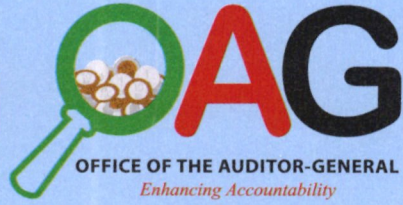
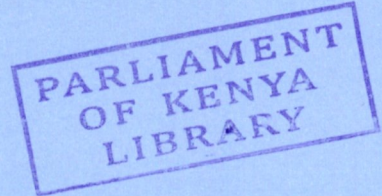


REPUBLIC OF KENYA



REPORT



OF

THE AUDITOR-GENERAL

ON

**TURKANA COUNTY COVID-19
EMERGENCY RESPONSE FUND**

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

PAPERS LAID	
DATE	26/11/25
TABLED BY	S.M.h
COMMITTEE	-
CLERK AT THE TABLE	Belinda



**TURKANA COUNTY
COVID-19 EMERGENCY RESPONSE FUND
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2025**

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

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

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**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

1. Acronyms and Definition of Key Terms

a) Acronyms

CECM	County Executive Committee Member
CIDP	County Integrated Development Plan
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
Kshs	Kenya Shillings
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

2. Key Entity Information and Management

a) Background information

The Turkana County Covid-19 Emergency Response Fund is established by and derives its authority and accountability from Public Finance Management (Turkana County Covid-19 Emergency Response Fund) Regulations, 2020. The Fund is wholly owned by the County Government of Turkana and is domiciled in Kenya.

The fund's objective is to mobilize resources for emergency response towards containing the spread, effect and impact of Covid-19 pandemic within Turkana County

b) Principal Activities

The principal mandate of the Fund is to Support programmes and initiatives towards cushioning and provision of emergency relief to the most vulnerable, older and poor persons in urban informal settlements and rural poor nomadic pastoralists communities

c) Fund Administration Committee

Ref	Name	Position
1	Rev. Samson Eturote	Chairman of the Board
2	Mr. Robert Lotaruk	Fund Administrator
3	Mrs. Catherin Epur	Member
4	Mr. David Ekod	Member
5	Mr. Patrick Nasia	Member
6	Mrs. Sussan Amulango aletia	Member
7	Mr. James Longole wangiros	Member
8	Dr. Anthony Ekakoron Apalia	Member

d) Key Management Team

Ref	Name	Position
1	Dr. Michael Ekidor Eragae.	CEC. Finance
2	Mr. Robert Lotaruk	Fund Administrator

e) Fiduciary Oversight Arrangements

The County has an Audit committee which was appointed by the Governor which performance the oversight role over the fund. The members are as detailed.

Ref	Position	Name
1	Chairman	Selina Lokope
2	Secretary	Michael Ekadeli

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

3	Member	Edwin Omino
4	Member	Joyce ilikwel

f) Registered Offices

P.O. Box 11-30500
County Treasury Building
Nawoitorong
Lodwar, Kenya

g) Fund Contacts

Telephone:(254)

E-mail: turkanacounty.go.ke

Website: www.tcg.go.ke

h) Fund Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya
2. Kenya Commercial Bank
P.O.BOX 300-30500 Lodwar
Kenyatta street, Lodwar.

i) Independent Auditors

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

Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.

j) Principal Legal Adviser





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

k) County Attorney

The County Attorney
County offices
P.O. Box 11-30500
Lodwar

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

3. Fund Administration Committee.



Name	Details of qualifications and experience
<p>1.  Rev. Samson Eturote-Chairman</p>	<p>Rev.Samson Eturote Akoru is the Current Committee Chairman and was Born on 1st Jan 1958. He holds a PhD. in Theology and Urban Ministry with Over 20 years' Experience in both Private and Public service.</p>
<p>2.  Mr.Lotaruk Robert Ekai-Fund Administrator</p>	<p>Mr. Lotaruk Robert Ekai has over 13 years of work experience serving in various capacities in the public sector including senior management, policy and decision-making positions.</p> <p>He holds a Bachelor's degree in Business Management (Supply and Procurement Management Option) BBM and Diploma in Procurement and Logistics from International correspondence School ISC.</p>
<p>3.  Mr. Apalia Anthony- Member</p>	<p>Mr. Anthony CECM Health and Sanitation is holder of a Master degree specializing in Strategic management, a Bachelor in Business Management-Banking&Finance option and a Diploma in business administration and a member of ICPAK.</p> <p>He has over 15 years of work experience in both Government and Non-Government organizations working in various senior management and decision making positions.</p>
<p>4.  Mr. James Wangiros-Member</p>	<p>Mr. James is a holder of Master of Arts in sociology, Bachelor of Arts degree and a Postgraduate diploma in conflict management.</p> <p>He has over 22 years of work experience in both Government and Non-Government organizations working in various senior management and decision/policy making positions</p>

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

<p>5.</p>  <p>Hon. Ekod David- Member</p>	<p>Hon. Ekod was born in Nakurio in 1968. He served as a councilor and member of County Assembly of Kerio Delta Ward for a period of ten years (two terms) between 2007 to 2017. During his stint as an MCA Kerio Delta Ward, he served as Minority Chief Whip and Vice Chair education house committee. He has served as a nurse grade Grade 3 at Kalokol cottage hospital, Trainer of Trainers in community health care and finance chairman Turkana County Council.</p>
<p>6.</p>  <p>Mrs. Epur Lobuin-Member</p>	<p>Mrs. Epur Lobuin Akwar was Born in Mogila Lokichogio she is a business woman and has served as peace committee member with a Local Ngo's apedi and Lopeo And serving as chairlady Loteteleit women Group</p>
<p>7.</p>  <p>Mr, Patrick Nasia- Member</p>	<p>Mr. Patrick Emojo Nasia is A trained teacher with also a diploma in Business Management With expansive working experience of over 20 years in public service.</p>

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

4. Key Management Team

Name	Details of qualifications and experience
 <p>Dr. Michael Eregae Ekidor- CECM for Finance and Economic Planning</p>	<p>Dr. Eregae is holder of a Doctor of Philosophy degree in Veterinary Epidemiology from the University of Guelph, Ontario, Canada. In addition, he has an Msc in Veterinary Epidemiology and Economics, and a Bachelor of Veterinary Medicine degree from the University of Nairobi. He has over 25 years of work experience in both Government and Non-Government organizations working in various senior management and decision/policy making positions.</p>
 <p>Mr. Lotaruk Robert Ekai-Fund Administrator</p>	<p>Mr. Lotaruk Robert Ekai has over 13 years of work experience serving in various capacities in the public sector including senior management, policy and decision-making positions.</p> <p>He holds a Bachelor's degree in Business Management (Supply and Procurement Management Option) BBM and Diploma in Procurement and Logistics from International correspondence School ISC.</p>

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

5. Fund Chairperson's Report

The Turkana County Covid-19 Emergency Response Fund is established by and derives its authority and accountability from Public Finance Management (Turkana County Covid-19 Emergency Response Fund) Regulations, 2020. The Fund is wholly owned by the County Government of Turkana and is domiciled in Kenya.

The fund's objective is to mobilize resources for emergency response towards containing the spread, effect and impact of covid-19 pandemic within Turkana County.

This Financial Statement is the fourth Set of the Statement since the inception of these Fund, this report covers a period of twelve months (12 months) from 1st July, 2024 to 30th June, 2025. The Fund was started in July 1 of the Financial Year 2020/2021 and the fund has since received cumulative funds amounting to Ksh. 556,676,113 since inception. In the current Financial Year 2024-2025 the fund has no budgetary allocation. The fund only now runs on balances coming from refunds earlier borrowed from the fund. The nil allocation and low absorption of funds in the Financial Year under review is attributed to challenges emanating from the end of the Covid-19 pandemic effects and we are in process of winding up the fund.

Name: SAMSON ETUROTE AKORU

Date: 27/10/2025

Chairperson *AE*

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

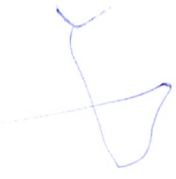
6. Report of The Fund Administrator

The Turkana County Covid-19 Emergency Response Fund is established by and derives its authority and accountability from Public Finance Management (Turkana County Covid-19 Emergency Response Fund) Regulation,s 2020. The Fund is wholly owned by the County Government of Turkana and is domiciled in Kenya.

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.....
Fund Administrator



**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

7. Statement of Performance Against the Fund's Predetermined Objectives

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 Turkana. County Covid-19 Emergency Response Fund allocation for FY 2024-2025 as per approved plan are

- a) Support programmes and initiatives towards cushioning and provision of emergency relief to the most vulnerable, older and poor persons in urban informal settlements and rural poor nomadic pastoralists communities.
- b) To fund the purchase of essential supplies for public hospital and other related institutions, health professionals and other frontline workers, as need arise

Progress on the attainment of Strategic development objectives

Program	Objective	Outcome	Indicator	Performance
Relief distribution	To respond to the Covid-19 crisis and to cushion affected population from the adverse effects of Covid-19 pandemic.	Food Distributed to targeted population Attained	Improved nutrition of the targeted population	we made sure all the hunger-stricken areas during these covid times have gotten the relief food supply as per the plan.
Water trucking and distribution of wash items	Improved access to water since hygiene is paramount to covid.	Increased management and control of COVID-19 Installation of handwash facilities	Most of the public areas have continuous water or supplied with handwash stations	Most of the areas mapped for either hand wash or screening were done.

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

8. Statement of Corporate Governance

The Turkana County Covid-19 Emergency Response Fund is established by and derives its authority and accountability from Public Finance Management (Turkana County Covid-19 Emergency Response Fund) Regulations, 2020. The Fund is wholly owned by the County Government of Turkana and is domiciled in Kenya.

Committee meeting

The Covid-19 board meetings shall be convened by the chairperson or in the absence of the chairperson, by a member designated by the chairperson and shall be convened at such times as maybe necessary for the discharge of the committee's functions. The quorum for meetings of the committee shall be chairperson and any other four members.

Under the Turkana County Covid-19 emergency response Fund regulation the Governor reserves the right to appoint and replace any member of the board for reasons of either incompetence or gross misconduct just to mention, there exists no service charter for these Fund since it's for responding to the covid-19 issues only.

During the period of the Fund, the fund administrator with secretariat of the fund had the chance to train on the Board member of the processes involved on the utilization of the Fund and controls placed before every payment is made.

There has been no Conflict-of-interest matters that rose at any point during the management of this fund.

The board members of these Fund are entitled to a sitting allowance during every meeting and transport reimbursement for those who have travel from far places these covers their remuneration under the Salary and Remuneration Commission.

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

9. Management Discussion and Analysis

The Turkana County Covid-19 Emergency Response Fund is established by and derives its authority and accountability from Public Finance Management (Turkana County Covid-19 Emergency Response Fund) regulations, 2020. The Fund is wholly owned by the County Government of Turkana and is domiciled in Kenya.

The fund's objective is to mobilize resources for emergency response towards containing the spread, effect and impact of Covid-19 pandemic within Turkana County.

With the low effects of the Covid-19 pandemic this is therefore reason to no activities to the fund and no other resources been allocated either.

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

10. Environmental and Sustainability Reporting

The Turkana County Covid-19 Emergency Response Fund is established by and derives its authority and accountability from Public Finance Management Act (Turkana County Covid-19 Emergency Response Fund) regulations, 2020. The Fund is wholly owned by the County Government of Turkana and is domiciled in Kenya.

These Fund having almost no going concern since its existence is only based on the current state of the pandemic and can come to end once the president declares the end of the Covid - 19 pandemic hence there has been no CSR that has been carried by the fund since its initiation.

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

11. Report of The Committee

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 fund's objective is to mobilize resources for emergency response towards containing the spread, effect and impact of covid-19 pandemic within Turkana County

Results

The performance of the Fund for the year ended June 30, 2025, are set out on page 1 to 5.

Committee

The members of the Administration Committee who served during the year are shown on page vi-vii and there were no changes in the Board during the financial year.

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 2015. The Turkana County Covid-19 Emergency Response Fund will be audited by the office of the Auditor General.

By Order of the Board



.....
Chairman of the Fund Administration Committee

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

12. 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 Turkana County Covid-19 Emergency Response Fund established by Turkana County Covid-19 Emergency Response Fund regulations, 2020 shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator Turkana County Covid-19 Emergency Response 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 Turkana County Covid-19 Emergency Response 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 Turkana County covid-19 Emergency Response Fund Regulation, 2020. 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.

Approval of the financial statements

The Fund’s financial statements were approved by the Board on 27/10 2025 and signed on its behalf by:

.....


Fund Administrator

REPUBLIC OF KENYA



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

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

REPORT OF THE AUDITOR-GENERAL ON TURKANA COUNTY COVID-19 EMERGENCY RESPONSE 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 the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on the Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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 Covid-19 Emergency Response Fund set out on pages 1 to 21, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance,

Report of the Auditor-General on Turkana County Covid-19 Emergency Response Fund for the year ended 30 June, 2025

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 Covid-19 Emergency Response 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 Public Finance Management (Turkana County Covid-19 Emergency Response Fund) Regulations, 2020 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 Covid-19 Emergency Response 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 for my opinion.

Emphasis of Matter

Relevance of the Fund

As previously reported, the Fund was established through the Public Finance Management (Turkana County Covid-19 Emergency Response Fund) Regulations, 2020 to mobilize resources for emergency response towards containing the spread, effect and impact of Covid-19 Pandemic within Turkana County. However, the pandemic has since subsided and funds allocated to the Fund are largely unutilized as shown in the statement of financial performance where no funds were received in the year under review and no expenditure was incurred.

The unutilized funds of Kshs.108,296,248 described in the statement of financial position as current portion of long-term receivables from exchange transactions as disclosed in Note 10 to the financial statements, were then borrowed by the County Executive and are yet to be refunded.

In the circumstances, the mandate of the Fund has lapsed and therefore not relevant to the operations of the County Government of Turkana.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. 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, and Effectiveness of Internal Controls, Risk Management and Governance, respectively. 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	Relevance of the fund
2	2023/2024	Internal borrowing
3	2023/2024	Construction of Lokwii water project

Other Information

The Management is responsible for the Other Information set out on page iii to xvi which comprises of Key Entity Information and Management, The Fund Administration Committee, Management Team, Chairman's Statement, Report of the Fund Administrator, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Committee, Statement of Management Responsibilities, Statement of Performance Against Predetermined Objectives. 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 conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on

Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Delay in Refund of Internally Borrowed Funds

The statement of financial position reflects current portion of long-term receivables from exchange transactions balance of Kshs.108,296,248 as disclosed in Note 10 to the financial statements. The balance is an outstanding short-term loan lent out to the County Executive of Turkana. However, there was no evidence of County Assembly and Fund Administration Committee's approval of the lending. This was contrary to Section 142(1) of the Public Finance Management Act, 2012 which requires County Government entities to seek the authority of the County Assembly to borrow cash on short term basis for cash management purposes only.

Further there was no evidence that the lent amount was repaid within one (1) year as required by Section 142(3) of the Public Finance Management Act, 2012 which stipulates that a County Government entity that has any such borrowing shall ensure that the money borrowed is repaid within a year from the date it is borrowed.

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

2. Construction of Lokwii Water Project

As previously reported the statement of financial position reflects property, plant and equipment balance of Kshs.5,884,762 as disclosed in Note 11 to the financial statements. The amount was incurred for the construction of a water supply project at Lokwii. The contract was signed on 21 January, 2022 with a contract period of four (4) months. However, physical inspection in November, 2024 revealed that the project was incomplete and abandoned while the contractor was not on site. Further, the original contract, contract extension documents and progress in 2025 towards completion were not provided for audit.

In the circumstances, the value for money on the expenditure of Kshs.5,884,762 incurred on the abandoned water supply project could not be confirmed.

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 matters 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

Failure to Conduct Internal Audit

Review of available records revealed that no internal audit was undertaken on the operations of the Fund 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, there might be weak internal controls in the Fund's financial operations.

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

03 November, 2025

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

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

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Revenue From Non-Exchange Transactions			
Transfers From the County Government	6	-	-
Public Contributions and Donations	7	1,500	-
Total Revenue		1,500	-
Expenses			
Use of goods and services	8	144,478	21,427,472
Total Expenses		144,478	21,427,472
Surplus/(Deficit) for the Year		(142,978)	(21,427,472)

.....


Name: Robert Lotaruk
Fund Administrator

Date 27/10/2025

.....



Name: Amos Kibet
Fund Accountant

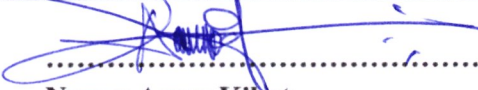
ICPAK Member Number: 170957
Date 27/10/2025

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

15. Statement of Financial Position As at 30 June 2025

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	9	222	143,200
Current Portion of Long- Term Receivables from non Exchange Transactions	10	108,296,248	108,296,248
Total current assets		108,296,470	108,439,448
Non-Current Assets			
Property, Plant and Equipment	11	5,884,762	5,884,762
Total non- current assets		5,884,762	114,324,210
Total Assets		114,181,232	-
Liabilities		0	
Total Liabilities		0	-
Net Assets		114,181,232	114,324,210
Revolving Fund		0	-
Reserves		0	-
Accumulated Surplus		114,181,232	114,324,210
Total Net Assets and Liabilities		114,181,232	114,324,210

.....

Name: *Robert Lotank*
Fund Administrator
Date: *27/10/2025*

.....

Name: Amos Kibet
Fund Accountant
ICPAK Member Number: *17957*
Date: *27/10/2025*

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

16. Statement Of Changes in Net Assets for the year ended 30th June 2025

Description	Accumulated
	surplus/Deficit
	Kshs
Balance As At 1 July (2023)	135,751,682
Surplus/(Deficit) For the Year	(21,427,472)
Balance As At 30 June 2024)	114,324,210
Balance As At 1 July (2024)	114,324,210
Surplus/(Deficit) For the Year	(142,978)
Balance As At 30 June (2025)	114,181,232

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

17. 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			
Receipts From the County Government			-
Public Contributions and Donations		1,500	-
Interest received		-	-
Total receipts		1,500	0
Payments			-
Fund Administration Expense		143,200	5,021,916
Finance Cost			6,290
Consumables			16,399,267
Bank Charges		1,278	
Total Payments		144,478	21,427,473
Net cash flows from operating activities	12	(142,978)	(21,427,473)
Cash flows from investing activities			
Loan disbursement paid out			(8,516,600)
Net cash flows used in investing activities			(8,516,600)
Cash flows from financing activities		0	
Net cash flows used in financing activities		0	0
Net increase/(decrease) in cash & cash Equivalents		(142,978)	(29,944,073)
Cash and cash equivalents at 1 July 2024		143,200	30,087,272
Cash and cash equivalents at 30 June 2025		222	143,200

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

18. Statement of Comparison of Budget and Actual Amounts For The Period ended 30th June 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
Opening Budget Carry overs	143,200	0	143,200	143,200	0	100%
Receipts						
Transfers From County Govt.	0	0	0	0	0	0%
Public Contributions and Donations	0	0	0	1,500	1,500	0%
Interest Income	0	0	0	0	0	0%
Total Receipts	143,200	0	143,200	144,700	(1,500)	101%
Payments						
Emergency Expenses	0	0	0	0	0	0%
Use of goods and services	143,200	0	143,200	144,478	(1278)	101%
Total Payments	143,200	0	143,200	144,478	144,478	101%
Surplus For the Period	0	0	0	222		

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

19. Notes to the Financial Statements

1. General Information

The Turkana County Covid-19 Emergency Response Fund is established by and derives its authority and accountability from Public Finance Management (Turkana County Covid-19 Emergency Response Fund) regulations 2020. The Fund is wholly owned by the County Government of Turkana and is domiciled in Kenya.

The fund's objective is to mobilize resources for emergency response towards containing the spread, effect and impact of Covid-19 pandemic within Turkana County

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 effective in the year ended 30 June 2025

There are no new standards effective in the financial year ended 30th June 2025.

(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	<i>Applicable 1st January 2025</i> The Standard requires,

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

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

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

Standard	Effective date and impact:
<p>IPSAS 48- Transfer Expenses</p>	<p><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 transfers on accounting for such transfers.</p>
<p>IPSAS 49- Retirement Benefit Plans</p>	<p><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.</p>
<p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p>	<p><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:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

(iii) Early adoption of standards

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

4. Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Revenue Transfers

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.

b) Budget information

The original budget for county executive 2024-2025 was approved by the County Assembly on 26th June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities.

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

**Turkana County Covid-19 Emergency Response Fund
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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 Fund does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Covid-19 fund. 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 Fund 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 fund'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.

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

Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.

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 Fund 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.

Financial liabilities

Classification

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

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

d) Contingent liabilities

The Fund 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 probable.

e) Contingent assets

The Fund 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.

f) Nature and purpose of reserves

The Turkana Covid-19 Emergency Response Fund does not create and maintains reserves in terms of specific requirements.

Changes in accounting policies and estimates

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

g) Foreign currency transactions

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

h) Related parties

The Fund 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.

Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.

i) 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.

j) Comparative figures

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

k) Events after the reporting period

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

l) Currency

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

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

5. Significant judgments and sources of estimation uncertainty

The preparation of the Fund'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.

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

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.

**Turkana County Covid-19 Emergency Response Fund
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6. Transfers from the County Government

Description	2024-2025	2023-2024
	Kshs	Kshs
Transfers From County Department	-	-
Total	-	-

7. Public contributions and donations

Description	2024-2025	2023-2024
	Kshs	Kshs
Cash Donation from Development Partners	1,500	-
Total	1,500	-

8. Use of Goods and Services

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Bank Charges	1,278	6,290
Administration Fees	143,200	5,021,916
Consumables		16,399,267
Total	144,478	21,427,472

9. Cash and cash equivalents.

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Account	222	-
CRF	-	143,200
Total Cash and Cash Equivalents	222	143,200

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

Financial Institution	Account number	2024-2025	2023-2024
		Kshs	Kshs
a) Current Account			
Kcb Bank Account	1274953960	222	-

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CRF Account		-	143,200
Sub- Total		-	-
		-	-
b) Others (Specify)		-	-
Cash In Transit		-	-
Cash In Hand		-	-
Sub- Total		-	-
Grand Total		222	143,200

10. Receivables from non-exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Receivables		
Revenue Receivable	-	-
Internal borrowings	108,296,248	108,296,248
Total Current Receivables	108,296,248	108,296,248

11. Property, Plant and Equipment

	Water Piping and Networks	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Cost	Kshs	Kshs	Kshs	Kshs	Kshs
At 1st July (2023)	5,884,762	-	-	-	5,884,762
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-
At 30th June (2024)	5,884,762	-	-	-	5,884,762
At 1st July (2024)	5,884,762	-	-	-	5,884,762
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-
At 30th June (2025)	5,884,762	-	-	-	5,884,762
Depreciation And Impairment	-	-	-	-	-
At 1st July (2023)	-	-	-	-	-
Depreciation	-	-	-	-	-
Impairment	-	-	-	-	-
At 30th June (2024)	-	-	-	-	-
At 1st July (2024)	-	-	-	-	-
Depreciation	-	-	-	-	-
Disposals	-	-	-	-	-
Impairment	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-

**Turkana County Covid-19 Emergency Response Fund
Annual Report and Financial Statements for the year ended June 30, 2025.**

At 30th June (2025)	-	-	-	-	-
Net Book Values		-	-	-	
At 30th June (2024)	5,884,762	-	-	-	5,884,762
At 30th June (2024)	5,884,762	-	-	-	5,884,762

12. Cash generated from operations.

Description	2024-2025	2023-2024
	Kshs	Kshs
Surplus/ (Deficit) For the Year Before Tax	- 142,978	(21,427,472)
Adjusted For:		
Working Capital Adjustments		
Increase In Receivables	0	(8,516,600)
Increase In Payables	0	-
Net Cash Flow from Operating Activities	- 142,978	- (29,944,072)

13. 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) Fund Administration Committee
- c) Key management.

b) Related party transactions

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

c) Due from related parties

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Description	2024-2025	2023-2024
	Kshs	Kshs
Due From County Government	108,296,248	108,296,248
Total	108,296,248	108,296,248

d) Due to related parties

Description	2024-2025	2023-2024
	Kshs	Kshs
Due To County Government	-	-
Total	-	-

14. Contingent assets and contingent liabilities

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

15. 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

Turkana County Covid-19 Emergency Response Fund
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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 2024				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	108,296,248	-	108,296,248	-
Bank Balances	143,200	-	143,200	-
Total	108,439,448	-	108,439,448	-
At 30 June 2025				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	108,296,248	-	108,296,248	-
Bank Balances	222	-	222	-
Total	108,296,470	-	108,296,470	-

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

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.

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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June (2025)				
Trade Payables	-	-	-	-
Total	-	-	-	-
At 30 June (2024)				
Trade Payables	-	-	-	-
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.

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 Fund has no 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.

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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. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs . (2024: Kshs). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs (2025 – Kshs).

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
Accumulated surplus	114,181,232	114,324,210
Total funds	-	-
Less: cash and bank balances	(222)	(143,200)
Net debt/(excess cash and cash equivalents)	114,181,010	114,181,010
Gearing	0%	0%

16. Events after the reporting period

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

17. Currency

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

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20. 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:	Timeframe:
16.11.2024	<p>Relevance of the Fund</p> <p>As previously reported, the Fund was established through the Public Finance Management(Turkana County Covid-19 Emergency Response Fund) Regulations,2020 to mobilize resources for emergency response towards Containing the spread, effect and impact of Covid-19 pandemic with Turkana County. However, the pandemic has since subsided and funds allocated to the Fund are largely unutilized as shown in the statement of financial performance where no funds were received in the year under review and an expenditure of ksh 21,427,472 was incurred resulting to a deficit of ksh 21,427,472. The</p>	<p>The fund management has initiated the process of winding up the fund in accordance with the Turkana County Covid 19 Emergency response fund regulations, 2020 Section 16(1) which states that {the Governor may, in consultation with the county emergencies and disaster management Committee and the National Government may declare the end of the emergency and disaster in Turkana County in accordance with the provisions of the Turkana County emergency and disaster management Act, 2016. (Refer to annex: Letter for winding up to office of the county Attorney and Fund regulations).</p>	Not resolved	30.10.2025

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
	<p>unutilized funds of ksh. 108,296,248 described in statement of financial position as current portion of long-term receivables from exchange transactions as disclosed in Note 13 to financial statements, were the borrowed by county executive and are yet to be refunded. In the circumstances, the mandate of the Fund has lapsed and therefore not relevant to the operations of the county Government of Turkana.</p> <p>My opinion is not modified in respect of this matter</p> <p>contrary to section 142(1) of the Public Finance Management Act, 2012 which requires County Government entities to seek the authority of the County Assembly to borrow cash on short term basis for cash management purposes only.</p> <p>There was also no evidence that the lent amounts were repaid promptly</p>			

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
	<p>as required by section 142(3) which stipulates that a county government entity that has any such borrowing shall ensure that the money borrowed is repaid within a year from the date on which it was borrowed.</p>			
16.11.2024	<p>LOKWII WATER PROJECT</p> <p>Expenditure on Construction of Lokwii Water project</p> <p>The statement of financial position reflects property, plant and equipment amount of Kshs.5,884,,762 which was incurred in respect of a water project. Review of documents provided in support of the balance revealed that the amount was paid to a contractor on 12 August, 2022 vide Cheque No. 00153 and Payment Voucher No.</p>	<p>The project is no longer under the fund since the fund had no going concern to manage a long term water project instead to be managed by the water ministry</p>	<p>Yet to be discussed at assembly</p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
	<p>006 as payment for Certificate No. 1 of Tender No. TCG/F&P/148/2021-2022 upon 60% completion of the construction of Lokwii Water Supply in Lokori/Kachodin ward in Turkana East Sub-County. However, the following anomalies were noted:</p> <p>i. The contract was signed on 21 January, 2022 and the expected date commencement of works was immediately after signing the contract whereupon the contract should have expired 4 (four) months after signing. No contract extension was provided for audit and the contractor was not on site as at November, 2023. Therefore, the project was</p>			

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
	<p>long overdue and abandoned.</p> <p>ii. The expenditure was not included in the accounts payable for the previous year or list of pending bills.</p> <p>iii. The original contract was not been provided for audit verification.</p> <p>In the circumstances, value for money could not be derived from the expenditure on the abandoned project meant for covid 19 mitigation.</p>			
	<p>Iregular borrowing</p> <p>The statement of financial position reflects current portion of long-term receivables from exchange transactions balance of Kshs.108,296,248 as disclosed in Note 13 to the financial statements. The balance is an outstanding short-</p>	<p>The process of refunding the internally borrowed funds has already been initiated through supplementary 1 for Financial Year 2025-2026.</p>	<p>Not resolved</p>	<p>30.10.2025</p>

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
	<p>term loan lent out to the Turkana County Executive. However, there was no evidence of County Assembly and Board of Trustees' approval of the lending contrary to section 142(1) of the Public Finance Management Act, 2012 which requires County Government entities to seek the authority of the County Assembly to borrow cash on short term basis for cash management purposes only. Further there was no evidence that the lent amount was repaid within one year as required by section 142(3) which stipulates that a county government entity that has any such borrowing shall ensure that the money borrowed is repaid within a year from the date it is borrowed.</p>			

Fund Administrator
Date.....

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Annex II: Inter-Entity Confirmation Letter

Name of transferring entity:.....

Name of beneficiary entity:.....

Confirmation of amounts received by Turkana County Covid 19 emergency response as at 30th June 2025

Reference Number	Date Disbursed	Amounts Disbursed by Turkana County Department] (Kshs) as at 30 th June 2025			Amount Received by Turkana County covid-19 Emergency response (KShs) as at 30 th June 2025 (D)	Differences (KShs) (E)=(C-D)
		Recurrent (A)	Development (B)	Total (C)=(A+B)		
Total						

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

Head of Accounts Department - Disbursing Entity:

Name CPA Michael Ate Logiye Sign  Date 27/10/2025

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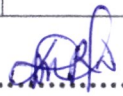
Head of Accounts Department - Beneficiary Entity:

Name Amos Kibet Sign  Date 27/6/2025

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Annex III: Analysis of Emergency Expenditure

Date	Payee	Amount	Purpose of Payment	Status (spent/not spent)	Remarks



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Name *Robert Lotanuc*

Fund Administrator

Date