Cash Collections
- NHIF
- SHA (UHC reimbursements)
- AON/MINET

- Partners

The total amount of revenues realised during the reporting period amounted to Ksh. 396,365,124.00 while the total expenditures amounted to Ksh. 263,710,485.00 (The revenue and expenditures herein includes the medical contract loss).

- Sensitization of the general populace on SHA saw enrolment rise to over 70% of clients seen within the Hospital. SHA claims also rose from an average of KES 10 million to over KES 30 million monthly.
- Facility also opened up revenue base by entering into an MOU with a private insurer AON/MINET for medical cover for the Prisons and Police services.
- Budget cutbacks on Drawing Rights led to mid-year budgetary revisions.

4. Challenges

- Persistent staff shortage in critical specialties.
- Rising costs of fuel and electricity leading to higher operational costs.
- Outdated standby generator and buildings with asbestos roofs.
- Regular breakdown of CT scan, OPG, and X-ray machines.
- Inconsistent water supply necessitates borehole development.
- Renal Unit closed due to dialysis machine failure.
- Endoscopy services halted due to staffing challenges
- Incomplete HMT projects.
- Lack of Title Deed, Facility Master Plan, Strategic Plan continues negatively affecting Facility Development.
- Inadequate equipment
- Huge Pending Bills
- Budget cutbacks in Drawing Rights had a negative effect on commodities.
- NHIF/SHA reimbursements delays continue to impact cash flow.

5. Strategic Outlook and Way Forward

- Digitize inpatient services and transition to Kenya Open Electronic Medical Records.(KENYA EMR)
- Scale up provision of oncology services
- Lobby for employment of critical staff for service delivery
- Fully integrate HIV/AIDS and TB services into routine care.
- Complete the Surgical Complex and operationalize all theatres and 11 Intensive Care Unit, ICU beds.
- Replace old imaging and dialysis equipment with the National Equipment Service Programme NESP with better terms and Service Level Contracts SLC). (NESP project currently offers solutions but with unfavourable revenue sharing.)
- Develop borehole and expand water storage.
- Plan for solarisation to cut on electricity costs
- Replace asbestos roofs to comply with safety regulations.
- Strengthen the gazetted HMB and establish community oversight.
- Draft a comprehensive master plan and secure land title.
- Support and monitor Level 5 hospital upgrade project.

6. Appreciation

We thank the Office of the Chief Officer of Health for the supervisory support and the hospital staff for their dedication. Despite challenges, we remain committed to delivering quality, accessible, and patient-centred healthcare.


.....
Name
Secretary to the Board



7. Statement of Performance Against Predetermined Objectives

Predetermined Objectives for Siaya County Referral Hospital.

The Siaya County Referral Hospital is guided by predetermined objectives derived from the Health Sector Strategic Plan (2023-2027), the County Integrated Development Plan (CIDPs) 2023-2027 and the Annual Performance Contracting Guidelines. These objectives align with the National Government's Vision 2030 Policy and the Medium-Term Plans (MTPs 2023-2026), that are essential for guiding service delivery, accountability, and performance assessment.

1. Service Delivery

- Ensure availability and accessibility of quality health care services.
- Improve inpatient and outpatient care standards.
- Expand and strengthen emergency and specialist services.
- Enhance maternal, neonatal, child, and adolescent health outcomes.
- Increase immunization coverage.
- Improve referral and counter-referral systems.

2. Resource Mobilization and Utilization

- Improve efficiency in use of financial and material resources.
- Enhance revenue collection and accountability.
- Achieve timely procurement and payment of suppliers.
- Optimize human resources for health.

3. Infrastructure Development

- Maintain and upgrade hospital infrastructure and medical equipment.
- Expand hospital facilities to match population growth and service demand.
- Ensure functional utility systems (power, water, waste management).

4. Health Information Management

- Strengthen Health Management Information Systems (HMIS).
- Improve data capture, analysis, reporting, and use for decision-making.
- Migrate to digital hospital operations (e.g., Electronic Medical Records).

5. Governance and Leadership

- Strengthen hospital management boards/committees.
- Promote stakeholder engagement and community involvement.
- Implement anti-corruption strategies and public service integrity initiatives.
- Enhance institutional accountability and risk management.

6. Training, Research and Standards

- Support Continuous Medical Education (CME) for staff.
- Collaborate with research and academic institutions.
- Uphold clinical and service standards through audits and supervision.

7. Cross-Cutting Issues

- Mainstream HIV/AIDS, TB, Gender, Disability, and Environmental concerns.
- Promote mental health and non-communicable disease control programs.
- Implement disaster preparedness and pandemic response plans.

8. Corporate Governance Statement

1. Introduction

Siaya County Referral Hospital is committed to the highest standards of corporate governance as prescribed by the Siaya County Health Services Act, 2019, the Constitution of Kenya (2010), the Public Finance Management Act, (2012) and other applicable laws. This statement outlines the structure, principles, and operational procedures of the Hospital to ensure transparency, accountability, and effective service delivery.

2. Composition of the Board

The Board comprises seven (8) appointed members and three ex-officio members as follows:

Appointed Members:

1. Representative of Faith-Based Organizations.
2. Representative of the Caucus of Health Professionals.
3. Women's Representative.
4. Youth Representative.
5. Representative of Persons Living with Disabilities.
6. Representative of Health NGOs.
7. Finance Expert with proven competence in financial management and governance.
8. Representative of a leading health insurer

Ex-officio Members:

- The Elected Member of the County Assembly (MCA) for the area.
- The Sub-County Administrator
- The C.E.O/Medical Superintendent of the Hospital

They will govern through the Hospital's Executive and Head of Departments(HMT) and will be following guidelines from the County Health Management Team (CHMT) and Policies developed by the National Government and standards set out by approved international agencies.

3. Appointment and Tenure

- Nomination is by the County Executive Committee Member (CECM) for Health Services, from candidates competitively sourced and recommended by the HMT through the CHMT
- Vetting & Approval is by the County Assembly of Siaya.
- Gazettement: Approved names published by the Chief Officer for Health Services within 60 days.
- Tenure: Three (3) years, renewable once, based on performance.

4. Removal from Office

Grounds for removal include:

1. Resignation in writing to the CECM for Health.
 2. Serious violation of the Constitution or other laws.
 3. Gross misconduct.
 4. Absence from three (3) consecutive meetings without permission.
 5. Incompetence.
 6. Bankruptcy.
 7. Conviction and imprisonment.
 8. Mental incapacity as declared by a competent authority.
- Any member removed shall be de-gazetted within 60 days.
 - Staff will be subjected to the Human Resource Manual for Siaya County Public Service (2016) and Public Service Commission Discipline Manual for the Public Service (May 2016)

5. Functions of the Board

The Board shall:

- a) Provide oversight over hospital administration.
- b) Promote hospital development.
- c) Approve annual plans and budgets.
- d) Oversee the administration of funds.
- e) Maintain accurate financial and asset records.
- f) Submit financial reports monthly, quarterly, and annually.
- g) Keep a permanent record of deliberations.
- h) Recommend disciplinary measures for violations of the Act or other laws.
- i) Undertake other functions assigned by the CECM for Health.

6. Board Remuneration Policy

Remuneration and allowances are determined by the Salaries and Remuneration Commission (SRC). All payments must comply with approved county budget provisions.

7. Ethics and Standards

Board members shall:

- Uphold integrity, impartiality, and fairness.
- Avoid conflicts of interest.
- Comply with the Leadership and Integrity Act, 2012.
- Sign an Annual Code of Conduct and Ethics Declaration.

Staff will be subjected to the Public Officers Ethics Act 2003 and various codes of conduct issued by oversight bodies like the Public Service Commission (PSC) and the Ethics and Anti-Corruption Commission. (EACC)

8. Conflict of Interest Policy

Members must disclose any direct or indirect personal interest in matters before the Board and recuse themselves from related deliberations and decision-making.

9. Succession Planning

The Board shall ensure continuity of leadership by identifying and mentoring potential future leaders. An Annual Succession Plan will be developed for both Board positions, senior hospital management and other staff cadres.

10. Governance Audits

The Board and management of the Hospital is subject to governance audits by:

1. Internal Board Audit – Annual self-assessment of governance processes.
2. County Internal Audit Department – Compliance and performance audits.
3. Office of the Auditor General (OAG) – External independent audits of governance and financial accountability.

11. Communication Policy

The Hospital shall maintain transparent, accurate, and timely communication with stakeholders. Official communication shall be made only through authorized spokespersons (Board Chairperson or Chief Executive Officer/Medical Superintendent).

12. Board Committees and TORs

The Board will establish sub-committees (Finance & General Purpose Sub Committee, Audit Sub Committee and Quality of Care Sub Committees) with clear Terms of Reference (TORs) defining mandate, composition, reporting structure, actions and reporting timelines.

13. Policy on Related Party Transactions

All related party transactions must be declared, approved and documented. Such transactions shall comply with the Public Procurement and Asset Disposal Act, 2015.

14. Board Meetings and Attendance

The Board shall meet at least four (4) times annually. Attendance records and minutes will be maintained. Persistent absenteeism without valid cause shall lead to removal as per Section 4 above.

15. Governance Principles

The Board operates on:

- Transparency & Accountability.
- Inclusivity & Equity.
- Ethical Leadership.
- Performance Measurement.
- Compliance with the Law

16. Mission, Vision, Values

The Board will ensure that the Hospital delivers on its **vision** of being a preferred teaching and referral hospital offering quality specialized health services within its **mission** of being a progressive, responsible, technologically driven evidence based and client centered facility with values of Professionalism, Accountability, Respect, Team work, Leadership, Integrity, Fairness and Compassion.

9. Management Discussion and Analysis

In this section, the management will provide an analysis of the clinical and financial performance of the organization highlighting the key achievements, challenges and outlook.

Clinical/operational performance

ward	units
Male ward (ward 1)	Surgical male
	Medical male
Female ward (ward 2)	Surgical female
	Medical female
	Gynecology ward
Maternity wards	Labor ward
	Antenatal ward
	Kangaroo ward
	Neonatal ward
Intensive Care Unit Ward	
Pediatrics ward	Surgical
	Medical
Psychiatric ward	

Bed capacity (as per KMPDC)

Name of Facility	No. of Beds							
	ICU			HDU		Normal		
	Neonatal	Paediatric	Adult	Paediatric	Adult	Paediatric	Adult	
SIAYA COUNTY REFERRAL HOSPITAL	15	4	7	10	4	67	243	

ADD 6cots to give 356 beds.

Average bed occupancy

93%

Average admission per month

833

Mortality rate

13 per 1,000 population

Financial performance that includes: -

○ Revenue sources

During the reporting period, the facility streamed its revenue majorly from FIF, UHC, NHIF and SHA reimbursements, as well as receivables paid up by partners.

○ *Utilisation of funds*

The reporting period saw the facility record a total revenue of Ksh. 396,365,124 and expended a total of Ksh. 253,945,980. (The revenue and expenditures herein includes the medical contract loss).

10. Environmental and Sustainability Reporting

(i) Sustainability strategy and profile

Siaya County Referral Hospital is a Level 4 facility serving the Siaya County population and surrounding regions. With a bed capacity of over 300 and comprehensive diagnostic and treatment services, the hospital plays a central role in achieving Universal Health Coverage, UHC under Kenya's Vision 2030. Our sustainability vision is to provide high-quality healthcare while safeguarding environmental resources for present and future generations. The strategy aligns with Kenya's Vision 2030, the Big Four Agenda, and the Sustainable Development Goals (SDGs), particularly SDG 3 (Good Health), SDG 6 (Clean Water & Sanitation), SDG 7 (Clean Energy), SDG 12 (Responsible Consumption & Production), and SDG 13 (Climate Action).

(ii) Environmental Performance

(a) Energy Management

The hospital is exploring ways of investing in renewable energy initiatives as captured in the Development Section of the SCRH Annual Budget 2024-25 which lists a solarisation project as desired by the HMT to lead to more use of green energy and also cut on electricity costs. The Project was not implemented in 024-25 due to funds limitation but is still being considered in this financial year. We have also introduced a solar water heating systems in Maternity. The Amenity and Pediatrics Wards are also earmarked for the same type of water heaters in the financial year 2025-26. Other energy efficiency measures include periodic replacement of current fluorescent tubes with LED lights, installation of solar security lights in strategic places and controlling the remaining tubes through use of photocell. Regular maintenance of the standby generator also helps in optimizing fuel usage.

(b) Water Management

The Hospital is exploring measures of water conservation including rainwater harvesting, a-leak detection program to minimize wastage, and enhance storage tanks capabilities. There is also periodic maintenance of the service lines and user points.

(c) Waste Management

Medical, general, and recyclable wastes are segregated at source. Infectious waste is incinerated in compliance with NEMA and WHO standards, while recyclable waste is sold to licensed handlers.

(d) Green Procurement

The hospital prioritizes local suppliers, environmentally friendly products, and enterprises owned by youth, women, and persons with disabilities, that currently stands at 30% in compliance with public procurement regulations.

(iii) Employee Welfare Policy

The Hospital's policy aims to create a safe, healthy, and supportive work environment where all staff can perform effectively and grow professionally. This aligns with the hospital's mission of delivering quality healthcare through a motivated and well-supported workforce.

(a) Occupational Health and Safety

Is observed through: -

- Infection control practices being observed.
- Provision of PPEs: Gloves, masks, gowns, and protective eyewear.
- Hazard Exposure Control: Clear protocols for handling biohazards, radiation, and sharp instruments is in place.

(b) Health and Wellness

- Medical Cover: SHA and supplemental insurance for County staff and their dependents.
- Staff Clinic Services: Priority access for SCRH employees for routine medical checks and treatment.
- Mental Health Support: Counselling sessions, psycho-social and rehabilitation support for affected staff.
- Vaccination Programs: Regular Hepatitis B and flu vaccinations for clinical staff.
- Gym facilities available for general exercises.

(c) Training and Professional Development

- Regular Continuous Medical Education (CME) sessions for all cadres both online and physical. The Hospital is accredited as a CPD centre
- Sponsorships and scholarships for higher learning or specialist courses.
- Sponsorship to short term trainings.
- On-the-Job Training for new technologies and hospital systems.
- PAS system in place and working.

(d) Staff Recognition and Motivation

- Employee and Department of the Year Awards.
- Recognition during national and international health days.
- Staff parties. Annual staff party including gifts. Retirement parties for staff exiting service.

(e) Social and Recreational Facilities

- Meals for theatre, casualty and maternity staffs.
- Consultants lounge for breaks/Call rooms for medical interns and drivers.
- Tea break available.

(f) Work-Life Balance

- Flexible leave policies including annual, sick, maternity, paternity, and compassionate leave.
- Reasonable shift scheduling to reduce fatigue.
- Support for nursing mothers such as adjusted shifts.

(g) Staff Housing and Transport Support

- Provision or facilitation of key departmental housing near the hospital.
- Hospital transport provided for early and late shifts including officers on call.

(h) Grievance Handling and Welfare Committees

- Active Hospital Staff Welfare Committee to handle staff issues promptly.
- Anonymous grievance reporting channels and a Customer Complaint Desk available
- Regular engagement forums between management and staff.
- Suggestion boxes in strategic places for feedback purposes.

(iv) Marketplace Practices

Siaya County Referral Hospital (SCRH), operate within a competitive healthcare marketplace where service provision, procurement, and community engagement must align with ethical standards and sustainable development goals. Our marketplace practices reflect affordability and cost recovery but also upholds responsible competition, supply chain management, and citizen engagement.

(a) Responsible Competition Practices

To maintain fair and ethical marketplace practices while safeguarding patients' rights and public trust, SCRH observes the following:

(i) Anti-Corruption Measures

- Eliminate bribery, kickbacks, and informal charges that distort service delivery.
- Strengthen financial transparency through e-payment systems and digital hospital information systems.
- Enforce internal audits to ensure revenue is fully collected and accounted for.

(ii) Responsible Political Involvement

- We work to avoid political interference in procurement, recruitment, and involve the citizens through public participation on service pricing to ensure fairness.

(iii) Fair Competition

- Provide quality services to reduce the tendency of patients to bypass public hospitals in favor of private alternatives.
- Ensure open tendering and transparent contract award processes.

(iv). Improved Service Delivery Practices

- Digitize patient records and billing systems to reduce errors and improve accountability.
- Adopt customer-centred approaches such as timely service delivery, complaint resolution, and patient charters.
- Regular staff training on ethics, integrity, and patient-centred care.

(b) Responsible Supply Chain and Supplier Relations

Efficient, ethical, and transparent supply chain management is critical in establishing responsible marketplace practices that are fair, affordable, and sustainable.

(i) Transparent Procurement Processes

- Adhere to the Public Procurement and Asset Disposal Act (2015).
- Avoid supplier cartels that inflate costs.

(ii). Fair Supplier Engagement

- Promote fair payment terms to suppliers to prevent delays that may encourage unethical practices.
- Avoid favouritism or discriminatory practices against suppliers.
- Ensure inclusivity of local suppliers, special groups (youth, women, PWDs), in line with the 30% procurement reservation rule.

(iii). Sustainable Supply Chain Practices

- Prioritize suppliers who align with environmental, ethical, and labour standards.
- Source locally where possible to stimulate the county economy and reduce logistics costs.
- Ensure medical supplies meet KEBS and Pharmacy and Poisons Board standards for safety and efficacy.

(c) Responsible Engagement with Citizens

SCRH ensures that citizen outreach, health education, and public communication uphold ethical, transparent, and culturally respectful practices through: -

(i). Ethical Outreach and Sensitization

- Conduct medical camps, community dialogues, and outreach programs without discrimination or bias.
- Provide accurate, evidence-based health information (e.g., on maternal health, immunization, HIV/AIDS, TB, NCDs).
- Avoid exaggeration of services or false claims to attract patients.

(ii). Respect for Diversity and Inclusion

- Ensure materials and communication are culturally sensitive and available in local languages.
- Provide equal access to marginalized groups such as women, PWDs, youth, and minorities.
- Engage community health volunteers (CHVs) and Community Units (CU) to bridge cultural and literacy gaps.

(iii). Transparency and Correct Information

- Display official hospital service charters and guidelines for patients.
- Provide clear complaint and feedback mechanisms through suggestion boxes, hotlines, registers.

Conclusions

Our marketplace practices is guided by integrity, fairness, and accountability. Responsible competition, transparent supplier relations, and ethical citizen engagement ensure services remain affordable, accessible, and trusted while aligning with Kenya's Universal Health Coverage (UHC) goals and the Sustainable Development Goals (SDGs).

(d) Product Stewardship or Awareness Creation

The hospital takes responsibility for the entire lifecycle of the products it uses, from procurement to disposal. Suppliers are required to take back expired or defective products. Training programs and

awareness campaigns educate staff and patients on safe medicine use, waste segregation, and proper disposal methods.

(v) Corporate Social Responsibility (CSR) /Community Engagement

The hospital actively engages with the community through health outreach programs and in reach programs. Other Community Engagement has been through community based rehabilitation CBR, mental health outreaches and the presence of CHVs and Community Units. We are also following up on the Primary Care Networks PCN that is seen as a suitable vehicle to provide UHC. Partnerships with schools is provide through health education talks, deworming campaigns and blood drives. Vulnerable groups within the County has benefit through linkages with charitable NGOs like Helpster Charity. Those who are unable to fit in the identified criteria are assisted by the Social Welfare Department by way of waivers.

11. Report of The Board of Management

The board members submit their report together with the audited financial statements for the year that ended June 30, 2025, which show the state of the *hospital's* affairs.

Principal activities

The principal activities of the facility continue to be providing palliative, preventive, promotive, curative and rehabilitative healthcare.

Results

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


Board of Management


*At the time of submitting this report, the members of the Hospital Management Board had been appointed but not yet commissioned.

Auditors

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

By Order of the Board


Dr. OLUWO
Name
Secretary to the Board



12. Statement of Board of Management’s Responsibilities

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

The Board of Management is responsible for the preparation and presentation of the facility’s financial statements, which give a true and fair view of the state of affairs of the facility for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the facility, (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 facility; (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 facility’s financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012. The Board members are of the opinion that the facility’s financial statements give a true and fair view of the state of facility’s transactions during the financial year ended June 30, 20xx, and of the facility’s financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the facility, which have been relied upon in the preparation of the facility’s financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Board of management to indicate that the facility 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 14th November 2025 and signed on its behalf by:

.....
Name:
Chairperson
Board of Management


.....
Name:
Accounting Officer



*At the time of submitting this report, the members of the Hospital Management Board had been appointed but not yet commissioned.

REPUBLIC OF KENYA

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HEADQUARTERS
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON SIAYA COUNTY REFERRAL HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2025 – COUNTY GOVERNMENT OF SIAYA

PREAMBLE

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

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Siaya County Referral Level 4 Hospital - County Government of Siaya as set out on pages 1 to 39, 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 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 Siaya County Referral Level 4 Hospital - County Government of Siaya as at 30 June, 2025, and of its financial performance and its cash flows for the year then ended, in accordance with the Accrual Basis of accounting method under the Internal Public Sector Accounting Standards and comply with the Health Act, 2017, County Government Act, 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Property, Plant and Equipment

The statement of financial position and as disclosed in Note 13 of the financial statement reflects a balance of Kshs.164,094,314 in respect of property, plant and equipment. Review of the asset movement schedule in Note 13 reflects a balance of Kshs.189,116,653 in respect of additions to motor vehicles- Kshs.27,581,600, Furniture, fittings & office equipment Kshs.4,673,521, ICT Equipment- Kshs.1,766,741, plant & medical equipment- Kshs.135,298,670 and other assets (plant & machinery) Kshs19,796,120 valued and recognized during the previous financial year. However, Management have not provided valuation report to support the valuation and recognition of these assets.

Further, a physical inspection of the Hospital and review of buildings register revealed several hospital buildings have not been disclosed and values included under property, plant and equipment.

In addition, the land under reference PDP No.320/2011/04 (approximately 14.945 ha) on which Siaya County Referral Hospital (formerly Siaya District Hospital) occupy has not been disclosed and value included under property, plant and equipment and no ownership document has been provided for audit review.

In the circumstances, the accuracy and completeness of the property, plant and equipment balance of Kshs.164,094,314 could not be confirmed.

2. Unsupported Rendering of Services

The statement of financial performance and as indicated in Note 2 to the financial statements reflects an amount of Kshs.365,920,150 in respect of rendering of services – medical services income, while the Receiver of Revenue reflects an amount Kshs.215,325,283 resulting to a variance of Kshs.150,594,867 which has not been reconciled or explained. The amount of Kshs.365,920,150 includes an amount of Kshs.143,580,258 described as receivables from exchange transactions. However, no detailed breakdown was provided to confirm the nature of receivables.

In the circumstances, the accuracy and completeness of rendering of services income amounting to Kshs.365,920,150 could not be confirmed.

3. Failure to Retain Facilities Improvement Funds (FIF) at the Hospital

The statement of financial performance reflects an amount of Kshs.365,920,150 in respect of rendering services-medical services income, which includes an amount of Kshs.97,462,725 relating to FIF, while records from Receiver of Revenue shows that the Hospital received an amount of Kshs.89,313,475, resulting to unexplained variance of Kshs.8,489,142. Further, the hospital generated own source revenue in respect to SHIF/NHIF/AON/and UHC service amounting to Kshs.124,537,275, while the Receiver of Revenue recognized Kshs.126,011,808, resulting to unreconciled variance of Kshs.1,474,533.

In the circumstances, the completeness and accuracy of the FIF and other own source revenue from the Hospital could not be confirmed.

4. Long Outstanding Receivables

The statement of financial position reflects an amount of Kshs.181,995,434 in respect of receivables from exchange transactions However, review of the ageing analysis shows an amount of Kshs.38,233,566 in respect of receivables outstanding for a period exceeding one (1) year. These balances have remained uncollected and no evidence was provided to show efforts made to recover them.

In the circumstances, the accuracy and recoverability of the long outstanding receivables amounting to Kshs.38,233,566 could not be confirmed.

5. Long Outstanding Trade Payables

The statement of financial position and as disclosed in Note 15 to the financial statements reflects a balance of Kshs.57,419,617 in respect of trade and other payables which increased by Kshs.36,077,146 from the previous year balance of Kshs.21,342,471. No explanation has been given for the major increase. Further, examination of the trade creditors ageing analysis showed long outstanding trade creditors exceeding sixty (60) days amounting to Kshs.57,419,617. However, no explanation has been provided as to why the bills have not been settled as at 30 June, 2025 and the Hospital is at risk of incurring significant interest costs and penalties due to continued delay in settlement of the outstanding payables.

In the circumstances, completeness of trade and other payables amount of Kshs.57,419,617 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects revenue budget of Kshs.257,873,371 against actual revenue of Kshs.212,575,387 resulting to an under-funding of Kshs.45,297,984 or 17.57% of the revenue budget. Similarly, the Hospital expended Kshs.213,721,744 against the approved expenditure budget of Kshs.238,343,371 resulting to under expenditure of Kshs.24,621,627 or 10.3% of the approved expenditure budget.

The under absorption and underfunding may have negatively impacted on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the prior year's audit reports, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the Hospital in 2024/2025 revealed that the following twelve (12) issues remained unresolved:

	Financial Year	Audit Issue
1	2023/2024	Unaccounted for Property Plant and Equipment and Depreciation Expense
2	2023/2024	Unaccounted for Intangible Assets and Amortization Expense
3	2023/2024	Budgetary Control and Performance
4	2023/2024	Incomplete Theatre Complex
5	2023/2024	Deficiencies in Implementation of Universal Health Coverage (UHC)
6	2023/2024	Lack of Land Title Deed
7	2023/2024	Lack of Hospital Management Board
8	2023/2024	Lack of Risk Management Policy
9	2023/2024	Use of Asbestos Roof
10	2023/2024	Failure to Dispose Unserviceable Assets
11	2023/2024	Lack of Internal Audit Review
12	2023/2024	Lack of Policy Documents

Other Information

The Management is responsible for the Other Information set out on page ii to xxiii 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 Project's Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Lack of a Disposal Plan

The statement of financial position and as disclosed in Note 13 to the financial statement reflects a balance of Kshs.164,094,314 in respect of property, plant and equipment which includes Kshs.27,581,600 for motor vehicles and Kshs.19,796,120 for other assets (plant and machinery). Review of the asset's registers, list of motor vehicles and physical verification carried out on 5 November, 2025 revealed grounded motor vehicles namely Nissan GKA 156N, Toyota Hilux Double Cabin GKA 806G, Land Rover GKB 112M, and Landcruiser Prado GKA 938B. In addition, review of plant and machinery register revealed Kitchen cold room that is obsolete. However, no annual assets disposal plan was prepared for items declared as unserviceable or obsolete, contrary to Regulation 176.(1) of the Public Procurement and asset Disposal Regulations, 2020 which states that an accounting officer of a procuring entity shall ensure that an annual assets disposal plan is prepared of items declared as unserviceable, surplus or obsolete.

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

2. Deficiencies in Implementation of Universal Health Coverage (UHC)

(i) Service Delivery Gap

Review of hospital records and interviews with Management revealed that the hospital has fourteen (14) medical officers against the required sixteen (16), zero (0) anesthesiologists and radiologist against the required two (2) for each category and one (1) pediatrics against the required two (2)) as tabulated below;

Staff Requirements	4 Level standard	Number in Hospital	Variance	Percentage
Medical officers	16	14	2	12.5%
Anesthesiologists	2	0	2	100%
Pediatrics	2	1	1	50%
Radiologists	2	0	2	100%
Total	22	15	7	

In the circumstances, the hospital may not be able to discharge its mandate as a level 4 Hospital which hinder the realization of universal health care objectives. These deficiencies contravene the First Schedule of Health Act, 2017 and imply that accessing the highest attainable standard of health, which includes the right to health care services, including reproductive health care as required by Article 43(1) of the Constitution of Kenya, 2010 may not be achieved.

3. Non-Compliance with the Public Procurement Capacity Building Levy Order, 2023

Review of procurement records and documents revealed that the Hospital signed and awarded several contracts after 1 September, 2024 to various firms amounting to Kshs.4,614,335. However, the Management did not deduct an amount of Kshs.1,536 the mandatory Capacity Building Levy at the rate of 0.03% of the contract sum from suppliers on procurement contracts signed after 1 September, 2024.

In addition, the Hospital did not file the mandatory monthly returns to Public Procurement Regulatory Authority, due by the 20th day of the subsequent month, detailing the levy amounts deducted and remitted.

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

4. Lack of Risk Management Policy, Strategic Plan and Disaster Recovery Plan

Audit Review of policy documents revealed that the Hospital does not have a Risk Management Policy, Disaster Recovery Plan and strategic Plan contrary to Regulation 158 (1)(a) and (b) of the Public Finance Management (County Governments) 2015 that provides that the Accounting Officer shall ensure that the County Government entity develops risk management strategies, which include fraud prevention mechanism and the county government entity develops a system of risk management and internal control that builds robust business operations.

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

6. Non-Compliance with Facility Improvement Financing Act, 2023

Review of revenue records for Siaya County Referral Hospital revealed that FIF revenues were deposited into general county revenue accounts instead of the mandated facility-level FIF bank accounts. In addition, expenditures were incurred without approval from the Expenditure Committee as stipulated under the Act. Further, annual financial reports were not submitted to the County Health Management Team within the required timelines.

This was contrary to Section 20–25 of the Facilities Improvement Financing Act, 2023 which requires that all revenue collected by health facilities be retained in designated FIF accounts and utilized strictly for approved operational and improvement activities. As a result, there is weak enforcement of the Act at the county level, inadequate training of facility managers on compliance requirements, and lack of automated financial management systems. Consequently, risk of misappropriation and diversion of funds meant for facility improvement exist. This further leads to delays in procurement of essential medical equipment and services, negatively impacting service delivery and reduces public trust in health financing governance.

Those charged with management should therefore ensure that County Departments of Health enforce strict compliance with the Act by ensuring all facilities operate FIF accounts and adhere to expenditure approval processes.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Land Title Deed

The Hospital occupy land measuring approximately thirteen (13) acres. However, the land does not have a title deed and although the Hospital have pursued surveying and physical planning of the Hospital's land through the Ministry of Land, the ownership documents have so far not been obtained.

In the circumstances, the ownership of the Hospital's land could not be confirmed.

2. Failure to Prepare and Submit Procurement Quarterly Reports

Management did not prepare and submit quarterly reports on the implementation of the procurement plan contrary to Regulation 40(6) of the Public Procurement and Asset Disposal Regulations 2020 which states that an accounting officer of a procuring entity shall prepare a quarterly report on the implementation of the annual procurement plan and submit it to the Cabinet Secretary or county executive committee member for finance or responsible for the procuring entity or the governing body, as the case may be. .

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

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

Responsibilities of the Management and the Hospital Management Board

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 control 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 overall governance.

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

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

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

The Hospital Management Board is responsible for overseeing the Hospital's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

02 December, 2025

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

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

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Revenue from non-exchange transactions			
In-kind contributions from the County Government	1	29,944,983	37,280,523
Revenue from exchange transactions			
Rendering of services- Medical Service Income	2	365,920,150	278,487,670
Revenue from exchange transactions		365,920,150	278,487,670
Total revenue		395,865,133	315,768,193
Expenses			
Medical/Clinical costs	3	169,850,228	117,987,871
Employee costs	4	45,183,837	39,074,895
Depreciation and amortization expense	5	32,739,631	-
Repairs and maintenance	6	12,295,681	12,170,302
Grants and subsidies	7	5,075,005	13,563,681
General expenses	8	56,174,483	62,443,331
Total expenses		321,318,865	245,240,080
Other gains/(losses)			
Medical services contracts Gains/Losses	9	9,764,505	18,007,492
Total other gains/(losses)		9,764,505	18,007,492
Net Surplus / (Deficit) for the year		64,781,763	52,520,621

The Hospital's financial statements were approved on 14th November 2025 and signed on its behalf by:

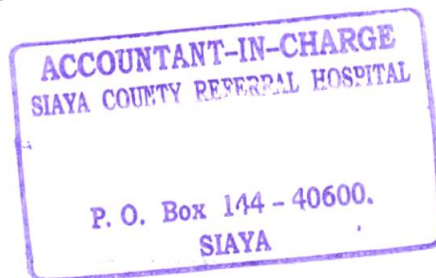
.....
Chairman

Board of Management

[Signature]
Head of Finance

ICPAK No: 33582

[Signature]
Medical Superintendent



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

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

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	10	15,067,756	20,168,136
Receivables from exchange transactions	11	181,995,434	38,415,176
Inventories	12	14,868,746	23,704,106
Total Current Assets		211,931,936	82,287,418
Non-current assets			
Property, plant, and equipment	13	164,094,314	3,763,271
Total Non-current Assets		164,094,314	3,763,271
Total assets (A)		376,026,251	86,050,689
Liabilities			
Current liabilities			
Trade and other payables	15	57,419,617	21,342,471
Total Current Liabilities		57,419,617	21,342,471
Non-current liabilities			
Total non-current liabilities		-	-
Total Liabilities (B)		57,419,617	21,342,471
Net assets (A-B)		318,606,634	64,708,218
Represented by:			
Accumulated surplus/Deficit		128,243,481	63,461,718
Capital Fund		190,363,153	1,246,500
Net Assets		318,606,634	64,708,218

The Hospital's financial statements were approved on 14th November 2025 and signed on its behalf by:

Chairman

Board of Management

Head of Finance

ICPAK No: 33582

Medical Superintendent

ACCOUNTANT-IN-CHARGE
SIAYA COUNTY REFERRAL HOSPITAL

P. O. Box 144 - 40600.
SIAYA



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

Description	Revaluation reserve	Accumulated surplus/Deficit	Capital	Total
			Fund	
As at July 1, 2022 (previous year)	-	43,239,271	-	43,239,271
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	(31,051,672)	-	(31,051,672)
Capital/Development grants	-	-	-	-
As at June 30, 2023 (previous year)	-	12,187,599	-	12,187,599
				-
At July 1, 2023 (previous year)	-	12,187,599	-	12,187,599
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	52,520,619	-	52,520,619
Capital/Development grants	-	-	-	-
At June 30, 2024 (previous year)	-	64,708,218	-	64,708,218
At July 1, 2024 (current year)		63,461,718	1,246,500	64,708,218
Revaluation gain				
Surplus/(deficit) for the year		64,781,763		64,781,763
Capital fund(change due to inherited assets)			189,116,653	189,116,653
Capital/Development grants				
At June 30, 2025 (current year)		128,243,481	190,363,153	318,606,634

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			
Rendering of services- Medical Service Income		212,575,387	222,065,002
Total Receipts		212,575,387	222,065,002
Payments			
Medical/Clinical costs		117,659,390	104,027,183
Employee costs		31,246,490	18,630,364
Board of Management Expenses		-	-
Repairs and maintenance		9,840,979	11,713,153
Grants and subsidies		5,075,005	13,563,681
General expenses		49,899,880	62,386,813
Total Payments		213,721,744	210,321,194
Net cash flows from operating activities	16	(1,146,357)	11,743,808
Cash flows from investing activities			
Purchase of property, plant, equipment		3,954,022	2,516,771
Net cash flows used in investing activities		3,954,022	2,516,771
Cash flows from financing activities			
Net cash flows used in financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(5,100,379)	9,227,037
Cash and cash equivalents as at 1 July	10	20,168,136	10,941,099
Cash and cash equivalents as at 30 June	10	15,067,756	20,168,136

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

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	a	b	c=(a+b)	d	e=(c-d)	f=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs	
Budget carryovers from the previous year	-	-	-		-	
Receipts						
Transfers from the County Government	-	-	-		-	
In- kind contributions from the County Government	48,962,362.00		48,962,362.00		48,962,362.00	-
Grants from donors and development partners	-	-	-		-	
Transfers from other Government entities	-	-	-	-	-	
Public contributions and donations	-	-	-	-	-	
Rendering of services- Medical Service Income	208,911,009.00	-	208,911,009.00	212,575,387.10	(3,664,378.10)	101.75
Revenue from rent of facilities	-	-	-	-	-	
Finance / interest income	-	-	-	-	-	
Miscellaneous receipts (<i>specify</i>)	-	-	-	-	-	
Total receipts	257,873,371.00	-	257,873,371.00	212,575,387.10	45,297,983.90	82.43
Payments						
Medical/Clinical costs	131,433,547.00	-	131,433,547.00	117,659,390.00	13,774,157.00	89.52
Employee costs	45,224,264.00	-	45,224,264.00	31,246,490.00	13,977,774.00	69.09
Remuneration of directors	802,000.00	-	802,000.00	-	802,000.00	-
Repairs and maintenance	18,881,560.00	-	18,881,560.00	9,840,979.00	9,040,581.00	52.12
Grants and subsidies	-	-	-	5,075,005.00	(5,075,005.00)	
General expenses	42,002,000.00	-	42,002,000.00	49,899,880.00	(7,897,880.00)	118.80
Finance costs	-	-	-	-	-	
Refunds	-	-	-	-	-	
Total Operational Expenditure paid	238,343,371.00	-	238,343,371.00	213,721,744.00	24,621,627.00	89.67
Capital Expenditure paid	19,530,000.00	-	19,530,000.00	3,954,022.00		
Surplus	-	-	-	(5,100,378.90)	-	

*Siaya County Referral Hospital (Siaya County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

Budget notes

Budget Reconciliation

	Actual Surplus Amounts as per the statement of Budget	(5,100,380.08)
1	Reason for differences	
2	Reason for differences	
3	Reason for differences	
4	Reason for differences(Opening Cash and cash equivalent FY 23/24)	20,168,136.48
	Closing Cash and Cash Equivalent as per the statement of Cash flows	15,067,756.40

19. Notes to the Financial Statements

1. General Information

Siaya County Referral Hospital facility is established by and derives its authority and accountability from the Health Act. The facility is wholly owned by the Siaya County Government and is domiciled in Siaya County in Kenya. The facility's principal activity is to provide palliative, promotive, curative, preventive and rehabilitative healthcare services.

2. Statement of Compliance and Basis of Preparation

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

3. Adoption of New and Revised Standards

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

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

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

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

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

Standard	Effective date and impact:
IPSAS 49- Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral 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> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the facility'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 Facility did not 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 *Facility* 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 facility 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 facility.

Interest income

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

Rental income

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

Notes to the Financial Statements (Continued)

b. Budget information

The original budget for FY 2025 was approved on 17th June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the facility upon receiving the respective approvals in order to conclude the final budget. Accordingly, the *facility* recorded additional appropriations of on the FY budget following the Board's approval. The *facility's* budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

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

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

c. Taxes

Sales tax/ Value Added Tax

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

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

Notes to the Financial Statements (Continued)

d. Investment property

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

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

e. Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the facility 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.

The table below indicates the various classes of assets and the depreciation rates used as per the guidelines on asset and liability management in the public sector.

PPE Item	Depreciation Rate
Motor vehicles	12.5%
Furniture and fittings	12.5%
Computers & ICT Equipment	30%
Medical Equipment	12.5%
Plant and Machinery	12.5%

Notes to the Financial Statements (Continued)

f. Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Facility. 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 Facility 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 Facility 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 Facility. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g. Intangible assets

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

Notes to the Financial Statements (Continued)

h. Biological Assets

The facility 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 facility, 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 Facility expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Facility 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 facility does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the hospital's financial statements. (amend as appropriate).

A financial instrument is any contract that gives rise to a financial asset of one facility and a financial liability or equity instrument of another facility. At initial recognition, the facility 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 facility 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 facility's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an facility 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 facility 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 facility 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 facility 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 facility 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.

Financial liabilities

Classification

The facility 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 Facility.

l. Provisions

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

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

Notes to the Financial Statements (Continued)

m. Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The facility 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 facility will incur in fulfilling the present obligations represented by the liability.

n. Contingent liabilities

The Facility 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 Facility 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 Facility 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 facility creates and maintains reserves in terms of specific requirements.

q. Changes in accounting policies and estimates

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

Notes to the Financial Statements (Continued)

r. Employee benefits

Retirement benefit plans

The Facility provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an facility pays fixed contributions into a separate facility (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 Facility regards a related party as a person or an facility with the ability to exert control individually or jointly, or to exercise significant influence over the *Facility*, 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 Facility 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 *Facility* 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 *Facility* 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 Facility'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 Facility 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 Facility. 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 Facility.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset.

Provisions

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

Notes to Financial Statements Continued

1. In Kind Contributions from The County Government

Description	FY 2024/2025	FY 2023/2024
	KShs	KShs
Salaries and wages	13,487,283	20,444,531
Medical supplies-Drawings Rights (KEMSA)	-	12,400,000
Lab materials	3,757,700	3,473,992
Pharmaceuticals and Non-Pharmaceutical Supplies (other suppliers)	12,700,000	962,000
Total grants in kind	29,944,983	37,280,523

2. Rendering of Services-Medical Service Income

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Pharmaceuticals	10,665,920	11,530,742
Non-Pharmaceuticals	8,431,875	7,082,212
Laboratory	21,138,403	21,206,762
Radiology	16,288,073	19,645,940
Orthopedic and Trauma Technology	538,350	599,541
Theatre	3,290,640	4,713,561
Ear Nose and Throat service	98,650	138,826
Eye unit	510,605	277,468
Dental services	639,984	600,714
Paediatrics services	1,897,518	2,225,374
Inpatient services (male ward)	2,122,630	2,538,234
Inpatient services (female ward)	2,120,133	2,760,279
Farewell home services	10,412,653	9,890,384
SHIF/Nhif, AON and UHC Services	124,537,275	130,997,888
Medical records	3,661,955	3,252,954
Attachment fee	2,624,228	1,999,719
Outpatient services	261,756	367,653
Physiotherapy	556,896	450,178
Medical legal fees	183,300	161,450
Occupational therapy	258,231	112,956
Renal services		65,986
Clinics		1,450
ICU	523,918	839,283
Oncology	5,600	-
Orthopaedic	96,051	171,219
Psychiatric unit	70,057	318,229
Psychology	10,800	-
Receivables from Exchange transactions	143,580,258	38,415,176
Maternity services	1,554,888	
Medical services contracts Gains/Losses	9,764,505	18,007,492
Other debtors	75,000	-
Other medical services income		116,000
Total revenue from the rendering of services	365,920,150	278,487,670

Notes to Financial Statements Continued

3. Medical/ Clinical Costs

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Dental costs/ materials	-	1,537,954
Laboratory chemicals and reagents	25,120,541	13,930,658
Rehabilitation materials	236,495	661,900
Food and Ration	43,475,230	42,583,600
Uniform, clothing, and linen	2,213,600	2,226,000
Dressing and Non-Pharmaceuticals	35,905,743	19,051,600
Pharmaceutical supplies	26,069,786	22,406,199
Health information stationery	8,803,553	1,179,864
Sanitary and cleansing Materials	14,636,200	6,587,466
Purchase of Medical gases	2,705,000	2,480,000
Surgical consumables- Medical and dental equipment purchase	2,170,300	260,000
X-Ray/Radiology supplies	8,513,780	5,082,630
Total medical/ clinical costs	169,850,228	117,987,871

4. Employee Costs

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Salaries, wages, and allowances	45,183,837	39,074,895
Employee costs	45,183,837	39,074,895

5. Depreciation and Amortization Expense

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Property, plant and equipment	32,739,631	-
Intangible assets	-	-
Investment property carried at cost	-	-
Total depreciation and amortization	32,739,631	-

Notes to Financial Statements Continued

6. Repairs And Maintenance

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Property- Buildings	6,305,390	4,547,570
Medical equipment	868,675	2,674,700
Computers and accessories	300,120	80,700
Plant and machinery	3,080,408	2,269,236
Motor vehicle expenses	1,741,088	2,598,096
Total repairs and maintenance	12,295,681	12,170,302

7. Grants And Subsidies

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Other grants and subsidies- Transfer of 25% revenues	5,075,005	13,563,681
Total grants and subsidies	5,075,005	13,563,681

8. General Expenses

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Advertising and publicity expenses		416,000
Catering expenses	342,795	219,790
Other fuel (Charcoal and firewood)	5,117,744	8,077,500
Bank charges	102,585	133,967
Conferences and delegations		635,489
Refunds	227,728	-
Contracted services	2,079,000	3,178,704
Electricity expenses	18,207,881	16,221,759
Fuel and Lubricants	8,055,483	8,451,995
Travel and accommodation allowance	2,320,605	2,345,385
Legal expenses	350,000	3,636,602
Licenses and permits	339,350	-
Courier and postal services	31,775	232,150
Printing and stationery	11,354,838	13,144,673
Water and sewerage costs	4,814,865	3,939,884
Skills development levies	1,130,703	788,950
Telephone and mobile phone services	906,967	645,798
Staff uniform		808,300
Information communication Technology	632,279	1,613,300
Institutional appliances	159,885	444,269
Staff training and development		-
Subscriptions to professional bodies		25,587
Total General Expenses	56,174,483	64,960,102

Notes to Financial Statements Continued

9. Medical Services Contracts Gains /Losses

Description	FY 2024/2025	FY 2023/2024
	KShs	KShs
Waivers	4,519,587	8,936,180
Exemptions	5,244,918	9,071,312
Total Gain/Loss	9,764,505	18,007,492

10. Cash And Cash Equivalents

Description	FY 2024/2025	FY 2023/2024
	KShs	KShs
Current accounts	15,067,756	20,168,136
Total cash and cash equivalents	15,067,756	20,168,136

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

Description		FY 2024/2025	FY 2023/2024
Financial institution	Account number	KShs	KShs
a) Current account			
Siaya District Hospital- KCB	1156677165	1,426,689	11,061,056
Siaya County Referral Hospital (Operation A/C)- KCB	1290278679	167,932	1,743,709
Siaya County Referral Hospital (Revenue A/C)- KCB	1290277958	13,473,135	7,363,371
Sub- total		-	-
b) On - call deposits			
Kenya Commercial bank		-	-
Equity Bank – etc		-	-
Sub- total		-	-
c) Fixed deposits account			
Bank Name		-	-
Sub- total		-	-
d) Others(specify)			
cash in hand		-	-
Mobile money- Mpesa, Airtel money		-	-
Sub- total		-	-
Grand total		15,067,756	20,168,136

11. Receivables From Exchange Transactions

Description	FY 2024/2025	FY 2023/2024
	KShs	KShs
Medical services receivables	181,995,434	38,415,176
Total receivables	181,995,434	38,415,176

Analysis of Receivables From Exchange Transactions

Description	FY 2024/2025		FY 2023/2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	143,761,868	79	20,707,975	54
Between 1- 2 years	20,216,298	11	17,337,201	45
Between 2-3 years	17,647,268	10	-	-
Over 3 years	370,000	0	370,000	1
Total (a+b)	181,995,434	100	38,415,176.00	100

12. Inventories

Description	FY 2024/2025	FY 2023/2024
	KShs	KShs
Pharmaceutical supplies	5,277,009	8,271,474
Non-Pharmaceutical supplies	7,017,100	8,426,524
Lab materials	1,267,214	4,445,949
Maintenance supplies	-	-
X-Ray	11,500	1,028,500
Sanitary and cleaning	123,070	1,258,482
Food supplies	1,113,343	74,044
Health information stationery	12,300	-
General supplies	47,210	199,133
Total	14,868,746	23,704,106

Detailed disclosure on inventories

Description	FY 2024/2025	FY 2023/2024
Opening balance	23,704,106	-
Additional Inventory in the year	119,456,058	-
Inventory expensed in the year	128,291,418	-
Write-downs in the year	-	-
Closing balance	14,868,746.00	-

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13. Property, Plant and Equipment

Description	Land	Buildings and Civil works	Motor vehicles	Furniture, fittings, and office equipment	ICT Equipment	Plant and medical equipment	Other Assets (Plant and machinery)	Capital Work in progress	Total
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh		Ksh	Ksh
Cost			12.5%	12.50%	30%	12.50%	12.50%		
At 1 July 2023 (previous year)	-	-	-	-	280,000	966,500	-	-	1,246,500
Additions	-	-	-	-	813,143	1,703,628	-	-	2,516,771
Disposals	-	-	-	-	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-	-	-	-	-
Revaluation Adjustments	-	-	-	-	-	-	-	-	-
At 30th Jun 2024	-	-	-	-	1,093,143	2,670,128	-	-	3,763,271
At 1 July 2024 (current year)	-	-	-	-	1,093,143	2,670,128	-	-	3,763,271
Additions (Inherited assets at net book values)	-	-	27,581,600	4,673,521	1,766,741	135,298,670	19,796,120	-	189,116,653
Additions (Bought during the year)	-	-	-	354,000	1,268,766	2,331,256	-	-	3,954,022
Disposals	-	-	-	-	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-
Revaluation Adjustments	-	-	-	-	-	-	-	-	-
At 30th Jun 2025	-	-	27,581,600	5,027,521	4,128,650	140,300,054	19,796,120	-	196,833,946
Depreciation and impairment									
At 1 July 2023 (previous year)	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-

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14. Intangible Assets-Software

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

N/B: The facility has an intangible asset (Funsoft software), which has since been fully amortized.

15. Trade and other Payables

Description	FY 2024/2025		FY 2023/2024	
	KShs		KShs	
Trade payables	57,419,617		21,342,471	
Employee dues	-		-	
Third-party payments	-		-	
Audit fee	-		-	
Doctors' fee	-		-	
Total trade and other payables	57,419,617		-	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the total
Under one year	-	-	-	-
1-2 years	22,266,027	39	21,342,471	100
2-3 years	-	-	-	-
Over 3 years	35,153,590	61	-	-
Total	57,419,617	39	21,342,471	100

16. Cash Generated from Operations

Description	FY 2024/2025	FY 2023/2024
	KShs	KShs
Surplus for the year before tax	64,781,763	52,520,619
Adjusted for:		
Depreciation	32,739,631	-
Working Capital adjustments		
Increase in inventory	8,835,360	(11,632,578)
Increase in receivables	(143,580,258)	(37,837,781)
Increase in payables	36,077,146	8,693,548
Net cash flow from operating activities	(1,146,358)	11,743,808

17. Events after the Reporting Period

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

18. 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 Siaya.

19. Currency

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

20. Appendices

Appendix 1: Progress on Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Unaccounted for Property, Plant and Equipment and Depreciation Expenses	<p><i>The audit observation is noted and we wish to state that the Kshs 3,763,271 as reported in our Financial Statement and also supported in our disclosure notes 18 are the values of assets that had been acquired as at 30th June 2024 as evidenced by sample invoices in annex 1. These do not include assets inherited from the devolved functions which are yet to be transferred by the Inter-Governmental Relation Technical IGRTC committee. Siaya County Referral Hospital has no ownership documents and values attached to these assets hence they could not be reported in statement of financial position.</i></p> <p><i>We also wish to state that we maintain a fixed asset register. However, the</i></p>		

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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)
		<p>plant, properties and equipment that have not yet been transferred have components missing in the register due to limited information. Once transferred, the statement of financial position and the fixed assets movement schedule will be adjusted accordingly.</p> <p>Depreciation was not charged because of the missing values and lack of ownership but we will engage a valuer and follow up with the IGRTC on ownership so that all the PPEs are valued in the subsequent financial year.</p>		
Unaccounted for Intangible Assets and Amortization Expenses		<p>The audit observation is noted and we wish to state that the software (Funsoft procured in 2018) has outlived its useful life as per the amortization rate applicable by the National Government that provides for a 5 to 8 years' useful life for software hence our failure to report in our statement of financial position as indicated in the intangible asset register extract annex. Maisha Meds</p>		

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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)
		<p>is a software owned by the National Government and we have only been given access rights.</p> <p>Since Funsoft continues supporting our operations, we are going to revalue the software to allow us recognize it in the financial statement in the subsequent financial year.</p>		
Budgetary Control and Performance		<p>The statement of budget comparison is presented on cash basis because the budget estimates is in cash basis. The accounting for the health facility is on accrual basis and therefore the expenditure that have accrued in that financial year. The absorption of the period should be based on payments and accrued expenses as explained in the statement of financial performance hence there is no under absorption. This accrual principle is also applicable to determine the absorption rate. Hence there is no under-funding or/and under absorption.</p>		

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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)
	<p>Incomplete Theatre Complex</p>	<p><i>We note your findings. The national government partnered with the county and included a superior mechanical works component (Medical gases plant, manifold, piping and wall affixed outlets). This is presently ongoing. Completion of main surgical theatre complex works is dependent on completion of these additional mechanical works. An extension of the main contract has been granted till April 18th 2025.</i></p>		
<p>Deficiencies in Implementation of Universal Health Coverage (UHC) a) Service Delivery Gap</p>		<p><i>In the Siaya County CIDP 2023-2027 the county planned to employ 163 health care workers and improve access to specialised services to comply with the requirements of Universal Health Coverage (UHC) (as per the attached CIDP extract pg. 25). A recent deployment has brought an additional 22 health care workers to the Hospital (as per attached the report). There are some specialties where advances in telemedicine have bridged</i></p>		

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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)
		<p><i>the deficiency gap. For example, in Radiology, where the Facility has entered into an agreement to report CT scans remotely rather than employ a resident Radiologist. There have also been task shifting in some specialties for example in anesthesia medicine where trained nurses and RCOs have been trained to offer some services under support supervision from senior colleagues. An anesthesiologist is supposed to join our work force from training by April 1st 2025.</i></p> <p><i>We commit to ensure that the staff deficiency in the specialties is addressed.</i></p>		
	<p>b) Failure to meet Level 4 Hospital Requirements under Provision of Optimal Hospital Equipment.</p>	<p><i>In efforts to comply with requirement under Provision of Optimal Hospital Equipment, the County within the current financial year (2024-2025) has continued equipping the Hospital with specialist medical equipment e.g additional ICU and HDU beds amongst a host of other items as per</i></p>		

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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)
		the attached Delivery notes, S13 and caption photos.		
	Lack of Land Title Deed	The audit observations is acknowledged. However, the process of acquiring the Title Deed has been initiated via the letter of the CECM Health to the CECM Lands. A Health Facility Title Deed Processing Committee has also been established by the Department. The Facility also has a Part Development Plan, PDP developed in furtherance of the same also shared in the annex.		
	Lack of Hospital Management Board	The audit observations is acknowledged. We wish to state that the due process of appointing Board Members have been completed as per the annexed Kenya gazette notice and appointment letters.		
	Lack of Risk Management Policy	We acknowledge the observations and state that the Hospital is currently using the National Government Public Sector Risk Management Guidelines as we work towards developing guidelines for the Hospital on risk management.		

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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)
	Use of Asbestos Roof	<p>The hospital management acknowledges that asbestos roofing exists in certain sections of the hospital. The removal of asbestos roofing has been a continuous process and is being progressively addressed in phases. Out of the 36 hospital buildings, only 3 (or 8%) still have asbestos roofing. The last one reroofed within Q 3 of the Financial Year 2024-25 was the Psychiatric Ward.</p> <p>We are committed to ensure that by the end of the Financial Year 2024-25, all the buildings shall have no asbestos roofs.</p>		
	Failure to Dispose Unserviceable Assets	<p>We acknowledge the audit observations but wish to state that the ownership of disposable assets are yet to be transferred to the Hospital hence difficult to determine their disposable values. Attached is a list of the disposable assets.</p>		

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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)
	Lack of Internal Audit Review	<p><i>We note the audit observation and wish to state as follows: -</i></p> <ol style="list-style-type: none"> <i>1. An internal audit of SCRH and other level 4 health facilities is currently being undertaken by the Directorate of Internal Audit in the FY 2024/2025.</i> <i>2. With the appointment of the Board, we will establish a Board internal audit sub-committee of the Hospital that will help in risk assessment.</i> 		

N/B: We didn't get a feedback report from the Senate and Assembly.

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



Appendix II: Projects Implemented by The Entity

Projects

Projects implemented by the Hospital Funded by development partners

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1						
2						

Status of Projects completion

SN	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1							
2							
3							

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Appendix III: Inter-Entity Confirmation Letter

Name of Transferring entity.....

Name of Beneficiary entity.....

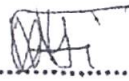
Confirmation of amounts received by Siaya County Referral Hospital as at 30 th June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
Total					

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

Head of Accounts Department - Disbursing Entity:

Name Sign Date

Head of Accounts Department - Beneficiary Entity:

Name *Violet Wanganyi* Sign  Date.....

ACCOUNTANT-IN-CHARGE
SIAYA COUNTY REFERRAL HOSPITAL

P. O. Box 144 - 40600,
SIAYA 41

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Appendix IV Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities	Quarter	Q1	Q2	Q3	Q4	Source Of Funds	Implementing Partners

Appendix V: Disaster Expenditure Reporting Template

Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Ksh s.)	Comments

