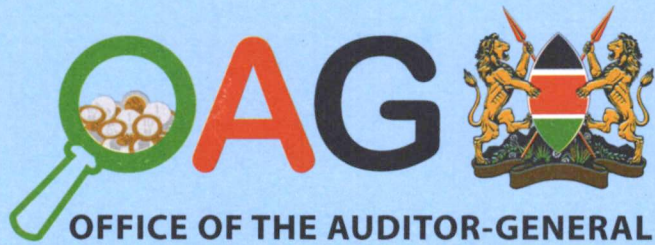


REPUBLIC OF KENYA



Enhancing Accountability

REPORT

276

OF

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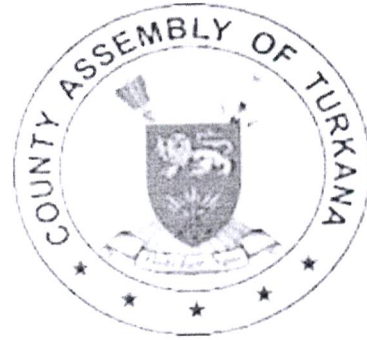
**TURKANA COUNTY ASSEMBLY
(MEMBERS) CAR LOAN AND
MORTGAGE SCHEME FUND**

FOR THE YEAR ENDED

30 JUNE, 2025

250

Revised 30th June 2025



**TURKANA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE
(MEMBERS) SCHEME FUND**

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

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

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

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Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund Annual Report and Financial Statements for the year ended June 30, 2025

1. Acronyms and Definition of Key Terms

A. Acronyms

CBK	Central Bank of Kenya
CECM	County Executive Committee Member
CEO	Chief Executive Officer
CO	Chief Officer
DG	Director General
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
MD	Managing Director
NT	National Treasury
OAG	Office of the Auditor General
OCOB	Office of the Controller of Budget
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
WB	World Bank
BOM	Board of Management
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
Kshs	Kenya Shillings

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

B. Definition of Key Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the organization.

Comparative Year- Means the prior period.

Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund Annual Report and Financial Statements for the year ended June 30, 2025

2. Key Entity Information and Management

a) Background information

Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund is established by and derives its authority and accountability from The Public Finance Management Act No 18 of 2012 under the Turkana County Assembly Car Loan and Mortgage (Members) scheme Fund Regulations of 2014 and 2023. The fund is wholly owned by the Turkana County Assembly and is domiciled in the Republic of Kenya.

For proper management of the fund Turkana county Assembly adopted the PFM regulations 2014 and 2023 to guide in the operationalization of the fund. Proper Management of funds was also assisted by the SRC circular dated 14th February 2014 under reference SRC/TS/WH/3/14. In that regard the County Assembly Service Board appointed a banking institution to manage the fund.

The fund's objective and purpose is to provide a loan scheme for the Purchase of Motor Vehicles, purchase, development, renovation or repair of residential property by members of the scheme.

The Fund's principal activity is to provide car loans and Mortgage for members of the scheme.

b) Principal Activities

The principal activity/mission/ mandate of the Fund is to be the fund of choice for members of the county assembly, provide affordable, accessible and sustainable car loans and Mortgage to Members of county assembly and uphold the values of accountability, transparency, excellence, accessibility, integrity, responsiveness, equity and team work

c) Board of Trustees/Fund Administration Committee

Ref	Name	Position
1.	Chairperson	Hon. Mathew Alany Lonyait-MCA
2.	Member	Hon. Willy Napuyo
3.	Member	Hon. Patrick Napion
4.	Member	Hon. Stephen Edukon
5	Member	Hon. Vincent Lobuin
6	Clerk	Mr.Linus Miinyan Lokawa
7	Legal Counsel	Ms. Millicent Nangor
8	Member	Mr.John Nakuleu Lotukoi
9	Fund Administrator	Mr.Ngala Ekal Gilchrist

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

d) Key Management team

Ref	Name	Position
1	Chairperson	Hon.Mathew Alany Lonyait
2	Clerk	Mr. Linus Lokawa Miinyan
4	Director Finance and Accounting	Mr.Francis Lochuch
4	Member	Mr. John Nakuleu Lotukoi
5	Fund Manager/ Administrator	Mr. Ngala Ekal Gilchrist
6	Fund Accountant	Mr. George Erukudi Lotesiro

Key Entity and Management (Continued)

e) Fiduciary Oversight Arrangements

SN	Position	Name
1	Director Audit	Mr.Caiphas Ngasike

The audit committee was constituted in the entity. Its mandate is to advise the County Assembly service board on institutional risk management and compliance. The committee members during the FY 2024/2025 were

SN	Member	Name
1	CPA Erick Omondi	Chairperson
2	CPA Mercy Ndinda	Member
3	CPA Lokipi Ekai	Member

f) Registered Offices

P.O. Box 25-30500
Lodwar, KENYA

g) Fund Contacts

E-mail: turkancountyassembly@.go.ke
Website: www.turkanaassembly.go.ke

h) Fund Bankers

Cooperative Bank of Kenya
Lodwar Branch
P.O BOX 25-30500

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

Lodwar, Kenya

i) Independent Auditors




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

j) Principal Legal Adviser





The County Attorney
Turkana County Government
P.O Box 11-30500
Lodwar

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

3. Board of Trustees/ Fund Administration Committee

Name	Details of qualifications and experience
<p>1.</p> 	<p>Hon. Mathew Alany Lonyait- Chairperson Car Loan and Mortgage Committee Mr. Mathew Alany by virtue he was appointed the chairperson of the Car Loan and Mortgage. Hon. Mathew Alany is the MCA of Kangatotha ward and is also the vice chairperson of CASB of Turkana County Assembly.</p>
<p>2.</p> 	<p>Hon. Patrick Napion- Chairperson Budget and Appropriation committee Mr. Patrick Napion is the chairperson of Budget and Appropriation committee of the Turkana County Assembly. He is the Member of County Assembly of Kaeris Ward. He is the Loan committee member.</p>
<p>3.</p> 	<p>Hon. Vincent Lobuin- Leader of Minority Car Loan and Mortgage Committee Mr. Vincent Lobuin is the Leader of Minority of Turkana County Assembly. He is the Member of County Assembly of Lokichoggio ward. He is the Loan committee member.</p>

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

<p>4.</p> 	<p>Hon. Stephen Edukon- Member Car Loan and Mortgage Committee Mr. Stephen Edukon is the Leader of Majority of Turkana County Assembly. He is the Member of County Assembly Turkwel Ward. He is the Loan Committee Member.</p>
<p>5.</p> 	<p>Hon. Stephen Edukon- Member Car Loan and Mortgage Committee Mr. Willy Napuyo is the chairperson of welfare committee of the Turkana County Assembly. He is the Member of County Assembly of Katilia Ward. He is the Loan committee member.</p>
<p>6.</p> 	<p>Mr.Lokawa Linus Miinyan – Clerk,TCA Mr.Linus Lokawa Miinyan is the first Clerk and accounting officer of Turkana County Assembly. He holds a Bachelor of Commerce Degree (Economics) from Masinde Muliro University. He is also the Secretary to CASB of Turkana County Assembly.</p>
<p>7.</p> 	<p>Mr. Francis Lochuch Ekai Mr. Francis Lochuch is the current Head of Directorate of Finance and Accounting Services at the Turkana County Assembly. He holds a bachelor of Business Administration, Finance option from KeMU University.</p>

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**







8.

Mr. Ngala Ekal Gilchrist

He is the current Fund Administrator of car Loan and Mortgage scheme. Currently he is the Assistant Director Budget at Turkana County Assembly. He holds a Bachelor of Commerce in Business Management from Daystar University.

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

4. Management Team

Name	Details of qualifications and experience
<p>1.</p> 	<p>Hon. Mathew Alany Lonyait- Chairperson Car Loan and Mortgage Committee Mr. Mathew Alany was appointed the chairperson of the Car Loan and Mortgage. Hon. Mathew Alany is the MCA of Kangatotha ward and is also the vice chairperson of CASB of Turkana County Assembly.</p>
<p>2.</p> 	<p>Mr. Lokawa Linus Miinya – Clerk, TCA Mr. Linus Lokawa Miinyan is the first Clerk Turkana County Assembly. He holds a Bachelor of Commerce Degree (Economics) from Masinde Muliro University. He is also the Secretary of the CASB of Turkana County Assembly.</p>
<p>3.</p> 	<p>Mr. Francis Lochuch Ekai Mr. Francis Lochuch is the current Head of Directorate of Finance and Accounting Services at the Turkana County Assembly. He holds a bachelor of Business Administration, Finance option from KeMU University.</p>
<p>4.</p> 	<p>Mr. Ngala Ekal Gilchrist He is the current Fund Administrator of car Loan and Mortgage scheme. He is the Principal Accountant at Turkana County Assembly. He holds a Bachelor of Commerce in Business Management from Daystar University.</p>

Board/Fund Chairperson's Report

On behalf of the Car Loan and Management committee I present the County Assembly of Turkana car loan and mortgage fund financial statements for the year ended 30th June 2025. The financial statements present the financial performance of the fund over the first phase of disbursement for financial year 2024/2025.

Board and Management Changes

The New committee reviewed and interrogated the adequacy and effectiveness of the fund's organogram in carrying out its mandate and made recommendations. The board carried out the assignment and made several recommendations key among them the automation of the fund's operations. The organization arrangement is expected to enhance efficiency in service delivery.

Review of performance

Income

The fund earned revenues amounting to Ksh. 2,824,368 from interests' income. This income was averagely achieved compared to the previous year. This income was low because most beneficiaries had already repaid back their loans with accumulative interests. The income also decreased due to implementation of the grant as directed by the government of Kenya.

Fund implementation process during the period was carried out as per the plan, with the coordinated efforts by all stakeholders. The performance was also attributed to a favourable opening cash balance of Ksh. 6,530,991 at the beginning the year.

Expenditures

The total expenditures during the period amounted to Ksh. 4,114,775 as employee costs and Finance costs

Future outlook

The outlook of the Fund for 2025/2026 looks brighter. The fund focuses in building a robust and sustainable fund with a motivated workforce and structures that enhance efficiency and effectiveness in the service delivery.

Appreciation

I take this opportunity to express my sincere gratitude and appreciation to the county government, County Assembly, development partners, stakeholders, management, staff and fellow trustees for their continued support which made us achieve these results.

I look forward to your continued support in the year 2025/2026

Name.....Mathew Alasy.....Signature.....[Handwritten Signature].....Date.....01/12/2025.....
Chairperson of the Board/Fund

Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund Annual Report and Financial Statements for the year ended June 30, 2025

5. Report of The Fund Administrator

It is my pleasure to present the car loan and Mortgage financial statements for the year ended 30th June 2025. The financial statements present the financial performance of the fund over the past year.

The fund was established on February 2014 and started with an initial amount of over Ksh 150 Million appropriated by the County Assembly in the Turkana County Appropriation (Amendment) Act, 2014. Since then, a total of over 140 loan beneficiaries have made borrowings amounting to more than Ksh 350 Million.

Financial Performance

a) Revenue

In the year ended 30th June 2025, the fund had projected interest income of ksh. 2,824,368 as revenues of the fund.

In the table below, we present an analysis of revenue performance during the year.

Revenue classification	Revenue budget (Ksh)	Actual (Ksh)	Realization (%)
Revenue	Ksh	Ksh	
Interest income	2,824,368	2,824,368	100%
Total income	2,824,368	2,824,368	100%

b) Loans

During the financial year 2024/2025, the fund disbursed loans to members bringing the total loan beneficiaries to date to more than 148 members. There was an decrease in disbursements of loans and the lowest recorded in a single financial year since the inception of the fund. This is due to the fact all members have benefited from the fund and they are now on the process of repaying back their loans.

c) Cash flows

In the FY 2024/2025, we have had many liquidity disruptions. This was as a result of consistent loan repayments from the administration. The cash and cash equivalents increased from Ksh, 6,530,991 as at 30th June 2024 to Ksh 19,505,598 as at 30th June 2025.

d) Conclusion

FY 2024/2025 was a good year in general. Good progress was made and the momentum has been created to enable County Assembly of Turkana car loan and Mortgage fund continue on a trajectory into prosperity. We have identified gaps and areas to improve on in the subsequent years.

Signed: 

Mr. Ngala Ekal Gilchrist
Fund Administrator

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

6. Statement of Performance Against the County Fund’s Predetermined Objectives

Introduction

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each County Government entity Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government entity’s performance against predetermined objectives.

The key development objectives of the Fund as per the strategic plan for 2018-2025 are to provide car loans and mortgage for honourable members of county assembly.

Below we provide the progress on attaining the stated objectives:

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Provision of Mortgage facilities to all Honourable Members of County Assembly	To ensure all Honourable Members of County Assembly have access to Mortgage facilities	% of Honourable Members of County Assembly taking Mortgage facilities	Number mortgages successfully applied	During FY 2024/2025 Honourable Members of County Assembly accessed the facility and were able build their own houses
Oversight and monitoring	Enhanced recoveries of the Honourable Members of County Assembly	Monthly recoveries	Increased ability of Honourable Members of County Assembly to pay loans	97% recoveries of the loan: 3 members had difficulty in payment
General Administration, Planning and Support Services	To cover all members of Honourable Members of County Assembly in terms of car loan and mortgage	Increase in total amount recovered	48 Honourable Members of County Assembly were provided with car loans and mortgage	A total of Ksh. 17,633,000 was disbursed during the year
Provision of Mortgage facilities to all Honourable Members of County Assembly	To ensure all Honourable Members of County Assembly have	% of staff taking Mortgage facilities	Number mortgages successfully applied	During FY 2024/2025 Honourable Members of County

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

	access to Mortgage facilities			Assembly accessed the facility and were able build their own houses
Provision of Mortgage facilities to all Honourable Members of County Assembly	To ensure all Honourable Members of County Assembly have access to Mortgage facilities	% of Honourable Members of County Assembly taking Mortgage facilities	Number mortgages successfully applied	During FY 2024/2025 Honourable Members of County Assembly accessed the facility and were able build their own houses

7. Corporate Governance Statement

The board of trustees shall be convening meetings at such times as may be necessary for the discharge of the committee's functions. The board of trustees also plays an oversight role over all other financial and operational issues. The trustees held eighteen board meetings during the FY 2024/2025.

The Board of Trustees

Scheme Fund Regulations, 2014 provides that the board of trustees shall be made up of nine trustees, including the chairman, and shall consist of a chairperson and eight other members. The board of trustees is responsible for the long-term strategic direction of the fund and recruitment of the Fund Administrator. The board of trustees exercises leadership, enterprise, integrity and judgment in directing the Fund.

The trustees are provided with full, appropriate and timely information that enables them to maintain full and effective control over the strategic, financial, operational and compliance issues. The day-to-day running of the operations of the fund is delegated to the fund administrator but the board of trustees is responsible for establishing and maintaining the fund's system of internal controls for the realization of its mandate of providing financial support for improved access to water and sanitation in areas without adequate services.

All members of the board of trustees have been taken through a comprehensive induction programme, and are adequately trained on their roles as board members. The trustees are professional, committed and guided by the mission, vision and core values of the Fund in execution of their duties. At the end of each financial year, the board, its committees, individual trustees and the Fund Administrator are evaluated by an independent body against targets agreed to at the beginning of the year.

Internal Control

The trustees are responsible for reviewing the effectiveness of the fund's system of internal control which is designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against unauthorized use or disposition and the maintenance of proper accounting records and the reliability of financial information used within the business or for publication. These controls are designed to manage rather than eliminate the risk of failure to achieve business objectives due to circumstances which may reasonably be foreseen and can only provide reasonable and not absolute assurance against material misstatement or loss.

Standing Instructions

The fund has a Code of Ethics and Service Charter that is applicable to all employees. These have a number of standing instructions to employees of the fund designed to enhance internal control.

Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund Annual Report and Financial Statements for the year ended June 30, 2025

Organization Structure

A clear organizational structure exists, detailing lines of authority and control responsibilities. The professionalism and competence of staff is maintained both through rigorous recruitment policies and a performance appraisal system which establishes targets, reinforces accountability and awareness of controls, and identifies appropriate training requirements. Training plans are prepared and implemented to ensure that staff develop and maintain the required skills to fulfil their responsibilities, and that the fund can meet its future management requirements.

Strategic Plan

The business of the fund is determined by the strategic plan. The strategic plan sets out the objectives of the fund, and the annual targets to be met to attain those objectives. The strategic plan is evaluated annually to assess the achievement of those objectives. The board on an annual basis approves the work plan supported by the financial plan for the year. Progress against the plan is monitored on a quarterly basis.

Management Team

The management team is headed by the clerk who implements the board decisions and policies through action plans. The team meets regularly to review these action plans to ensure that the board's objectives are achieved effectively and efficiently.

8. Management Discussion and Analysis

Introduction

The fund has continued to grow over the years and the management has put measures in place to safeguard against risks.

The fund's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Fund's overall risk management programme focuses on 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 Fund does not hedge any risks and has in place policies to ensure that credit is only extended to staff with an established credit history.

The management has ensured that we comply with statutory requirements relating to the functions of the fund and also making sure that statutory deductions are remitted on time to avoid incurring penalties and interests for non-compliance

BUSINESS PERFORMANCE

Revenue

The fund earned its revenue amounting to Ksh 2,824,368 from its income interest. The income interest was average enough because the fund was not disbursed fairly enough as the previous year.

The fund remained liquid throughout the year experiencing high liquidity towards the end of the financial year due to increased collections from members, and the county government. The fund is projecting increased support from the development partners as well as the county government.

Cash flow

In the FY 2024/2025, we have had increased in liquidity. This was as a result of frequent Loans top-up disbursements given to beneficiaries. The cash and cash equivalents increased from Ksh 6,530,991 as at 30th June 2024 to Ksh 19,505,598 as at 30th June 2025.

OPERATIONAL PERFORMANCE

The fund's core operating activity has been the offering car loans to members of the county assembly. The county assembly has supported the fund and increased collections from members have also added to the fund's better performance.

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

MANAGEMENT DISCUSSION AND ANALYSIS

Employees

Human capital is a critical ingredient towards ensuring realisation of our key strategic objectives and mandate. As our stakeholders increase their expectations, it is imperative to ensure adequate and motivated human resource capacity is available to provide services.

During the year, the fund reviewed its organization structure that resulted to growth of staff from two (2) to four (4) for increased efficiency and effectiveness to achieve the strategic objectives.

Conclusion

We appreciate the unrelenting support from the board of trustees, management, staff, the county government, development partners and all the key stakeholders. We look forward to the continued partnerships and cooperation in areas of mutual interest in the FY 2024/2025.

9. Environmental and Sustainability Reporting

The Turkana County Assembly Car Loan and Mortgage Scheme Fund for members is a revolving fund established pursuant to the Turkana County Assembly Car Loan and scheme Fund regulations, 2014. Its mandate is to provide car loans to members of staff. The fund is committed to ensuring compliance with regulatory and supervisory corporate governance requirements. Essential to the establishment of a corporate governance framework in the fund is a formal governance structure with the board of trustees at its apex. The operations of the fund are governed by a Turkana County Assembly Car Loan and Mortgage Scheme Fund Regulations, 2014. The structure is designed to ensure an informed decision making process based on accurate reporting to the board.

Turkana County Assembly exists to transform lives through proper legislation, oversight and community representation. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, below is a brief highlight of our achievements in each pillar

i) Employee welfare

The County Assembly Service Board has been using the County human resource manual and the schemes of services developed as per public service commission guidelines. The County Assembly has exposed some of the staff to refresher and on job trainings to improve skills and competence. CASB has a scheme of rewarding best performance through issuance of letters of appreciation and award of trophies to best performing departments.

The County Assembly is in the process of developing occupational and safety policy, however the county assembly is in compliance with MOH national framework on health safety.

ii) Marketplace practices-

a) Responsible competition practice.

The suppliers are competitively sourced and invitations are made in national newspapers with wider circulation.

b) Responsible Supply chain and supplier relations

The County Assembly has embraced e-procurement platform, where all the suppliers are registered and given fair opportunity to compete.

c) Responsible marketing and advertisement

Once the suppliers have been delivered the payment process commences through IFMIS, which ensures that suppliers are paid on time and government taxes are withheld and remitted.

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

d) Product stewardship

Once the suppliers have been delivered the payment process commences through IFMIS, which ensures that suppliers are paid on time and government taxes are withheld and remitted.

iii) Corporate Social Responsibility / Community Engagements

The Turkana County Assembly Car Loan and Mortgage Scheme Fund is a revolving fund established pursuant to the Turkana County Assembly Car Loan and scheme Fund regulations, 2014. Its mandate is to provide car loans to members of staff. The fund is committed to ensuring compliance with regulatory and supervisory corporate governance requirements. Essential to the establishment of a corporate governance framework in the fund is a formal governance structure with the board of trustees at its apex. The operations of the fund are governed by a Turkana County Assembly Car Loan and Mortgage Scheme Fund Regulations, 2014. The structure is designed to ensure an informed decision making process based on accurate reporting to the board.

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

10. Report of The Trustees

The Trustees submit their report together with the audited financial statements for the year ended June 30, 2025 which show the state of the Fund affairs.

Principal activities

The principal activity of the Fund is to provide financing to the members of the county assembly to purchase cars and houses for personal use.

Results

The results of the Fund for the year ended June 30, 2025 are set out on page 1 to 7

Trustees

The members of the Board of Trustees who served during the year are shown on page vii to xi
The changes in the Board during the financial year are as shown below:

Auditors

The Auditor-General is responsible for the statutory audit of the fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act by Order of the Board


.....

Chair of the Board/Fund Administration Committee

Date: 01/12/2025

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

11. Statement of Management’s Responsibilities

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Fund established by Turkana County Appropriation (Amendment) Act, 2014 and 2023 shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator of the County Public Fund is responsible for the preparation and presentation of the Fund’s financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund; (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 Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

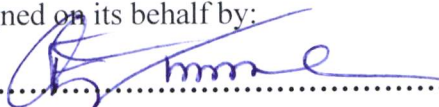
The Administrator of the County Public Fund accepts responsibility for the Fund’s financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and County Appropriation (Amendment) Act, 2014 and 2023). The Administrator of the Fund is of the opinion that the Fund’s financial statements give a true and fair view of the state of Fund’s transactions during the financial year ended June 30, 2025, and of the Fund’s financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund’s financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Administrator of the County Public Fund has assessed the Fund’s ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements. OR

Nothing has come to the attention of the Administrator to indicate that the Fund 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 Fund’s financial statements were approved by the Board on 1/12/ 2025 and signed on its behalf by:

.....


Administrator of the County Public Fund

REPUBLIC OF KENYA

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



Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON TURKANA COUNTY ASSEMBLY (MEMBERS) CAR AND MORTGAGE FUND FOR THE YEAR ENDED 30 JUNE, 2025

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.

An Unmodified Opinion is issued when the Auditor-General concludes that 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 aim to address the Auditor-General's statutory roles and responsibilities 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

Opinion

I have audited the accompanying financial statements of Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund set out on pages 1 to 42, which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial

Report of the Auditor-General on Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund for the year ended 30 June, 2025

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, the financial statements present fairly, in all material respects, the financial position of Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis)] and comply with the Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund Regulations, 2023, and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund 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 my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matters

In the prior year's audit report, several issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources. Review of the status during audit of the Fund in 2024/2025 revealed that the following matters remained unresolved.

	Financial Year	Audit Issue
1	2023/2024	Fund administration expenses beyond the 3% of the approved Budget
2	2023/2024	Long outstanding loans

Other Information

The Management is responsible for the Other Information set out on page iii to xxii which comprise of Key Entity Information and Management, Fund Administration Committee, Management Team, Fund Chairman's Report, Report of The Fund Administrator,

Statement of Performance Against County Fund's Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Report of the Trustees, and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the 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. Un-Remitted Member's Loan Repayment Deductions

The statement of financial position reflects a cash and cash equivalents balance of Kshs.19,505,598 as disclosed in Note 17 to the financial statements. The bank reconciliation statement for June 2025 reflected receipts in cashbook not in bank statement amounting to Kshs.17,188,804. The schedule comprised of members' loan repayment deductions that had not been remitted by the County Assembly, as summarized below;

Details	Month	Amount (Kshs)
Loan Repayment	May 2024	3,226,936
Loan Repayment	June 2024	3,226,936
Loan Repayment	July 2024	3,288,996
Loan Repayment	November 2024	3,629,309
Loan Repayment	May 2025	673,395
Loan Repayment	June 2025	3,143,232
Total		17,188,804

Review of subsequent bank statements and reconciliation records revealed that these receipts remained uncredited as at the time of audit in October, 2025. The prolonged delay in remittance raises concerns regarding the recoverability of these funds.

In the circumstances, these receipts may not be recovered, and the objectives of the Fund may not be achieved.

2. Delays in Refunding Internal Borrowings

The statement of financial position reflects current portion of long – term receivables from non-exchange transactions amount of Kshs.240,074,454 as detailed in Note 18 to the financial statements. Review of the ledger revealed that the funds relate to borrowing by the County Assembly over the years which has since not been refunded to the Fund.

In the circumstances, recoverability of current portion of long – term receivables from non-exchange transactions amount of Kshs.240,074,454 could not be confirmed.

3. Non – Performing Loans

The statement of financial position reflects long-term receivables from exchange transactions amount of Kshs.119,808,507 as disclosed in Note 18 to the financial statements. However, review of the amortization schedule revealed that one beneficiary whose outstanding loan balance as at the time of audit in October, 2025 was Kshs.1,392,431 has defaulted on the loan repayment for ten (10) months. This is contrary to Regulation 21 of the Public Finance Management (Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund) Regulations, 2023 which requires that a loan granted under these Regulations shall be fully repaid at the end of the term of that service.

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

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

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on the 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

Lack of Internal Audit Review on the Operations of the Fund

Review of the operations of the Fund revealed that no internal audit had been undertaken during the year under review. This was contrary to Section 155(1) of the Public Finance Management Act, 2012 which requires that every County Government Entity shall have appropriate arrangements for conducting internal audit according to the guidelines issued by the Accounting Standards Board.

In the circumstances, the Fund did not benefit from the oversight and assurance of the audit function.

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

Responsibilities of the Management and the Board of Management

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

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

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

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

The Board of Management is responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and

systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

10 December, 2025

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

13. Statement of Financial Performance for the Year Ended 30th June 2025

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Revenue From Non-Exchange Transactions			
Public Contributions and Donations	6	-	-
Transfers From the County Government	7	-	-
Fines, Penalties and Other Levies	8	-	-
		-	-
Revenue From Exchange Transactions			
Interest Income	9	2,824,368	3,504,442
Other Income	10	-	-
		-	-
Total Revenue		2,824,368	3,504,442
Expenses			
Employee Costs	11	-	-
Use of goods and services	12	4,103,158	1,836,035
Depreciation and Amortization Expense	13	-	-
Finance Costs	14	11,617	1,560
Total Expenses		4,114,775	1,837,595
Other Gains/Losses			
Gain/Loss on Disposal of Assets	15	-	-
Gain /Loss on fair value of investments	16	-	-
Surplus/(Deficit) for the Period		(1,290,407)	1,666,847

(The notes set out on pages 1 to 40 form an integral part of these Financial Statements)

.....
Name: *Ngara Ekau Gichrist*
Administrator of the Fund

.....
Name: *Francis Lechner*
Fund Accountant
ICPAK Member Number:

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

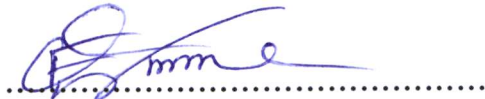
14. Statement of Financial Position As at 30 June 2025

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	17	19,505,598	6,530,991
Current Portion of Long- Term Receivables from Non-Exchange Transactions	18	240,074,454	235,874,454
Prepayments	19	-	-
Inventories	20	-	-
Investments in financial assets	21	-	-
Total current assets		259,580,052	242,405,445
Non-Current Assets			
Property, Plant and Equipment	22	-	-
Intangible Assets	23	-	-
Long Term Receivables from Exchange Transactions	18	116,902,656	135,367,670
Investment Property	24	-	-
Total non- current assets		116,367,670	135,367,670
Total Assets (A)		376,482,708	377,773,115
Liabilities			
Current Liabilities			
Trade and Other Payables from Exchange Transactions	25	-	-
Current Provisions	26	-	-
Current Portion of Borrowings	27	-	-
Employee Benefit Obligations	28	-	-
Social benefit liabilities	29	-	-
Total current liabilities		-	-
Non-Current Liabilities			
Non-Current Provisions	26	-	-
Long Term Portion of Borrowings	27	-	-
Non-Current Employee Benefit Obligation	28	-	-
Social benefit liabilities	29	-	-

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Total Liabilities (B)		-	-
Net Assets (A-B)		-	-
Represented By:			
Reserves			
Revolving Fund		369,120,445	369,120,445
surplus/Deficit for the period		(1,290,407)	1,666,847
Accumulated Surplus		8,652,669	6,985,823
Net Assets		376,482,708	377,773,115

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 1/12/ 2025 and signed by:



Name: NGALA EKAL GILBERT
Administrator of the Fund



Name: Francis Lechel
Fund Accountant
ICPAK Member Number:

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

15. Statement of Changes in Net Assets for the year ended 30th June 2025

Description	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
		Kshs	Kshs	Kshs
Balance As At 1 July,2023	369,120,445		6,985,823	377,773,115
Surplus/(Deficit) For the Period	-	-	1,666,847	-
Funds Received During the Year	-	-		-
Transfers	-		(-)	
Revaluation Gain	-	-	-	-
Balance As At 30 June 2024	369,120,445		8,652,670	377,773,115
Balance As At 1 July 2024	369,120,445		8,652,670	377,773,115
Surplus/(Deficit) For the Period		-	(1,290,407)	(1,290,407)
Funds Received During the Year	-	-	-	-
Transfers	-		(-)	
Revaluation Gain	-	-	-	-
Balance As At 30 June 2025	369,120,445	-	7,362,263	376,482,708

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

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

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Public contributions and donations		-	-
Transfers from the county government		-	-
Interest received		2,824,368	3,504,442
Receipts from other operating activities		-	-
Total receipts		2,824,368	3,504,442
Payments			
Fund administration expenses		(4,103,158)	(1,836,035)
General expenses		-	-
Finance cost		11,617	(1,800)
Other payments		-	-
		4,114,775	1,837,595
Net cash flows from operating activities	30	(1,290,407)	1,666,847
Cash flows from investing activities			
Purchase of property, plant, equipment and Intangible assets		(-)	(-)
Proceeds from sale of property, plant & equipment		-	-
Proceeds from loan principal repayments		36,973,747	31,812,543
Loan disbursements paid out		(17,633,007)	(26,255,000)
Net cash flows used in investing activities		19,340,740	5,557,543
Cash flows from financing activities			
Proceeds from borrowing of cash inflow		(875,726)	(4,216,239)
Additional borrowings to TCA staff Car Loan		(4,200,000)	-
Repayment of borrowings		(-)	(-)
Net cash flows used in financing activities		(5,075,726)	(4,216,239)
Net increase/(decrease) in cash & cash Equivalents		12,974,607	3,008,151
Cash and cash equivalents at 1 July	17	6,530,991	3,522,840
Cash and cash equivalents at 30 June	17	19,505,598	6,530,991

17. Statement Of Comparison Of Budget And Actual Amounts For The Period 2025

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	C=(a+b)	D	e=(c-d)	f=d/c*100
Budget carryovers from the previous year*	-	-	-	-	-	-
Receipts						
Public Contributions and Donations	-	(-)	-	-	(-)	-
Transfers From County Govt.						
Interest Income	2,824,368	-	2,824,368	2,824,368	(-)	100%
Other Income	-	-	-	-	-	-
Total Income	2,824,368	(-)	2,824,368	2,824,368	(-)	100%
Expenses						
Fund Administration Expenses	4,103,158	-	4,103,158	4,103,158	(-)	-
General Expenses	-	(-)	-	-	(-)	100%
Finance Cost	11,617	(-)	11,617	11,617	(-)	100%
Total Expenditure	4,114,775	(-)	4,114,775	4,114,775	(-)	100%
Capital expenditure	-	-	-	-	-	
Surplus For the Period	(1,290,407)	-	(1,290,407)	(1,290,407)	-	100%

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

Budget notes

1. Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (IPSAS 24.14)
2. Provide an explanation of changes between original and final budget indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	A
1	Reason for differences	-
2	Reason for differences	-
3	Reason for differences	-
4	Reason for differences	-
	Closing Cash and Cash Equivalent as per the statement of Cash flows	-

18. Notes to the Financial Statements

Significant Accounting Policies

1. General Information

Turkana county Assembly car Loan and Mortgage fund entity is established by and derives its authority and accountability from Turkana County Assembly (Members) scheme Fund regulations, 2014 and 2023 act. The Entity is wholly owned by Turkana County Assembly and is domiciled in Kenya. The entity's principal activity is to provide financing to the members of the county assembly to purchase cars and houses for personal use.

2. Statement of compliance and basis of preparation

The Fund's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Fund. The accounting policies have been consistently applied to all the years presented. The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

3. Adoption of new and revised standards

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

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

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

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

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

Discontinued Operations	depreciation of such assets to cease and: 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.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value.
IPSAS 47: Revenue	<i>Applicable 1st January 2026</i> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48: Transfer Expenses	<i>Applicable 1st January 2026</i> The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

	transfers on accounting for such transfers.
IPSAS 49: Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

(i) Early adoption of standards

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

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

4. Summary of Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably.

ii. Revenue from exchange transactions

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 each period.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the Entity'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.

b) Budget information

The original budget for FY 2024/2025 was approved by the County Assembly on 23/6/2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Fund recorded additional appropriations on the FY 2024/2025 budget following the governing body's approval.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

Summary of Significant Accounting Policies (Continued)

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 cash flows has been presented.

c) Property, plant and equipment

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

a) 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.

b) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition.

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

Summary of Significant Accounting Policies (Continued)

c) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification of financial assets

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

Subsequent measurement

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

Summary of Significant Accounting Policies (Continued)

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
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Summary of Significant Accounting Policies (Continued)

Financial liabilities

Classification

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

d) Inventories

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

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

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

After initial recognition, inventory is measured at the lower of 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 of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

e) Provisions

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

f) Social Benefits

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

Summary of Significant Accounting Policies (Continued)

g) Contingent liabilities

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

Contingent assets

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

h) Nature and purpose of reserves

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

i) Changes in accounting policies and estimates

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

j) Employee benefits – Retirement benefit plans

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

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

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

Summary of Significant Accounting Policies (Continued)

k) 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.

l) 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.

m) Related parties

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

n) 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.

o) Comparative figures

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

Summary of Significant Accounting Policies (Continued)

5. Significant judgments and sources of estimation uncertainty

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

State all judgements, estimates and assumptions made e.g.

a) Estimates and assumptions –

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

b) Useful lives and residual values

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

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

c) Provisions

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

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

(Include provisions applicable for your organisation e.g provision for bad debts, provisions of obsolete stocks and how management estimates these provisions)

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
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Notes To the Financial Statements Continued

6. Public contributions and donations

Description	2024-2025	2023-2024
	Kshs	Kshs
Donation From Development Partners	-	-
Contributions From the Public	-	-
Total	-	-

7. Transfers from County Government

Description	2024-2025	2023-2024
	Kshs	Kshs
Transfers From County Govt. –Operations	-	-
Payments By County On Behalf Of The Entity	-	-
Unconditional Development grants	-	-
Total	-	-

8. Fines, penalties and other levies

Description	2024-2025	2023-2024
	Kshs	Kshs
Late Payment Penalties	-	-
Fines	-	-
Total	-	-

9. Interest income

Description	2024-2025	2023-2024
	Kshs	Kshs
Interest Income from Mortgage Loans	2,824,368	3,504,442
Interest Income From Car Loans	-	-
Interest Income From Investments in financial assets	-	-
Interest Income On Bank Deposits	-	-
Total Interest Income	2,824,368	3,504,442

(Provide brief explanation for this revenue)

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
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10. Other income

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Insurance Recoveries	-	-
Income from Sale of Tender Documents	-	-
Bad debts recovered	-	-
Miscellaneous Income	-	-
Total Other Income	-	-

11. Employee Costs

Description	2024-2025	2023-2024
	Kshs	Kshs
Salaries And Wages	-	-
Staff Gratuity	-	-
Staff Training Expenses	-	-
Social Security Contribution	-	-
Other (<i>Specify</i>)	-	-
Total	-	-

12. Use of Goods and Services

Description	2024-2025	2023-2024
	Kshs.	Kshs.
General Office Expenses	-	-
Loan Processing Costs	-	-
Professional Services Costs	-	-
Administration Fees	-	-
Committee Allowances	-	-
Bank Charges	-	-
Electricity And Water Expenses	-	-
Fuel And Oil Costs	-	-
Insurance Costs	-	-
Postage And Courier	-	-
Printing And Stationery	-	-
Rental Costs	-	-
Security Costs	-	-
Telephone And Communication Expenses	-	-

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
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Description	2024-2025	2023-2024
	Kshs.	Kshs.
Bank Charges	-	-
Travel, Subsistence & Other Allowances*	4,103,158	1,836,035
Audit Fees	-	-
Provision For Doubtful Debts	-	-
Other (<i>Specify</i>)	-	-
Social benefit expenses*	-	-
Total	4,103,158	1,836,035

13. Depreciation and Amortization Expenses

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Property Plant and Equipment	-	-
Intangible Assets	-	-
Total	-	-

14. Finance costs

Description	2024-2025	2023-2024
	Kshs	Kshs
Interest On Bank Overdrafts	-	-
Interest On Loans From Banks	11,617	1550
Total	11,617	1,550

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

15. Gain/(loss) on disposal of assets

Description	2024-2025	2023-2024
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
Total	-	-

16. Gain/ (loss) on Fair Value Investments

Description	2024-2025	2023-2024
	Kshs	Kshs
Investments at Fair Value- Equity investments	-	-
Fair value – Investment property	-	-
Fair value- other financial assets (specify)	-	-
Total Gain	-	-

17. Cash and cash equivalents

Description	2024-2025	2023-2024
	Kshs	Kshs
Turkana County Assembly Car Loan and Mortgage Account	19,505,598	6,530,991
Fixed Deposits Account	-	-
On – Call Deposits	-	-
Current Account	-	-
Others	-	-
Total Cash and Cash Equivalents	19,505,598	6,530,991

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

Detailed analysis of the cash and cash equivalents are as follows:

Financial Institution	Account number	2024-2025	2023-2024
		Kshs	Kshs
a) Bank Balances			
Co-operative Bank of Kenya Lodwar br.	01141591530500	19,505,598	6,530,991
Bank B		-	-
Sub- Total		19,505,598	6,530,991
b) On - Call Deposits			
Kenya Commercial Bank		-	-
Equity Bank - Etc.		-	-
Sub- Total		-	-
c) Current Account			
Kenya Commercial Bank		-	-
Bank B		-	-
Sub- Total		-	-
d) Others(Specify)			
Cash In Transit		-	-
Cash In Hand		-	-
Sub- Total		-	-
Grand Total		19,505,598	6,530,991

18. Receivables from exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Receivables		
Interest Receivable	-	-
Current Loan Repayments Due	240,074,453	235,874,454
Other Exchange Debtors	-	-
Less: Impairment Allowance	(-)	(-)
Total Current Receivables	240,074,453	235,874,454
Non-Current Receivables		
Long Term Loan Repayments Due	116,902,656	135,367,670
Total Non- Current Receivables	116,902,656	135,367,670
Total Receivables From Exchange Transactions	-	-

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
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Additional disclosure on interest receivable

Description	2024-2025	2023-2024
	Kshs	Kshs
Interest Receivable		
Interest receivable from current portion of long-term loans of previous years	-	-
Accrued interest receivable from of long-term loans of previous years	-	-
Interest receivable from current portion of long-term loans issued in the current year	-	-
Current loan repayments due	-	-
Current portion of long-term loans from previous years	-	-
Accrued principal from long-terms loans from previous periods	-	-
Current portion of long-term loans issued in the current year	-	-

19. Prepayments

Description	2024-2025	2023-2024
	Kshs	Kshs
Prepaid Rent	-	-
Prepaid Insurance	-	-
Prepaid Electricity Costs	-	-
Other Prepayments (<i>Specify</i>)	-	-
Total	-	-

20. Inventories

Description	2024-2025	2023-2024
	Kshs	Kshs
Consumable Stores	-	-
Spare Parts And Meters	-	-
Catering	-	-
Other Inventories (<i>Specify</i>)	-	-
Total Inventories	-	-

Detailed disclosure on inventories

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
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	2024-2025	2023-2024
Opening balance	-	-
Additional Inventory in the year	-	-
Inventory expensed in the year	-	-
Write-downs in the year	-	-
Others specify	-	-
Closing balance	-	-

21. Investments in financial assets

Description	2024-2025	2023-2024
	Kshs	Kshs
a. Investment in Treasury bills and bonds		
Financial institution		
CBK	-	-
CBK	-	-
Sub- total	-	-
b. Investment with Financial Institutions/ Banks		
Bank x	-	-
Bank y	-	-
Sub- total	-	-
c. Equity investments (specify)		
Equity/ shares in Entity	-	-
Sub- total	-	-
Grand total	-	-

Movement of Equity Investments

Impairment allowance/ provision	2024-2025	2023-2024
	Kshs	Kshs
At the beginning of the year	-	-
Purchase of investments in the year	-	-
Sale of investments during the year	(-)	(-)
Gain/(loss) in fair value of investments through surplus or deficit	-	-
At the end of the year	-	-

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
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e) Shareholding in other entities

For investments in equity share listed above, list down the equity investments under the following categories:

Name of Entity where investment is held	No of shares			Nominal value of shares	Fair value of shares	Fair value of shares
	Direct shareholding	Indirect shareholding	Effective shareholding		Current year	Prior year
	%	%	%	Kshs	Kshs	Kshs
Entity A	-	-	-	-	-	-
Entity B	-	-	-	-	-	-
Entity C	-	-	-	-	-	-
	-	-	-	-	-	-

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
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22. Property, plant, and equipment

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Rate		%	%	%	%	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1st July (Previous FY)	-	-	-	-	-	-
Additions	-	-	-	-	-	-
Disposals	(-)	(-)	(-)	-	-	(-)
Transfers/Adjustments	-	-	(-)	-	(-)	(-)
Revaluation Adjustments	-	-	-	-	-	-
At 30th June (Previous FY)	-	-	-	-	-	-
At 1st July (Current FY)						
Additions	-	-	-	-	-	-
Disposals	(-)	(-)	-	-	-	(-)
Transfer/Adjustments	(-)	(-)	-	-	(-)	(-)
Revaluation Adjustments	-	-	-	-	-	-
At 30th June (Current FY)	-	-	-	-	-	-
Depreciation And Impairment						
At 1st July (Previous FY)	(-)	(-)	(-)	(-)	(-)	(-)
Depreciation	(-)	(-)	(-)	(-)	(-)	(-)
Impairment	(-)	(-)	-	-	-	(-)
At 30th June (Previous FY)	-	-	-	-	-	(-)
At 1st July (Current FY)						
Depreciation	(-)	(-)	(-)	(-)	-	(-)
Impairment	(-)	(-)	(-)	-	-	(-)
At 30th June (Current FY)	-	-	-	-	-	-
Net Book Values						
At 30th June (Previous FY)	-	-	-	-	-	-
At 30th June (Current FY)	-	-	-	-	-	-
	-					

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
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23. Intangible assets

Description	2024-2025	2023-2024
	Kshs	Kshs
Cost		
At Beginning of The Year	-	-
Additions	-	-
At End of The Year	-	-
Amortization And Impairment		
At Beginning of The Year	-	-
Amortization	-	-
At End of The Year	-	-
Impairment Loss	-	-
At End of The Year	-	-
NBV	-	-

24. Investment Property

Description	2024-2025	2023-2024
	Kshs	Kshs
At beginning of the year	-	-
Additions	-	-
Disposal during the year	-	-
Depreciation	-	-
Impairment	-	-
Gain/(loss) in fair value (if fair value is elected)	-	-
At end of the year	-	-

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
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25. Trade and other payables from exchange transactions

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Trade Payables	-		-	
Refundable Deposits	-		-	
Accrued Expenses	-		-	
Other Payables	-		-	
Total Trade and Other Payables	-		-	
Ageing analysis (Trade and other payables)	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	-		-	

(NB: Amount under deposits and retentions should tie to cash held in deposit account)

26. Provisions

Description	Leave provision	Gratuity Provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs
Balance b/f	-	-	-	-
Additional provisions	-	-	-	-
Provision utilised	(-)	(-)	(-)	(-)
Change due to discount and time value for money	(-)	(-)	(-)	(-)
Total provisions year end	-	-	-	-
Current Provisions	-	-	-	-
Non-Current Provisions	-	-	-	-

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
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27. Borrowings

Description	2024-2025	2023-2024
	Kshs	Kshs
Balance At Beginning of The Period	-	-
External Borrowings During the Year	-	-
Domestic Borrowings During the Year	-	-
Repayments of External Borrowings During the Period	(-)	(-)
Repayments of Domestic Borrowings During the Period	(-)	(-)
Balance At End of The Period	-	-

The table below shows the classification of borrowings into external and domestic borrowings:

Description	2024-2025	2023-2024
	Kshs	Kshs
External Borrowings		
Dollar Denominated Loan From 'X Organization'	-	-
Sterling Pound Denominated Loan From 'Y Organization'	-	-
Euro Denominated Loan from Z Organization'	-	-
Domestic Borrowings	-	-
Kenya Shilling Loan From KCB	-	-
Kenya Shilling Loan from Barclays Bank	-	-
Kenya Shilling Loan from Consolidated Bank	-	-
Borrowings From Other Government Institutions	-	-
Total Balance at End of The Year	-	-

The table below shows the classification of borrowings long-term and current borrowings:

Description	2024-2025	2023-2024
	Kshs	Kshs
Short Term Borrowings (Current Portion)	-	-
Long Term Borrowings	-	-
Total	-	-

(NB: the total of this statement should tie to note 22 totals. Current portion of borrowings are those borrowings that are payable within one year or the next financial year. Additional disclosures on terms of borrowings, nature of borrowings, security and interest rates should be disclosed). Borrowings should be measured at amortised cost as per IPSAS 41)

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

28. Employee benefit obligations

Description	Defined benefit plan	Post employment medical benefits	Other Provisions	2024/2025	2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
Total	-	-	-	-	-

29. Social Benefit Liabilities

Description	2024-2025	2023-2024
	Kshs	Kshs
Health social benefit scheme	-	-
Unemployment social benefit scheme	-	-
Orphaned and vulnerable benefit scheme	-	-
Elderly social benefit scheme	-	-
Bursary social benefits	-	-
Total	-	-
Current social benefits	-	-
Non- current social benefits	-	-
Total (tie to totals above)	-	-

Social benefit schemes include benefits such as cash transfers for unemployment or elderly in line with IPSAS 42. They are incurred to mitigate against a certain social risk e.g poverty, age, unemployment among others.

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
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30. Cash generated from operations.

Description	2024-2025	2023-2024
	Kshs	Kshs
Surplus/ (Deficit) For the Year Before Tax	-	-
Adjusted For:		
Depreciation	-	-
Amortization	-	-
Gains/ Losses On Disposal Of Assets	(-)	(-)
Interest Income	(-)	(-)
Finance Cost	-	-
Working Capital Adjustments		
Increase In Inventory	(-)	(-)
Increase In Receivables	(-)	(-)
Increase In Payables	-	-
Net Cash Flow From Operating Activities	-	-

(The total of this statement should tie to the cash flow section on net cash flows from operating activities)

**Turkana County Assembly Car Loan and Mortgage (Members) Scheme Fund
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31. Related party balances

a) Nature of related party relationships

Entities and other parties related to the Fund include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members. The fund/scheme is related to the following entities:

- a) The County Government;
- b) The Parent County Government Ministry;
- c) Key management;
- d) Board of Trustees; etc.

b) Related party transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Transfers From Related Parties'	-	-
Transfers To Related Parties	-	-

c) Key management remuneration

Description	2024-2025	2023-2024
	Kshs	Kshs
Board Of Trustees	-	-
Key Management Compensation	-	-
Total	-	-

d) Due from related parties

Description	2024-2025	2023-2024
	Kshs	Kshs
Due From Parent Ministry	-	-
Due From County Government	-	-
Total	-	-

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Other Disclosures Continued

e) Due to related parties

Description	2024-2025	2023-2024
	Kshs	Kshs
Due To Parent Ministry	-	-
Due To County Government	-	-
Due To Key Management Personnel	-	-
Total	-	-

32. Contingent assets and contingent liabilities

Contingent Liabilities	2024-2025	2023-2024
	Kshs	Kshs
Court Case Xxx Against the Fund	-	-
Bank Guarantees	-	-
Total	-	-

(Give details)

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33. Financial risk management

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

a) Credit risk

The Fund 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 entity's management based on prior experience and their assessment of the current economic environment. The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2022				
Receivables From Exchange Transactions	116,902,656	-	116,902,656	116,902,656
Receivables From Non-Exchange Transactions	240,074,453	-	240,074,453	240,074,453
Bank Balances	19,505,598	-	19,505,598	19,505,598
Total	376,482,708	-	376,482,708	376,482,708
At 30 June 2021				
Receivables From Exchange Transactions	135,367,670	-	135,659,237	135,659,237
Receivables From Non-Exchange Transactions	235,878,195	-	235,878,195	235,878,195
Bank Balances	6,530,990	-	6,530,990	6,530,990
Total	377,773,115	-	377,773,115	377,773,115

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

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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 entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The entity has significant concentration of credit risk on amounts due from repayments.

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

b) Liquidity risk management

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June (Current FY)				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-
At 30 June (Comparative FY)				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-

c) Market risk

The board has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

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Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The Fund's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

i. Foreign currency risk

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

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

Description		Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June (Current FY)			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors/ Receivables			
Liabilities			
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

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

Foreign currency sensitivity analysis

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

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Description	Change in currency rate	Effect on surplus/ deficit	Effect on Equity
	Kshs	Kshs	Kshs
(Current FY)			
Euro	0%	-	-
USD	0%	-	-
(Comparative FY)			
Euro	0%	-	-
USD	0%	-	-

ii. Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

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d) Capital risk management.

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

Description	2024/2025	2023/2024
	Kshs	Kshs
Reserves		
Revolving Fund	369,120,445	369,120,445
surplus/Deficit for the period	(1,290,407)	1,666,847
Accumulated Surplus	8,652,669	6,985,823
Total funds	376,482,708	377,773,115
		-
Total borrowings	-	-
Less: cash and bank balances	(19,505,598)	(6,530,990)
Net debt/(excess cash and cash equivalents)	19,505,598	6,530,990
Gearing	10%	10%

34. Events after the reporting period

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

35. Ultimate and Holding Entity

The entity is a County Public Fund established by Turkana County Appropriation (Amendment) Act, 2014 and 2023 under the Ministry of Devolution. Its ultimate parent is the County Assembly of Turkana.

36. Currency

The financial statements are presented in Kenya Shillings (Kshs)

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19. Annexes

Annex I: Progress on Follow Up Of Prior Year Auditor’s Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

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)
OAG/KTL-RO/2023-2024-TCASCL/(2)	Fund administration expenses	The management of the fund has noted the administration costs to be above required approvals. The management of the fund will ensure the administration costs will utilized as per section 197 (1) (d) of Public Finance Management (County Government) Regulations, 2015 which requires that fund administration costs of county public Fund to be at a maximum of three (3%) percent of the approved budgets of the Fund. The management shall make sure strong internal controls are put in place by upholding the law and making sure that the expenditure is within the three (3 %) percent of the approved budget for the fund.	Not resolved	July 1- December 30 2025
OAG/KTL-RO/2023-2024-	Outstanding borrowings from the Fund	The management of the fund has noted the administration costs to	Not resolved	July 1 – December 2025

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
TCASCL/(2)	by the County Assembly Service Board.	be above required approvals. The management of the fund will ensure the administration costs will utilized as per section 197 (1) (d) of Public Finance Management (County Government) Regulations, 2015 which requires that fund administration costs of county public Fund to be at a maximum of three (3%) percent of the approved budgets of the Fund. The management shall make sure strong internal controls are put in place by upholding the law and making sure that the expenditure is within the three (3 %) percent of the approved budget for the fund.		
OAG/KTL-RO/2023-2024-TCASCL/(2)	Long Outstanding Loans	The management has noted the outstanding amount of Kshs.20,029,648 is in respect to three beneficiaries who are beyond the five years loan period provided by the establishing Act and Regulations. The		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		management of the fund will put mechanisms in place to ensure outstanding loans beyond the stipulated times are recovered. One beneficiary of the outstanding loans has already started to remit the arrears on monthly		
OAG/KTL-RO/2023-2024-TCASCL/(2)	Misstatement of long-term receivables from exchange transactions	The management of the fund has noted the misstatement of long-term receivables from exchange transactions. The correct representation of long term receivables has been corrected in the financial statements. See annex 1(Long term receivables from exchange transactions)	Resolved	July 2025

Date.....1/12/2025

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Annex II: Inter-Fund Confirmation Letter
[Insert your Letterhead]

The Turkana County Assembly Car Loan and Mortgage wishes to confirm the amounts disbursed to you as at 30th June 2025 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 [Insert name of beneficiary Fund] as at 30 th June 2025							
Reference Number	Date Disbursed	Amounts Disbursed by [CC/SAGA/Fund] (Kshs) as at 30 th June 2025				Amount Received by [beneficiary Fund] (KShs) as at 30 th June 2025 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
Total							

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

Head of Accountants department of beneficiary Fund:

Name SignDate

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Annex III: Reporting of Climate Relevant Expenditures

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

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Annex IV: Reporting on Disaster Management Expenditure

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