

REPUBLIC OF KENYA



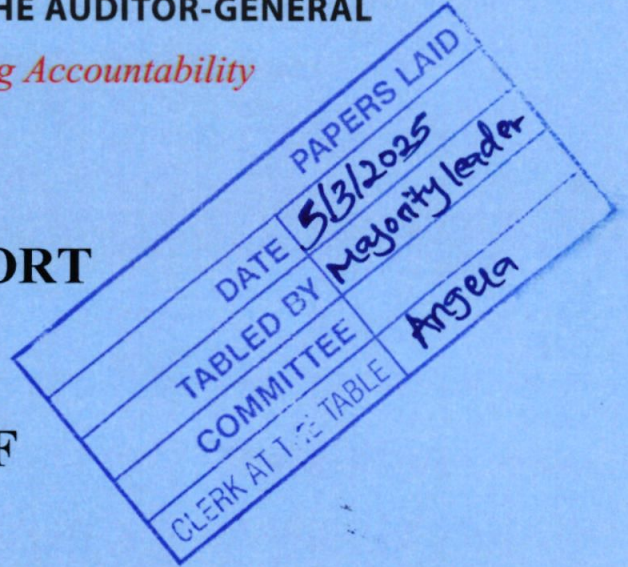
Enhancing Accountability



REPORT



OF



THE AUDITOR-GENERAL

ON

SIGOR SUB - COUNTY LEVEL 4 HOSPITAL

**FOR THE YEAR ENDED
30 JUNE, 2024**

COUNTY GOVERNMENT OF BOMET



**SIGOR SUB-COUNTY Level 4 HOSPITAL
(BOMET County Government)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2024

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

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I. Key Hospital Information and Management

(a) Background information

Sigor sub county hospital is a level 4 hospital established under gazette notice No. 14241 on Bomet county Health Facilities of 4th February, 2020 and is domiciled in Bomet County under the health Department. The sigor sub county hospital is governed by a Board of Management.

(b) Principal Activities

The principal activity of the Sigor Sub-county hospital is to provide health care services to the residents and non-residents of Bomet County.

The vision of the sigor sub county hospital is to be an efficient and high quality health care system that is accessible, equitable and affordable for every Kenyan

The mission is to promote and participate in provision of integrated and high quality, preventive, curative and rehabilitative health care services to all Kenyans

The rights of our patients are;

- Right to privacy and confidentiality
- Right to personal/own opinion and to be heard
- Right to participate in the planning and management of health care services

The patient's obligations

- Seek treatment promptly
- Comply with treatment and medical instruction

(c) Enquire about related cost of treatment or rehabilitation and agree on mode of payment
Key Management

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

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

(d) Fiduciary Management

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

No.	Designation	Name
1.	Medical Superintendent	Dr Barngas David
2.	Sigor sub county hospital Administrator	Joseah Towett
3.	Accountant	Jonah Munai

(e) Fiduciary Oversight Arrangements

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

(f) Hospital Headquarters

P.O. Box 23
Sigor Sigor sub county sigor sub county hospital Building
Kyogong – Kaboson Road
Bomet, KENYA

(g) Hospital Contacts

Telephone: (+254) 712590115
E-mail: sigor.SCH@bomet.go.ke
Website: www.go.ke

(h) Hospital Bankers

Kenya Commercial Banks (*Account Number 1117679012*)

(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. 19
Bomet, Kenya

I. The Board of Management

Directors		Details
1.	 <p>Benson Sigei</p>	Mr Benson Sigei was appointed Chairman of the facility in September 2023. He holds a Diploma in environmental health sciences and a certificate in social sciences/ health systems strengthening from University of Nairobi. He has been in senior management in health sector for over 20 years
2.	Stephen Kipkerich Laboso	Member to the board
3.	John Kipngeno Tonui	Member to the board
4.	Changkwoy Chepkorir	Member to the board
5.	Christine Chepkoech Sang	Member to the board
6.	Elvis Kipkorirbyegon	Member to the board
7.	Paul Cheruiyot Milgo	Member to the board
8.	Benson Kipkorir Sigei	Member to the board
9.	David Kipngetch Bett	Member to the board
10.	Nancy Chepngeno Tuei	Member to the board

11.	 <p>MEDSUP Dr Bargas David</p>	<p>Dr. Bargas David is a healthcare professional currently serving as a Medical superintendent of sigor sub county hospital. He holds a Bachelor of pharmacy degree from University of Nairobi and certificate in senior management (Health systems strengthening course) from Kenya school of government. Before this appointment he served as sub county medical officer of health in konoin and chepalungu sub counties</p>
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I. Management Team

Ref	Management	Details
1.	Dr Barngas David	MED SUP
2.	Mr. Joseph Towett	Health Administrator
3.	Mr Jonah Munai	Sigor sub county hospital Accountant
4.	Hillary Koech	Nursing Officer in Charge
5.	Linah Chepkoech	Procurement Assistant
6.	Meshack Otundo	Registered clinical officer in charge
7.	Gilbert Mutai	Biomedical Eng. In charge
8.	Keneth Koech	Medical Lab Technologist
9.	Dr Lubayo Jackson	Pharmacist in charge
10.	Wilson Kigen	HRIO in charge

IV. Chairperson's Statement

Introduction

Sigor Sub-County Hospital is a Referral Facility for Chepalungu Sub County. It is situated in Sigor Ward one of the 5 wards of Chepalungu Sub County. The hospital offers outpatient and inpatient services, maternity services are provided as well. The hospital has a bed capacity of 30. The Hospital administration functions through a health management team and the Hospital Management Board offers governance and over sights the health management team.

A healthy population is a key foundation for a healthy growing economy as they say health is wealth. Universal health access is a right for every citizen of Bomet as provided for in article 43 of the Kenya constitution 2010 it states as follows "every person has the right to the highest attainable standard of health, which includes the right to health care services, including reproductive health care

Emphasis on a high quality healthcare service necessitates the development of a frame work that defines the Health department vision, mission, strategic objectives, outcomes and performance indicators. The framework will further guide on proper utilization of the allocated healthcare financing resource envelop aimed at improving efficiency of response to the citizens health service needs. The leadership and governance hospital management board framework will steer a people focused/centred, democratic, inclusive and more participatory systems. A transformative framework premised on core values of accountability, coordinated, efficient, effective and consultative/networking (stakeholders) approach in the delivery of quality healthcare services

As I conclude on behalf of the entire Hospital management board (SIGOR SCH Health management board) I wish to sincerely thank and appreciate the county leadership-stewardship by his excellency Gov. Prof. Hillary Barchok, the health department CECM, CO, Directors, staff and all stakeholders for their continued support, input, initiatives, experience, teamwork and consultative processes. I acknowledge their humble and they will be exalted (Mathew 21: 3-12)



Name: Mr. Benson Sigeti

Board Chairperson

HEALTH ADMINISTRATIVE OFFICE
SIGOR SUB-COUNTY HOSPITAL
P.O. Box 23, SIGOR

V. Report of The Chief Executive Officer

Introduction

Sigor Sub County Hospital is a gazetted level 4 facility situated in Sigor ward of Chepalungu Sub County. It was founded by county government act of 2012. It is a referral site for 36 public health facilities and a number of privately owned facilities within the sub county. Its main source of financing is through monthly disbursements from the county government of Bomet and partners such as walter Reed Project, Christian Mission for the Blind etc. The facility offers out patient, in patient and maternity services. The main streams of revenues are user fees from laboratory diagnostics, drugs, in patient, Linda mama and capitation reimbursements from NHIF radiology services and minor surgical procedures etc. However, all the revenues are collected by revenue clerks from the sub county revenue department and channelled to county revenue fund account of Bomet County.

Security services are offered by county employed enforcement officers.

Achievements

Health workforce

The staff mix of the facility is as follows;

County employed staff and hospital management board employed staff.

During the year the county government deployed all sub county health management team members under restructuring and mentorship program to Sigor Sub County hospital. These includes ;Sub County Public Health Nurse, Reproductive Health Coordinator, Medical Officer Of Health, Medical Laboratory technologist, nutrition and dietetician, health records officer, HTS and HIV/AIDs and TB coordinator.

This program impacted positively on the performance of the hospital in all areas of key performance indicators by improving the numbers of staff, mentorship, OJT and CMEs

During the year under review some of our staffs also participated in short trainings, professional workshops as an avenue for professional development

The hospital also received 3 clerks to enhance claims from NHIF

Health infrastructure

The hospital management with the support of the Hospital Board installed a hot water system in the maternity. This has improved the hospitals maternity attendance. 3000 liters water tank was also procured to boost the water reservoir capacity

The hospital received biochemistry machine and awaiting installation and use. We also received eye care equipment from CBM and glucometer from walter Reed Project to support in NCD integration into care and treatment

Governance, Management and Leadership

Hospital health management team meetings done frequently throughout the financial year under review. Hospital management board did 4 meetings during the year.

Property, Plant and Equipment

The hospital's vehicle underwent major maintenance and repairs and now in good condition. Standby generator availability enabled for constant availability of electrical power.

Health Products and Technologies

Main supplier of HPT's was KEMSA and supplies flow was fairly stable. Any shortage was plugged through the prequalified suppliers of the hospital. KEMSA supplied both essential medicines and medical supplies and laboratory reagents.

CHALLENGES

Health financing

Main source of financing of the hospital was through the county government, health services department monthly disbursement. However, delays in disbursement were experienced leading to pending bills and delayed casual workers' wages payment.

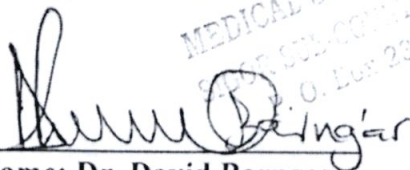
The county government channelled monthly disbursements for 6 dispensaries through sigor sub county hospital bank account for onward transfer to the respective dispensaries

Facility improvement funds Act 2023, yet to be implemented

Service delivery

There is staffing shortage across all cadres. County staffs available are 65 against a need of 95. The hospital experienced a slight increase in the numbers due to staff restructuring and mentorship program. Nurses are the most affected by the shortage and thus unable to cover all sections adequately

Top 5 diseases burden recorded during the year are as follows; pneumonia, upper respiratory tract infection, gastroenteritis, hypertension and skin infections. Immunization Outreaches we also done through the support of UNOPs



**Name: Dr. David Barngas
Medical Superintendent**

1. Statement Of Performance Against Predetermined Objectives

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

Sigor Sub-county hospital has 2 strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY 2021/21- FY 2020-2023. These strategic pillars/ themes/ issues are as follows;

Pillar /theme/issue 1: Preventive services

Pillar/theme/issue 2: Curative services

The Sigor sub county hospital develops its annual work plans based on the above 2 pillars/Themes/Issues. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The sigor sub county hospital achieved its performance targets set for the FY 2023/2024 period for its 2 strategic pillars, as indicated in the diagram below:

Strategic Pillar Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Pillar/ theme/ issue 1:	Ensuring prevention of communicable diseases	The number of patients immunized	Community outreach services	Reduced communicable diseases in the locality
Pillar/ theme/ issue 1:	Facilitating treatment and curative services	Number of patients treated and discharged	Establishment of special clinics	Improved service delivery

VII. Corporate Governance Statement

Sigor Sub-County hospital is constituted as per the Constitution of Kenya, 2010 and Kenya Health Act 2107. The Sigor sub county hospital is headed by a medical superintendent, who is responsible for the general policy and strategic direction of the sigor sub county hospital.

The Sigor sub county hospital was declared a Level 4 Hospital as contemplated in the County government of Bomet Gazette notice NO.14241. The sigor sub county hospital has been operating under the framework of sigor sub county hospital management board and health facility management committee policy 2018.

VIII. Management Discussion and Analysis

Sigor sub-county county hospital is the only sub-county hospital serving the larger Chepalungu sub-county. It has a catchment population of 21,756. It has a maternity bed capacity of 10, male ward 6 beds, female ward 6 beds, peads 12 beds.

The hospital offers outpatients services, maternity services and special clinic which is headed by a medical officer.

Clinical/operational performance

THE TABLES BELOW SHOW THE HOSPITAL'S PERFORMANCE IN SERVICE DELIVERY FOR THE PERIOD OF SIX MONTHS IN THE SPECIFIED YEARS;

TABLE 1. TRENDS IN KEY INDICATORS IN OPD AND IN PATIENT FOR THE PERIOD JAN – JUNE 2023-JAN- JUNE 2024

<u>OPD</u>	<u>2023</u>	<u>MALE</u>	<u>FEMALE</u>	<u>2024</u>	<u>MALE</u>	<u>FEMALE</u>
<u>ATTENDANCE</u>						
<u>Over five</u>		<u>1163</u>	<u>1564</u>	<u>Over five</u>	<u>2050</u>	<u>3657</u>
<u>Under five</u>		<u>1684</u>	<u>2871</u>	<u>Under five</u>	<u>1041</u>	<u>1025</u>
<u>Dental services</u>	<u>104</u>			<u>235</u>		
<u>extraction</u>	<u>58</u>			<u>87</u>		
<u>Lab services</u>	<u>4165</u>			<u>6336</u>		
<u>Radiology services</u>	<u>52</u>			<u>132</u>		
<u>IN PATIENT SERVICES</u>						
<u>wards</u>	<u>2023</u>	<u>deaths</u>	<u>2024</u>	<u>deaths</u>		
<u>General adults</u>	<u>321</u>	<u>28</u>	<u>207</u>	<u>6</u>		
<u>General peads</u>	<u>326</u>	<u>6</u>	<u>242</u>	<u>4</u>		
<u>maternity</u>	<u>951</u>	<u>0</u>	<u>667</u>			

Sigor Sub-County hospital (Bomet County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2024

<u>deliveries</u>	<u>793</u>		<u>657</u>			
<u>Live births</u>	<u>746</u>		<u>565</u>			
<u>Referrals</u>	<u>14</u>		<u>11</u>			

- Bed capacity of the sigor sub county hospital.
- Overall patient attendance during the year for both inpatient and outpatient.
- Accident and Emergency attendance
- Specialised clinic attendance
- Average length of stay for in patient
- Bed occupancy rate
- Mortality rate
- Surgical theatre utilisation (number of operations over a period of time)
- Sponsorships and partnerships

For the last one year the patients attended at the hospital are as per the following tables

Total outpatient attendance

OPD male	11056
OPD female	18825
Totals	29881

Admissions	957
Maternity services	1023
Total	1980

Financial performance that includes

- revenue sources,
- utilisation of funds etc
-

IX. Environmental And Sustainability Reporting

Sigor Sub-county hospital exists to transform lives. It's what guides us to deliver our strategy, putting the client/Citizen first, delivering health services, and improving operational excellence. Below is an outline of the organisation's policies and activities that promote sustainability.

Sigor Sub-county hospital exists to transform lives. It's what guides us to deliver our strategy, putting the client/Citizen first, delivering health services, and improving operational excellence. Below is an outline of the organisation's policies and activities that promote sustainability.

Sustainability strategy and profile

i) Environmental performance

- Sigor Sub-county hospital Outline use kaizens policy that is (5 s) the five s is for: sort, set, shine standardise and sustain. The policy has been given to every department and also mounted on the sigor sub county hospital's notice board.
- The health care staffs are provided with personal protective equipment (PPE) such as clean gloves and sterile gloves, and masks. Health care workers are advised to minimise waste originating from their departments as much as possible. Each department is provided with bin liners (RED, YELLOW BLACK) and safety boxers RED BIN LINER is for highly infectious waste such as placentas, yellows bin liners are for infectious waste such as gloves and black bin liners are for general waste such as papers food etc. Safety boxers are for sharps objects such as syringes
- The success of the measures instituted at the sigor sub county hospital has contributed to reductions of sigor sub county hospital acquired infections among the health care workers and the general public
- The shorting coming of the measures above is poor segregations of waste and inadequate bin liners.

ii) Employee welfare

Hiring process for health care workers is done by the county government of Bomet through public service board except for casual works which are hired by sigor sub county hospital board on a three months' basis. The hiring of casuals takes into account the gender rule of two third. Training and skill improvements is done by the county department of medicals services

Market place practices-

The organisation should outline its efforts to:

a) Responsible competition practice.

Sigor Sub-county hospital has ensured responsible competition practice by carrying out its purchases in accordance with the Procurement laws and regulations to enhance an open and competitive process for procurement of goods and services.

b) Responsible Supply chain and supplier relations

Sigor Sub-county hospital has enhances supply chain and supplier relations by ensuring compliances to the law and regulations governing procurement, sustainable and transparent sourcing evaluations and developing sustainable procurement practices to future proof the organisation against scarcity of supplies

c) Responsible marketing and advertisement

The county department of medical services has been sponsoring doctors to visit vernacular station to teach the public on preventive measures to take so as to avoid contracting disease; they have also been offering training on training to the local residents on ways of responding t

d) Product stewardship

The sigor sub county hospital health care workers are much aware on the need to keep the patient information confidential.

iii) Corporate Social Responsibility / Community Engagements

For the year ended June 2024 Sigor sub county hospital has been able to facilitate home visits for patients that require palliative care, the sigor sub county hospital also engaged the community health volunteers in contact tracing or defaulter tracing

X. Report of The Board of Management

The Board members submit their report together with the Audited Financial Statements for the year ended June 30, 2024, which show the state of the sigor sub county hospital's affairs.

Principal activities

The principal activities of the Hospital are provision of medical services.

Results

The results of the Hospital for the year ended June 30 are set out on page 1.

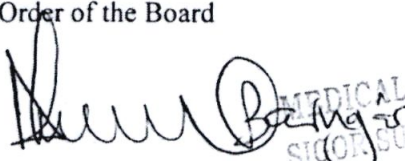
Board of Management

The members of the Board who served during the year are shown on page (v). The board was put in place in september 2023

Auditors

The Auditor General is responsible for the statutory audit of the hospital in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 to carry out the audit of the hospital for the year/period ended June 30, 2024 in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board



MEDICAL SUPERINTENDENT
SIGOR SUB-COUNTY HOSPITAL
P. O. Box 23, SIGOR

Dr David Barngas
Medical Superintendent
Sigor Sub County hospital

XI. 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 *Hospital*, which give a true and fair view of the state of affairs of the *Hospital* at the end of the financial year/period and the operating results of the *Hospital* for that year/period. The Board of Management is also required to ensure that the *Hospital* keeps proper accounting records which disclose with reasonable accuracy the financial position of the *Hospital*. The council members are also responsible for safeguarding the assets of the *Hospital*.

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

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

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

Approval of the financial statements

The Sigor sub county hospital's financial statements were approved by the Board on 12th Aug 2024 and signed on its behalf by:

.....
Name: Benson Sigei
Chairperson
Board of Management

.....
Name: Dr Barngas David
Accounting Officer

HEALTH ADMINISTRATIVE OFFICER
SIGOR SUB-COUNTY HOSPITAL
P.O. BOX 113, SIGOR

MEDICAL SUPERINTENDENT
SIGOR SUB-COUNTY HOSPITAL
P.O. BOX 113, SIGOR

REPUBLIC OF KENYA



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HEADQUARTERS
Anniversary Towers
Monrovia Street
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON SIGOR SUB-COUNTY LEVEL 4 HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2024 - COUNTY GOVERNMENT OF BOMET

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 Sigor Sub County Level 4 Hospital - County Government of Bomet set out on pages 1 to 30, which comprise of the

Report of the Auditor-General on Sigor Sub-County Level 4 Hospital for the year ended 30 June, 2024 - County Government of Bomet

statement of financial position as at 30 June, 2024, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Sigor Sub-County Level 4 Hospital - County Government of Bomet as at 30 June, 2024, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and complies with the Health Act, 2017 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in Comparative Figures

The financial statements reflect comparative amounts which varies with the prior year audited financial statements as shown below:

	Financial Statements for 2023/2024 Amount (Kshs)	Prior year audited Financial Statement Amount (Kshs)	Variance (Kshs)
Medical/Clinical Costs	3,311,633	4,235,867	(924,234)
Accumulated Surplus/deficit	251,966	1,672,238	(1,420,272)
Statement of Cashflow			
Medical/Clinical Costs	3,311,633	4,235,867	(924,234)
Net Increase/decrease in cash and Cash Equivalent	1,183,556	259,322	924,234
Medical/Clinical Costs Note 9	1,256,759	2,243,639	(986,880)
Food and Ration	1,716,324	2,640,558	(924,234)

In the circumstances, the accuracy of comparative amounts could not be confirmed.

2. Inaccuracy of Transfers from the County Government

The statement of financial performance reflects transfers from the County Government amounting to Kshs.15,768,000 as further disclosed in Note 6 to the financial statements. However, the amount differs with the supporting ledgers balance amounting to Kshs.13,012,000 resulting to an unreconciled variance of Kshs.2,756,000.

In the circumstance, the accuracy and completeness of the transfers from the County Government amounting to Kshs.15,768,000 could not be confirmed.

3. Inaccuracy of Rendering of Services- Medical Service Income

The statement of financial performance reflects rendering of services- medical services income amounting to Kshs.5,385,663 as disclosed in Note 7 to the financial statements. However, the amount differs with the revenue ledger balance amounting to Kshs.2,778,813 resulting in an unexplained variance of Kshs.2,606,850. Further, the amount does not include revenue totalling Kshs.1,138,920 which was received from inpatient and outpatient services.

In the circumstance, the accuracy and completeness of rendering of services- medical services income amounting to Kshs.5,385,663 could not be confirmed.

4. Unsupported Transfers to Satellite Dispensaries

The statement of financial performance reflects transfers to other government entities amounting to Kshs.5,574,830. The amount includes transfers to satellite dispensaries totalling Kshs.2,844,000 as disclosed in Note 8 to the financial. However, the transfers were not supported by monthly expenditure returns.

In the circumstances, the accuracy and completeness of transfers to satellite dispensaries totalling Kshs.2,844,000 could not be confirmed.

5. Unsupported Receivables from Exchange Transactions

The statement of financial position reflects receivables from exchange transactions totalling Kshs.10,301,450. The amount includes medical services receivables-National Health Insurance Fund amounting to Kshs.4,041,450 as further disclosed in Note 15 to the financial statements. However, the medical services receivables-National Health Insurance Fund were not supported by a detailed schedule indicating the name of patient, services offered, invoice number and invoice amount.

In the circumstance, the accuracy and completeness of receivables from exchange transactions totalling Kshs.4,041,450 could not be confirmed.

6. Unsupported Trade and Other Payables

The statements of financial position reflects trade and other payables totalling Kshs.3,268,718 as further disclosed in Note 17 to the financial statements. However, the amount was not supported by creditors ledger, list of suppliers and amount owed, invoices, delivery notes, local service or local purchase order numbers, interim or completion certificates for the works done, counter receipt vouchers, and counter requisition and issue vouchers. The aging analysis of the payables was also not provided.

In the circumstances, the accuracy, completeness and existence of trade and other payables totalling Kshs.3,268,718 could not be confirmed.

7. Inaccuracy of Accumulated Surplus

The statement of financial position reflects Nil accumulated surplus. However, the Nil surplus differs with the accumulated surplus totalling Kshs.3,348,463 reflected in the statement of changes in net assets resulting in unexplained variance of Kshs.3,348,463.

Further, accumulated surplus totalling Kshs.3,348,463 reflected in statement of changes in net assets includes opening balance amounting to Kshs.251,996 which differs with the prior year audited accumulated deficit amounting to Kshs.1,672,238 resulting in unexplained variance of Kshs.1,924,234.

In the circumstance, the accuracy and completeness of Nil accumulated surplus could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final total revenue budget and actual on comparable basis amounting to Kshs.25,000,000 and Kshs.15,742,830 respectively, resulting to underfunding of Kshs.9,257,170 or approximately thirty seven percent (37%) of budget. Similarly, the statement reflects total expenditure actual on comparable basis amounting to Kshs.15,870,090 resulting to under expenditure of Kshs.9,129,910 or approximately thirty seven percent (37%) of budget.

Further, the statement reflects final total income and expenses budget amounting to Kshs.25,000,000 and Kshs.21,100,000 resulting in unbalanced budget by Kshs.3,900,000. This was contrary to Regulation 31 (c) of the Public Finance Management (County Governments) Regulations, 2015 which requires budget revenue and expenditure appropriations to be balanced.

In addition, the statement reflects total expenses performance difference amounting to Kshs.14,487,080. However, the amount differs with the recomputed difference amounting to Kshs.5,229,910 resulting to unexplained variance of Kshs.9,257,170.

The underfunding and under expenditure affected the planned activities and may have impacted negatively on the delivery of services 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 matters described in the Basis for Qualified Opinion section of my report, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several paragraphs were raised under the report on financial statements, and report on Lawfulness and Effectiveness in Use of Public Resources which remained unresolved. However, the Management has not given any explanation for failure to resolve the issues.

Other Information

Management is responsible for the other information set out on page iii to xvii which comprise of Key Hospital Information and Management, The Board of Management, Management Team, Chairperson's Statement, Report of the Chief Executive Officer, Statement of Performance Against Predetermined Objectives ,Corporate Governance Statement, Environmental and Sustainability Reporting, Report of the Board of Management, and Statement of Board of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, 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. Failure to Retain Own Generated Revenue

The statement of financial performance reflects rendering of services-medical service income balance of Kshs.5,385,663 from National Health Insurance Fund (NHIF) as disclosed in Note 7 to the financial statements. Review of summary of revenue collection report and point of sale reports indicates that the County Government of Bomet collected Kshs.1,138,920 on behalf of Sigor Sub-County Hospital. However, the Hospital did not retain the monies raised and transferred to their facility improvement financing account as required. This was contrary to Section 5 (1) of Facilities Improvement Financing Act, 2023 which requires Health Facilities to retain all monies raised or received by or on behalf of all public health facilities.

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

2. Irregular Engagement of Casual Employees

The statement of financial performance reflects employee costs amounting to Kshs.3,726,993. The amount includes salaries, wages and allowances totalling Kshs.3209,248 as disclosed in Note 10 to the financial statements. A review of records revealed that the casual employees were engaged continuously for more than three (3) months. This was contrary to Section 37(1) (b) of the Employment Act, 2007 which provides that where a casual employee performs work for more than three (3) months, the contract of service of the casual employee shall be deemed to be one where wages are paid monthly.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the 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 Risk Management Policy

Review of the documents and records provided for audit revealed that the Fund Management had not established a Risk Management Policy. This is contrary to Regulation 158 (1) (a) and (b) of the Public Finance Management (County Governments) Regulations, 2015 which states that the accounting Officer shall ensure that the county government entity develops risk management strategies, which include fraud prevention mechanism and a system of risk management and internal control that builds robust business operations.

In the circumstances, the safety of the Hospital's assets and data could not be confirmed.

2. Lack of Internal Audit Function and Audit Committee

Review of the hospital's records provided revealed that the Board of Management had not yet constituted an audit committee as at 30 June, 2023 contrary to Regulation 167 (1) of the Public Finance Management (County Governments) Regulations, 2015 which requires that subject to paragraph (2) of this regulation, each county government entity shall establish an audit committee.

Further, the hospital operated without an internal audit unit contrary to Section 155 (1) (a) of the Public Finance Management Act, 2012 which states that a county government entity shall ensure that it complies with this Act and has appropriate arrangements for conducting internal audit according to the guidelines issued by the Accounting Standards Board.

In the circumstances, the absence of both an audit committee and an internal audit unit undermines the hospital's internal control framework and poses significant risks to its financial management, accountability, and compliance with legal requirements.

3. Failure to Maintain an Assets Register

Review of records provided for audit revealed that the Hospital did not maintain an asset register as at 30 June, 2024 indicating asset identification or serial numbers, acquisition date, description of asset, location, class and cost of acquisition for its movable and non-movable assets. This was contrary to Regulation 170(1) of the Public Procurement and Asset Disposal Regulations, 2020 which provides that an Accounting Officer of a procuring entity shall be responsible for maintaining a register of assets under his or her control or possession. Further, the hospital did not have ownership documents, for the land on which the hospital is situated. The assets have also not been disclosed in the financial statements.

In the circumstances, the effectiveness of the internal controls over asset management could not be confirmed.

4. Lack of Information Communication Technology (ICT) Policy Procedures and Controls

Review of the Health's information technology systems revealed that the Hospital maintains its entire financial data on Microsoft Excel application on a standalone

computer assigned to the finance officer and in manual form. However, the Hospital did not have an approved IT policy for governance and management of its ICT resources. In addition, there is no ICT steering committee in place to assist in the development of an ICT policy framework to enable the Hospital to realize long-term ICT strategic goals. Lack of an approved IT policy may result in an unclear direction regarding the maintenance of information security across the organization and safeguarding the Hospital's ICT assets. Further, without a sound and approved framework, users do not have any rules and procedures to follow in order to minimize the risk of errors, fraud, and the loss of data confidentiality, integrity and availability.

In the circumstances, existence of effective ICT controls in the facility could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for 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 IFPP 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


31 December, 2024

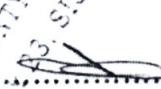
Sigor Sub- County hospital (Bomet County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2024

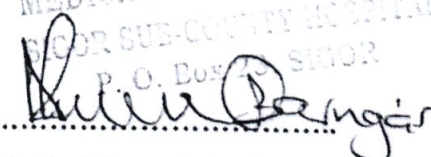
XIII. Statement of Financial Performance for The Year Ended 30 June 2024

Description	Notes	2023/24	2022/23
Revenue from non-exchange transactions			
Transfers from the County Government	6	15,768,000	13,848,000
		15,768,000	13,848,000
Revenue from exchange transactions			
Rendering of services- Medical Service Income	7	5,385,663	4,983,200
Total revenue		21,153,663	18,831,200
Expenses			
Transfers to Other Government Entities	8	5,574,830	6,999,200
Medical/Clinical costs	9	4,771,912	3,311,633
Employee costs	10	3,726,993	3,930,840
Board of Management Expenses	11	50,500	52,500
Repairs and maintenance	12	1,096,100	1,288,145
General expenses	13	2,836,861	2,065,326
Total expenses		18,057,196	17,647,644
Other gains/(losses)			
Net Surplus/deficit for the year		3,096,467	1,183,556

The Sigor sub county hospital's financial statements were approved by the Board on
 12/08/2024 and signed on its behalf by:


 Chairman
 Board of Management


 Head of Finance
 Accountant


 Medical Superintendent

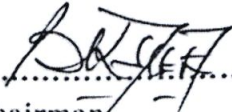
HEALTH ADMINISTRATIVE OFFICER
 SIGOR SUB-COUNTY HOSPITAL
 P.O. BOX 1000 SIGOR


MEDICAL SUPERINTENDENT
 SIGOR SUB-COUNTY HOSPITAL
 P.O. BOX 1000 SIGOR

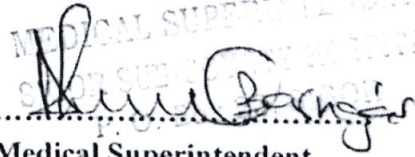
XIV. Statement of Financial Position as at 30th June 2024

Description	No.	2023/24	2022/23
Assets			
Current assets			
Cash and cash equivalents	14	79,537.50	376,345
Receivables from exchange transactions	15	10,301,450	1,434,600
Inventories	16	1,016,410	769,019
Total Current Assets		11,397,398	2,579,964
Total assets		11,397,398	2,579,964
Liabilities			
Current liabilities			
Trade and other payables	17	3,268,718	1,306,768
Total Current Liabilities		3,268,718	1,306,768
Total Liabilities		3,268,718	1,306,768
Net assets		8,128,680	1,273,196
Accumulated surplus/Deficit			1,273,196

The Sigor sub county hospital's financial statements were approved by the Board on
 12/08/2024 and signed on its behalf by:


 Chairman
 Board of Management


 Head of Finance
 Accountant.


 Medical Superintendent

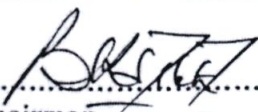
HEALTH ADMINISTRATIVE OFFICER
 SIGOR SUB-COUNTY HOSPITAL
 P.O. BOX 3, SIGOR


Sigor sub county hospital (Bomet County Government)
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XV. Statement of Changes in Net Asset for The Year Ended 30 June 2024

	Revaluation reserve	Accumulated surplus/Deficit	Capital Fund	Total
As at July 1, 2022	-	-	-	-
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	251,996	-	(251,560)
Capital/Development grants	-	-	-	-
As at June 30, 2023	-	251,996	-	(251,996)
	-	-	-	-
At July 1, 2023	-	251,996	-	(251,996)
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	3,096,467	-	3,096,467
Capital/Development grants	-	-	-	-
At June 30, 2024	-	3,348,463	-	3,348,463

The Sigor sub county hospital's financial statements were approved by the Board on 12/08/2024 and signed on its behalf by:


 Chairman
 Board of Management


 Head of Finance
 ICPAK No:




 Medical Superintendent
 SIGOR SUB-COUNTY HOSPITAL
 P. O. Box 23, SIGOR


Sigor sub county hospital (Bomet County Government)
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XVI. Statement of Cash Flows for The Year Ended 30 June 2024

Description		2023/24	2022/23
Cash flows from operating activities			
Receipts			
Transfers from the County Government	6	15,768,000	13,848,000
Rendering of services- Medical Service Income	7	5,385,663	4,983,200
Total Receipts		21,153,663	18,831,200
Payments			
Transfers to other government entities	8	5,574,830	6,999,200
Medical/Clinical costs	9	4,771,912	3,311,633
Employee costs	10	3,726,993	3,930,840
Board of Management Expenses	11	50,500	52,500
Repairs and maintenance	12	1,096,100	1,288,145
General expenses	13	2,836,861	2,065,326
Total Payments		18,057,196	17,647,644
Net cash flows from operating activities		3,096,467	1,183,556
Capital grants received			
Net cash flows used in financing activities			
Net increase/(decrease) in cash and cash equivalents		3,096,467	1,183,556
Cash and cash equivalents at 1 July 2024		376,345	807,211
Cash and cash equivalents at 30 June 2024	14	79,537.50	376,345

The notes set out on pages 23 to 34 form an integral part of the Annual Financial Statements. The Sigor sub county hospital's financial statements were approved by the Board and signed on its behalf by:



 Chairman
 Board of Management

 Head of Finance
 ICPAK No:


 Medical Superintendent
 SIGOR SUB-COUNTY HOSPITAL
 P. O. Box 23, SIGOR


XVII. Statement Of Comparison of Budget and Actual Amounts For The Year Ended 30 June 2024

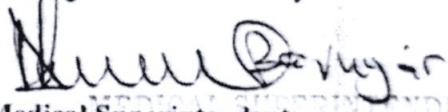
Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Efficiency ratio
	a	B	c=(a+b)	D	e=(c-d)	f=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs	
Revenue						
Transfers from the County Government	15,000,000	0	15,000,000	13,012,000	1,988,000	86.7
Rendering of services- Medical Service Income	10,000,000		10,000,000	2,730,830	7,269,170	27.3
Total income	25,000,000		25,000,000	15,742,830	9,257,170	63.0
Expenses						
Transfers to other government entities	7,000,000		7,000,000	5,574,830	1,425,170	79.6
Medical/Clinical costs	4,000,000		4,000,000	4,186,758	186,758	104.7
Employee costs	5,000,000		5,000,000	2,819,283	2,180,717	56.4
Remuneration of directors	100,000		100,000	50,500	49,500	50.5
Repairs and maintenance	2,000,000		2,000,000	1,039,000	961,000	52.0
General expenses	3,000,000		3,000,000	2,199,719	800,281	73.3
Total expenses	21,100,000		21,100,000	15,870,090	14,487,080	75.2

The notes set out on pages 23 to 34 form an integral part of the Annual Financial Statements. The Sigor sub county hospital's financial statements were approved by the Board on 12/08/2024 and signed on its behalf by:


 Chairman
 Board of Management

HEALTH ADMINISTRATOR OFFICER
 SIGOR SUB-COUNTY HOSPITAL
 P.O. Box 23, SIGOR


 Head of Finance
 ICPAK No:


 Medical Superintendent
 SIGOR SUB-COUNTY HOSPITAL
 P. O. Box 23, SIGOR

XVIII.

1. General Information

Sigor Sub County Hospital is established by and derives its authority and accountability from County government Act 2012. The Hospital is wholly owned by the Government of Kenya and is domiciled in Kenya. The Hospital's principal activity is provision of medical services

2. Statement Of Compliance And Basis Of Preparation

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

The financial statements have been prepared in accordance with the PFM Act, and *(include any other applicable legislation)*, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

IPSASB deferred the application date of standards from 1st January 2022 owing to Covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1st January 2023.

i. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024.

Standard	Effective Date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of a Hospital's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between a Hospital's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Hospital provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p>

Sigor sub county hospital (Bomet County Government)
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	<p>(a) The nature of such social benefits provided by the Hospital;</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the Hospital's financial performance, financial position and cash flows.</p>
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p>Applicable: 1st January 2023:</p> <p>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>
Other improvements to IPSAS	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p>

*Sigor sub county hospital (Bomet County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2024*

<p>IPSAS 43</p>	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Hospital.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<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>

ii. Early adoption of standards

The Hospital did not early – adopt any new or amended standards in the year 2023/2024.

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

Sigor sub county hospital (Bomet County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2024

or service potential related to the asset will flow to the Hospital and can be measured reliably.

Revenue from exchange transactions
Rendering of services

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

Sale of goods

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

Interest income

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

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the Hospital's right to receive payments is established.

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.

Sigor sub county hospital (Bomet County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2024

b) Budget information

The original budget for FY 2023/2024 was approved by Board on . Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Hospital upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Hospital recorded additional appropriations of 2023 on the FY2023/2024 budget following the Board's approval. The Hospital's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 164 of the PFM Act 2012 of these financial statements.

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.

d) Investment property

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

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

e) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Hospital recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in

surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

f. Leases

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

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

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

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

g. Intangible assets

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

h. Research and development costs

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

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

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

i. Financial instruments

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Hospital determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Hospital has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

Impairment of financial assets

The Hospital assesses at each reporting date whether there is objective evidence that a financial asset or an Hospital of financial assets is impaired. A financial asset or an Hospital of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the Hospital of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- The debtors or an Hospital of debtors are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Hospital determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Loans and borrowing

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

i) Inventories

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

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

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

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

j) Provisions

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

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

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

Contingent liabilities

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

Contingent assets

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

k) Nature and purpose of reserves

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

l) Changes in accounting policies and estimates

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

m) Employee benefits

Retirement benefit plans

The Hospital provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Hospital pays fixed contributions into a separate Hospital (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against

income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump-sum payments or increased future contributions on a proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

n) Foreign currency transactions

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

o) 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.

p) Related parties

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

q) Service concession arrangements

The Hospital analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the Hospital recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any

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assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the Hospital also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

r) 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.

s) Comparative figures

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

t) 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, 2024.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions

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

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 42.

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.

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6. Transfers From The County Government

Description	2023/24	2022/23
		KShs
Unconditional grants		
Operational grant	15,768,000	13,848,000
Total government grants and subsidies	15,768,000	13,848,000

7. Rendering of service - Medical service income

Description	2023/24	2022/23
		KShs
NHIF	5,385,663	4,983,200
Total	5,385,663	4,983,200

8. Transfers to Other Government Entities

Description	2023/24	2022/23
		KShs
Transfers to Bomet county revenue fund	2,730,830	4,983,200
Transfers to satellite dispensaries	2,844,000	2,016,000
Third-party payments (<i>unremitted payroll deductions</i>)		-
Total transfers to other government entities	5,574,830	6,999,200

9. Medical/ Clinical Costs

Description	2023/24	2022/23
		KShs
Laboratory chemicals and reagents	296,600	76,000
Food and Ration	2,636,682	1,716,324
Uniform, clothing, and linen	4,300	
Dressing and Non-Pharmaceuticals	1,325,660	1,049,414
Sanitary and cleansing Materials	369,470	469,895
Purchase of furniture	139,200	
Total medical/ clinical costs	4,771,912	3,311,633

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10. Employee Costs

Description	2023/24	2022/23
		KShs
Salaries, wages, and allowances	3,209,248	3,486,420
Contributions to pension schemes	517,745	444,420
Employee costs	3,726,993	3,930,840

11. Board of Management Expenses

Description	2023/24	2022/23
		KShs
Sitting allowance	50,500	52,500
Total	50,500	52,500

12. Repairs And Maintenance

Description	2023/24	2022/23
		KShs
Property- Buildings	542,600	689,495
Medical equipment	-	
Motor vehicle expenses	553,500	498,650
Plant machinery and equipment		100,000
Total repairs and maintenance	1,096,100	1,288,145

13. General Expenses

Description	2023/24	2022/23
		KShs
Wood and charcoal	299,200	-
Refined Fuel	653,029	746,994
Bank charges	27,743.75	19,527
Travel and accommodation allowance	127,500	170,250
Publishing and printing	1,081,560	897,955
Household appliances	101,980	
Water and electricity costs	261,866	195,050
Airtime Telephone services	86,600	35,550
Assorted office stationeries and equipments	197,382	
Total General Expenses	2,836,861	2,065,326

14. Cash And Cash Equivalents

Description	2023/24	2022/23
		KShs
Current accounts	78,112.50	376,100
On - call deposits		
Fixed deposits accounts		
Cash in hand	1,425	245
Total cash and cash equivalents	79,537.5	376,345

(a). Detailed Analysis of Cash and Cash Equivalents

Description		2023/24	2022/23
Financial institution	Account number		KShs
a) Current account			
Kenya Commercial bank		78,112.50	376,100
Equity Bank, etc			
Sub- total		78,112.50	376,100
b) Others(specify)			
cash in hand		1,425	245
Mobile money- Mpesa, Airtel money			
Grand total		79,537.50	376,345

15. Receivables From Exchange Transactions

Description	2023/24	2022/23
		KShs
Medical services receivables-nhif	4,041,450	1,434,600
AIE's in arrears, Feb-June 2024	6,260,000	
Total receivables	10,301,450	1,434,600

16. Inventories

Description	2023/24	2022/23
		KShs
Non Pharmaceutical supplies	485,310	537,654
Maintenance supplies	6,450	144,500
Food supplies	4,850	40,865
Lab reagents	373,900	-
Cleaning materials supplies		24,500
General supplies	145,900	21,500
Less: provision for impairment of stocks	-	-
Total	1,016,410	769,019

17. Trade And Other Payables

Description	2023/24	2022/23
		KShs
Trade payables	1,637,618	583,348
Employee dues	1,387,000	723,390
Third-party payments (<i>unremitted payroll deductions</i>)	244,100	
Audit fee		
Doctors' fee		
Total trade and other payables	3,268,718	1,306,738

18. Financial Risk Management

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

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

(i) Credit risk

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

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the company has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Hospital has significant concentration of credit risk on amounts due from 2023

The board of management sets the company's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the sigor sub county sigor sub county hospital's board of management who have built an appropriate liquidity risk management framework for the management of the Hospital's short, medium and long-term funding and

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liquidity management requirements. The Hospital manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

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

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2023				
Trade payables		583,348		583,348
Employee benefit obligation		723,390		723,390
Total		1,306,738		1,306,738
At 30 June 2024				
Trade payables		1,519,558	118,060	1,637,618
Employee benefit obligation		976,020	655,080	1,631,100
Total		2,495,578	773,140	3,268,718

(iii) **Market risk**

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

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

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19. Government of Kenya.

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

- The National Government
- The Parent Ministry
- Bomet County Government
- Bomet County Assembly

Description	2023/24	2022/23
		Kshs
Transactions with related parties		
a) Grants from the Government		
Grants from County Government	13,012,000	13,848,000
Total	13,012,000	13,848,000

20. Events After The Reporting Period

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

21. Ultimate And Holding Hospital

The Hospital is a State Corporation/ or a Semi- Autonomous Government Agency under the Ministry of Health. Its ultimate parent is the Government of Kenya.

22. Currency

The financial statements are presented in Kenya Shillings (Kshs).

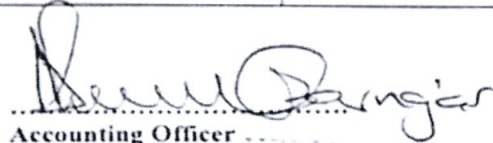
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XIX. Appendices

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)
Sigor Sub County Hospital Audited for the First time.				



Accounting Officer

MEDICAL SUPERINTENDENT
 SIGOR SUB COUNTY HOSPITAL
 P. O. BOX 23, SIGOR

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APPENDIX II: Projects Implemented by The Hospital

Projects

Projects implemented by the Sigor sub county 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

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

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APPENDIX IV: Inter-Hospital Confirmation Letter

The Sigor Sub county Hospital wishes to confirm the amounts disbursed to you as at 30th June 2024 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by Sigor Sub County Hospital as at 30th June 2024							
Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (KShs) as at 30th June 2024				Amount Received by [beneficiary Hospital] (KShs) as at 30th June 2024 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
REC(0000053803B)	25/8/2023	3,504,000			3,504,000	3,504,000	0
REC(0000054602B)	23/9/2023	3,080,000			3,080,000	3,080,000	0
REC(0000056305B)	3/01/024	2,672,000			2,672,000	2,672,000	0
REC(0000056655B)	21/02/024	1,252,000			1,252,000	1,252,000	0
REC(0000057397B)	29/02/024	1,252,000			1,252,000	1,252,000	0
REC(0000057786B)	5/04/024	1,252,000			1,252,000	1,252,000	0
Total					13,012,000	13,012,000	0

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

Head of Accountants department of beneficiary Hospital:

Name: W. O. O. O. O. Sign: [Signature] Date: 12/8/2024

HEAD OF ACCOUNTANTS DEPARTMENT
SIGOR SUB COUNTY HOSPITAL
P.O. Box 23, SIGOR

APPENDIX V Reporting of Climate Relevant Expenditures

Name of the Organization :Sigor sub county hospital

Telephone Number:0725521654

Email Address

Name of Medical Supp/MD/Head :Dr Wesly Bett

Name and contact details of contact person (in case of any clarifications) ...JONAH MUNAI.....

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

APPENDIX VI Disaster Expenditure Reporting Template

Date:		Quarter				
Hospital	Year	Quarter				
Period to which this report refers (FY)						
Name of Reporting Officer						
Contact details of the reporting officer:	Email	Telephone				
Column I Programme	Column II Sub-programme	Column III Disaster Type	Column IV Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Column V Expenditure item	Column VI Amount (Kshs.)	Column VII Comments