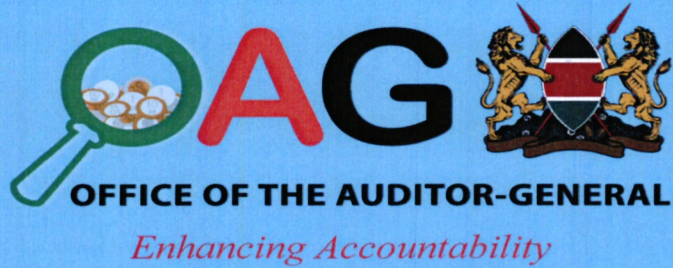
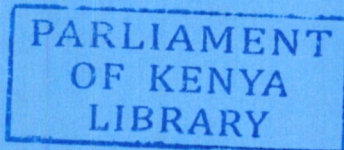


REPUBLIC OF KENYA



PAPERS LAID	
DATE	27/04/2023.
TABLED BY	Sen. Majority Whip
COMMITTEE	_____
REPORTER AT THE TABLE	A. Mwachari

REPORT



OF

THE AUDITOR-GENERAL

ON

**TURKANA COUNTY YOUTH AND
WOMEN EMPOWERMENT FUND**

**FOR THE YEAR ENDED
30 JUNE, 2022**



OFFICE OF THE AUDITOR GENERAL
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**THE TURKANA COUNTY YOUTH AND WOMEN EMPOWERMENT FUND
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2022**

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

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

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Turkana County Youth & Women Empowerment Fund
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1. Key Entity Information and Management

a) Background information

Turkana County Youth and women Empowerment Fund is established under Turkana county Youth and women Empowerment 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 facilitate women and youth groups' led business development ventures and promote self-reliance through provision of seed capital.

The Fund's principal activity is to provide seed capital for women and youth-led micro and small enterprise within Turkana County, for poverty alleviation and social development and in accordance with article 207(4)(b) of the constitution and section 116 of the Public Finance Management Act, 2012.

b) Principal Activities

The principal activity/mission/ mandate of the Fund is to provide seed capital for women and youth-led micro and small enterprise within Turkana County, for poverty alleviation and social development.

c) Board of Trustees/Fund Administration Committee

Ref	Position	Name
1	Chairlady of the Board	Mrs. Patricia Kebo
2	Fund Secretary	Mrs. Mollen Onderi
3	Fund Administrator	CPA Grace Ewoi
4	Fund Member representing Women	Mrs. Jennifer Tioko
5	Fund Member representing PLWDs	Mr. Stephen Esukuku
6	Fund Member representing the Youth	Mrs. Peninah Lotaruk
7	Fund Member representing PLWDs	Mrs. Grace Lobuin
8	Fund Member	Mr. James Lokwale

d) Key Management

Ref	Position	Name
1	CECM Trade, Gender and Youth Affairs	Mrs. Jennipher Nawoi
2	Fund Administrator	CPA Grace Ewoi
3	Director Gender and Youth Affairs	Mrs. Mollen Onderi

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

e) Registered Offices

P.O. Box 11-30500
Trade, Gender & Youth Affairs Offices,
Cooperative Building,
Next to Turkana County Assembly
Lodwar, KENYA.

f) Fund Contacts

E-mail: tcg@yahoo.com
Website: www.tcg.go.ke

g) Fund Bankers

1. Kenya Commercial Bank
Lodwar Branch.

h) Independent Auditors

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

i) Principal Legal Adviser

The County Attorney,
Off Nawoitorong Road,
P.O. Box 11-30500
Lodwar, Kenya

**Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

2. The Board of Trustees (or any other governing body for the Fund)


Name	Details of qualifications and experience
<p>1. Mrs. Patricia Kebo</p> 	<p>She is the Board's Chairperson. She holds a bachelor of Arts in Counselling and Psychology from Mount Kenya University. She also has a diploma in education from Tambach Teachers College. Patricia has over 10 years experience and skills in teaching and community services.</p> <p>She formerly worked for Oxfam GB as a field monitor and also as a board member of the Lorugum TVET. She has exhibited a high sense of responsibility, organizational, analytical, communication and management skills.</p>
<p>2. Mrs. Jeniffer Tioko</p> 	<p>Jeniffer is the Chairperson to Maendeleo ya Wanawake. She is a board member. She holds a certificate in Secretarial Studies from St. Kizito Secretarial College and also a certificate in leadership from National Democratic Institute. She also possesses a certificate in guidance and Counselling from Lodwar National Youth Polytechnic. Jennifer has extensive experience in guidance and counselling and secretarial in both the public and private sector with great support to the local community especially women and the Lodwar prison.</p>
<p>3. Mrs. Mollen Onderi</p> 	<p>She is the Deputy Director for the directorate of Gender and Youth Affairs. She holds a bachelor's degree in Social Work and Social Administration from Makerere University Kampala, Uganda. Mollen has a five-year experience in the banking industry (Equity Banking Group) which has equipped her with skills in financial management, resource mobilization, community engagement, entrepreneurship and socio-economic development. She has been engaged with the county government for the past nine years in various capacities including youth skills development, youth empowerment and promotion of gender issues among the community. She is the secretary to the Board.</p>

Turkana County Youth & Women Empowerment Fund

Annual Report and Financial Statements for the year ended June 30, 2022

<p>4. Mrs. Peninah Lotaruk</p> 	<p>She is the chair of the Youth Council. She is a board member. She holds a bachelor's degree in Purchasing and Supply Chain management from St. Paul University. She is highly experienced procurement officer with a 4-year experience in purchasing and supply chain management with ability to formulate and drive a consistent approach towards sourcing, purchasing and tendering. She currently works for Refugee Affairs Secretariat as a procurement officer and formerly worked for PCEA Kikuyu Hospital in the same capacity.</p>
<p>5. Mrs. Grace Lobuin</p> 	<p>She is a member of the board representing People with Disabilities. She holds a Diploma in Secretarial Studies from the Kenya Institute of Social work and Community development with a certificate in computer studies at Torit Technical Skills College, Eastern Equatorial State, South Sudan. Grace has worked with various agencies for over 10 years including Force consulting Ltd in South Sudan in the field of data analytics and information management.</p>
<p>6. Mr. Stephen Esukuku</p> 	<p>He is a board member representing People Living with Disabilities (PWLDS). He holds a Diploma in Counselling with extensive experience in community engagements, civil rights and counselling services.</p>
<p>7. Mr. James Lokwale</p> 	<p>James is the Acting Chief Officer for Trade, Gender and Youth Affairs. He is a member to the fund board. He holds a master of Business Administration in Strategic Management from Moi University and a bachelor's degree in Finance and Banking from the same university. He has a diploma in SMEs Entrepreneurship and Innovative management from the Galilee International Management Institute in Israel. He has also undertaken various other trainings including strategic leadership development, result based monitoring and banking credit course. He has over twenty (20) years extensive knowledge and experience in areas of banking,</p>

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

	<p>entrepreneurship, community engagements, humanitarian response and public sector. He has formerly worked for KCB Bank in various capacities including as operations manager and in the county government as a director.</p>
<p>8. CPA Grace Ewoi</p> 	<p>Grace has over Eleven (11) years' working experience in Public and Non-Governmental Organisations in areas of accounting and financial Management.</p> <p>She holds a Master of Science degree in International Oil and Gas Management from University of Dundee, UK and a Bachelors' degree in Business Management (Finance and Banking Option) from Moi University. She is a Certified Public Accountant (CPA) graduate with KASNEB Examining Body and an investment analyst. She also possesses expertise in Energy and Natural Resources management and policy formulation, Extractive industries financial modelling and analysis and experience in streamlining financial systems in humanitarian emergency responses.</p>

**Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

3. Management Team

Name	Details of qualifications and experience
<p>1. Mrs. Jennipher Nawoi</p> 	<p>She is the current County Executive Committee Member for Trade, Gender and Youth Affairs. Jennipher holds a Bachelors' degree in Commerce (Finance major) from Kenyatta University and a Master of Science degree in Energy Studies with Specialization in Energy Finance from University of Dundee, Scotland, United Kingdom. She is an enrolled Certified Public Accountant (CPA) student with Kenya Accountants and Secretaries National Examination Board (KASNEB) Section 4. She possesses over thirteen (13) years' work experience in Public, corporate and Non-Governmental Organizations in areas Public Sector Management, Policy formulation, Accounting and Financial Management and experience in streamlining robust tools, strategies, and financial systems in humanitarian emergency responses.</p>
<p>2. Mr. James Lokwale</p> 	<p>He is the Acting Chief Officer. James holds a master of Business Administration (Strategic Management) from Moi University and a bachelor's degree in Finance and Banking from the same university. He has a diploma in SMEs Entrepreneurship and Innovative management from the Galilee International Management Institute in Israel. He has also undertaken various other trainings including strategic leadership development, result based monitoring and banking credit course. He has over twenty (20) years extensive knowledge and experience in areas of banking, entrepreneurship, community engagements, humanitarian response and public sector. He has formerly worked for KCB Bank in various capacities including as operations manager and in the county government as a director.</p>
<p>3. Mrs. Mollen Onderi</p> 	<p>She is the Deputy Director for the directorate of Gender and Youth Affairs and the Fund board secretary. She holds a bachelor's degree in Social Work and Social Administration from Makerere University Kampala, Uganda. Mollen has a five-year experience in the banking industry (Equity Banking Group) which has equipped her with skills in financial management, resource mobilization, community engagement, entrepreneurship and socio-economic development. She has been engaged with the county government for the past nine years in various capacities including youth skills development, youth empowerment and promotion of gender issues among the community.</p>
<p>4. CPA Grace Ewoi</p>	<p>Grace has over Eleven (11) years' working experience in Public and Non-Governmental</p>

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022



Organisations in areas of accounting and financial Management.

She holds a Master of Science degree in International Oil and Gas Management from University of Dundee, UK and a Bachelors' degree in Business Management (Finance and Banking Option) from Moi University. She is a Certified Public Accountant (CPA) graduate with KASNEB Examining Body and an investment analyst. She also possesses expertise in Energy and Natural Resources management and policy formulation, Extractive industries financial modelling and analysis and experience in streamlining financial systems in humanitarian emergency responses. Grace is the fund accountant.

4. Board/Fund Chairperson's Report

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

Turkana County Youth and Women Empowerment Fund was established to provide seed capital for women and youth-led micro and small enterprises within Turkana County. The fund's core activities include awareness and sensitization of youth and women groups on functions of the fund, access to capital, entrepreneurship and financial literacy skills. In order to realize the fund's objective, a disbursement of **Kshs.100,000,000** was received being an allocation of Financial Year 2021/2022. Moreover, an amount of **Kshs.27,454,751** was carried over from the previous financial year.

In order to facilitate the operations of the fund, a total of **Kshs.3,094,000** was allocated to the fund administration cost while **Kshs.124,360,751** was allocated for loans/revolving funds. However, **Kshs 3,136,000** was utilized for administration cost while **Kshs.7,401** for general expenses (bank charges). The board in collaboration with the Fund management planned to disburse approximately **Kshs.127,000,000** to 1,270 Youth and Women led groups across the entire County in the succeeding financial year.

During the year under discussion, there was a transfer of the County Executive Committee Member of the department Mr. Charles Lokiyoto who was replaced by Mrs. Jennipher Nawoi as indicated in the trustee's section.

It is worth noting that most of the groups are eager to repay their loans as soon as possible in order to be eligible for the second cycle. This trajectory depicts that this Fund will continue to grow and be able to attain its intended objective.



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Name: Patricia Kebo

Chairperson

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

5. Report of The Fund Administrator

Turkana County Youth and Women Empowerment Fund is among the public funds operated by the county for the sole purpose of providing seed capital to youth and women groups across the county in order to create employment, elevate poverty through socio economic development.

During the financial year under review the fund received a total of **Kshs.100,000,000**. The fund receipts received were apportioned between fund operation; **Kshs.3,000,000 (3%)** and fund capital; **Kshs 97,000,000 (97%)**. Moreover, the fund balance carried over amounted to **Kshs.27,454,751**. Consequently, the actual amount utilized for fund operations at the end of the financial year amounted to **Kshs. 3,136,000** while fund capital disbursed to groups that cleared their phase one allocation amounted to **Kshs. 6,600,000**.

The board in collaboration with the Fund management had planned to disburse approximately **Kshs.127,000,000** to **1,270** Youth and Women led groups across the entire County within the financial year but unfortunately there were logistical challenges encountered.

The table below shows the second disbursement to groups that already repaid their first phase allocation. Women groups (22) received the highest allocation of **Kshs.4,400,000** followed by self-help groups (7) at **Kshs.1,400,000** while youth groups received the least amount of **Kshs.800,000**.

S/NO	GROUP NAME	SUB-COUNTY	WARD	GROUP TYPE	LOAN
1	LOKAMARIMOE WOMEN GROUP	TURKANA NORTH	LAKE ZONE	WOMEN	200,000
2	NADOKOYO WOMEN GROUP	TURKANA CENTRAL	KALOKOL	WOMEN	200,000
3	LOTANGOR WOMEN GROUP	TURKANA CENTRAL	KANAMKEMER	WOMEN	200,000
4	JESPA WOMEN GROUP	TURKANA CENTRAL	KANAMKEMER	WOMEN	200,000
5	LOREMON TOKENYUTU WOMEN GROUP	TURKANA CENTRAL	KANGATOTHA	WOMEN	200,000
6	KALOULA WOMEN GROUP	TURKANA WEST	LETEA	WOMEN	200,000
7	LORENGESINYEN WOMEN GROUP	TURKANA WEST	LETEA	WOMEN	200,000
8	LETEA WOMEN GROUP	TURKANA WEST	LETEA	WOMEN	200,000
9	NASIRU WOMEN GROUP	TURANA WEST	LOKICHOGGIO	WOMEN	200,000

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

10	KAPOLINYANG S.H.G	TURKANA SOUTH	LOBOKAT	SHG	200,000
11	A.I.C NOBLE VSLA	TURKANA EAST	LOKORI/KOCHODIN	WOMEN	200,000
12	KICHUMBI COMMUNITY UNIT	TURKANA NORTH	KIBISH	YOUTH	200,000
13	NAUKUR WOMEN GROUP	TURKANA NORTH	LAKE ZONE	WOMEN	200,000
14	NAKAMUTO YOUTH GROUP	TURKANA NORTH	LAKE ZONE	YOUTH	200,000
15	LOKITAUNG POSHO MILL	TURKANA NORTH	LAPUR	S.H.G	200,000
16	LOMUNIO WOMEN GROUP	LOIMA	TURKWEL	WOMEN	200,000
17	AKISILILING VILLAGE GROUP	TURKANA CENTRAL	KANAMKEMER	WOMEN	200,000
18	AKATELENGOT WOMEN GROUP	TURKANA WEST	LETEA	WOMEN	200,000
19	LOCHUGA EPERETET YOUTH GROUP	TURKANA CENTRAL	KALOKOL	YOUTH	200,000
20	LOCHUGA YOUTH GROUP	TURKANA CENTRAL	KALOKOL	YOUTH	200,000
21	REDEEMERS WOMEN GROUP	TURKANA CENTRAL	LODWAR TOWNSHIP	WOMEN	200,000
22	ENYAPIDO SELF HELP GROUP	TURKANA WEST	LOPUR	SHG	200,000
23	TURKWEL LIGHT DEVELOPMENT GROUP	LOIMA	TURKWEL	SHG	200,000
24	MOTHER TO MOTHER KANGIRISAE SUPPORTING GROUP	TURKANA CENTRAL	KERIO	SHG	200,000
25	LIMAE WOMEN GROUP	TURKANA SOUTH	LOKICHAR	WOMEN	200,000
26	LOKALALIO WOMEN SELF HELP GROUP	TURKANA CENTRAL	KALOKOL	WOMEN	200,000
27	AYANAE LOTIONO WOMEN GROUP	TURKANA CENTRAL	KANGATOTHA	WOMEN	200,000
28	KAKIM WOMEN GROUP	TURKANA CENTRAL	KALOKOL	WOMEN	200,000
29	LUAMINA WOMEN GROUP	TURKANA CENTRAL	KALOKOL	WOMEN	200,000
30	BETHSAIDA WOMEN GROUP	TURKANA CENTRAL	LODWAR TOWNSHIP	WOMEN	200,000
31	NGAMOR-YOK KIRIONOK PAG SELF HELP GROUP	TURKANA CENTRAL	LODWAR TOWNSHIP	SHG	200,000
32	VICTORIUS NAPETET WOMEN GROUP	TURKANA CENTRAL	LODWAR TOWNSHIP	WOMEN	200,000
33	ARO ETICH SELF HELP GROUP	TURKANA SOUTH	LOKICHAR	SHG	200,000

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

A lot of awareness and sensitization needs to be done in order to increase the rate of compliance on the repayment of the loans. It is clearly evident that women groups are leading in the repayment of loans than youth groups and Self Help Groups.

SUB-COUNTY	LOAN
Turkana Central	3,200,000.00
Turkana West	1,200,000.00
Turkana South	600,000.00
Turkana East	200,000.00
Turkana North	1,000,000.00
Loima	400,000.00
TOTAL	6,600,000.00

According to the table summarised above, it is evident that Turkana central sub county received the highest amount of funds disbursed followed by Turkana West and closely by Turkana North. Turkana East sub county received the least amount of funds disbursed.

In FY 2022/23 the Fund expects to receive **Kshs.120,000,000** which will further boost the kitty thus expanding and increasing the Fund coverage. This will eventually benefit a larger number of groups in the County which will boost access to cheap seed capital and improve economic growth across the county.

With the increasing number of groups accessing funding, there is need to obtain a loan management system to enable easy management and monitoring of performing loans. The fund administration allocation is insufficient given the vastness of the County thus making it hard to monitor all the groups especially in the farthest wards of Kapedo/Napeitom, Lokiriana, Lorengippi, Kibish and Lokichoggio.

The management seeks to continue capacity building the Youth Development Officers to support in monitoring of groups activities. We also intend to seek support from other development partners to capacity build groups and provide grants where possible


.....

Name: Grace Ewoi

Fund Administrator

**Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

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 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 Youth and Women Empowerment Fund's 2018-2022 strategic plan is to:

- a) Provide seed capital for Women and Youth-led micro and small enterprises within Turkana County.
- b) Alleviate poverty
- c) Improve Social and Economic development within Turkana County according to article 207(4)(b).

Progress on attainment of Strategic development objectives

Below we provide the progress on attaining the stated objectives:

Program	Objective	Outcome	Indicator	Performance
County Youth and Women Empowerment Fund	To Provide for the establishment and administration of Turkana County Youth and Women Empowerment Fund, for the provision of seed capital for women and youth-led micro and small enterprises within Turkana County, Provide for the establishment and administration of Turkana	Increased access to seed capital.	Number of youth and women groups that access funds.	In FY 21/22 a total of Kshs.100 Million was received to be disbursed youth and women led groups. During the year a total of Kshs. 6.6 Million was disbursed to 33 groups which had completed

Turkana County Youth & Women Empowerment Fund

Annual Report and Financial Statements for the year ended June 30, 2022

Program	Objective	Outcome	Indicator	Performance
	County Youth and Women Empowerment Fund, for the provision of seed capital for women and youth-led micro and small enterprises within Turkana County, For poverty alleviation and social development in accordance with article 207(4)(b) of the constitution and section 116 of the Public Finance Management Act,2012			repayment of their Phase 1 loans. The management has already vetted and allocated funds to 1,270 groups awaiting disbursement in the succeeding year. Over 1000 groups were sensitized and trained on Entrepreneurship skills, financial literacy and book keeping by partner organizations like ADRA Kenya, FAO in collaboration with the County Government of Turkana.

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

7. Corporate Governance Statement

During the Financial Year the Fund Administration Committee held three meetings and all the members were present all through. The first meeting held was for members to approve the fund annual budget and workplan.

The board members are appointed by the County Executive Committee member responsible for Trade, Gender and Youth Affairs for a period of three years while the chairperson is appointed by the governor. A person shall not be qualified for appointment as a member of the board if that person is;

- i. a member of National Assembly;
- ii. is adjudged bankrupt;
- iii. is convicted of a criminal offence and sentenced to a term of imprisonment of not less than six months.

An appointed member of the Board shall cease to be a member when;

- i. Dies;
- ii. Is unable to perform the functions of the office due to mental or physical infirmity

The board shall have the powers necessary for the performance of its functions and these powers shall be;

- i. Supervise, control and administer the assets of the fund in such a manner and for such purposes as would best promote the objects and functions for which the fund is established;
- ii. Formulate policy guidelines on funding
- iii. Ensure that all projects funded are consistent with priorities specified in the relevant policy documents;
- iv. Approve proposals submitted to it by the unit under the act;
- v. Authorize allocations from the fund;
- vi. Formulate or approve standards, guidelines and procedures for funding proposals and release of loans and credit facilities;
- vii. Approve the organizational structure of the unit;

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

- viii. Provide oversight in the utilization of the fund;
- ix. Cause to be kept proper records of all assets and liabilities of the Fund;
- x. Prepare and present for approval;
 - a. Annual estimates of revenue and expenditure of the fund
 - b. Audited accounts in accordance with the international accounting standards and relevant laws
 - c. The investment proposals

The members of the board shall be paid such allowances or remuneration as the County Executive Member for Trade, Gender and Youth Affairs in consultation with the County Public Service Board shall determine and in accordance with the relevant financial regulations and/or guidelines currently in force including the Salaries and Remuneration Commission. The conduct of business of the Board shall be as provided in the First Schedule, but subject thereto, the Board may regulate its own procedure.

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

8. Management Discussion and Analysis

The fund's objective is to provide for the establishment and administration of Turkana County Youth and Women Empowerment Fund, for the provision of seed capital for women and youth-led micro and small enterprises within Turkana County, for poverty alleviation and social development and in accordance with article 207(4)(b) of the constitution and section 116 of the Public Finance Management Act, 2012.

During the financial year under review the fund received a total of Kshs. **100,000,000**. The fund receipts received were apportioned between fund operation; **Kshs. 3,000,000 (3%)** and fund capital; **Kshs 97,000,000 (97%)**. Moreover, the fund balance carried over amounted to **Kshs. 27,454,751**. Consequently, the actual amount utilized for fund operations at the end of the financial year amounted to **Kshs. 3,136,000** while fund capital disbursed to groups that cleared their phase one allocation amounted to **Kshs. 6,600,000**.

The board in collaboration with the Fund management had planned to disburse approximately Kshs. **127,000,000** to **1,270** Youth and Women led groups across the entire County within the financial year but unfortunately there were logistical challenges encountered.

SUB-COUNTY	LOAN
Turkana Central	3,200,000.00
Turkana West	1,200,000.00
Turkana South	600,000.00
Turkana East	200,000.00
Turkana North	1,000,000.00
Loima	400,000.00
TOTAL	6,600,000.00

According to the table summarised above, it is evident that Turkana central sub county received the highest amount of funds disbursed followed by Turkana West and closely by Turkana North. Turkana East sub county received the least amount of funds disbursed.

In FY 2022/23 the Fund expects to receive **Kshs. 120,000,000** which will further boost the kitty thus expanding and increasing the Fund coverage. This will eventually benefit a larger number of groups in the County which will boost access to cheap seed capital and improve economic growth across the county.

Turkana County Youth & Women Empowerment Fund
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With the increasing number of groups accessing funding, there is need to obtain a loan management system to enable easy management and monitoring of performing loans. The fund administration allocation is insufficient given the vastness of the County thus making it hard to monitor all the groups especially in the farthest wards of Kapedo/Napeitom, Lokirama, Lorengippi, Kibish and Lokichoggio.

9. Environmental and Sustainability Reporting

Turkana County Youth and Women Empowerment fund seeks to provide seed capital for women and youth-led micro and small enterprises within Turkana County, for poverty alleviation and social development and in accordance with article 207(4)(b) of the constitution and section 116 of the Public Finance Management Act, 2012.

The fund does not undertake any CSR activities since it only focuses on providing loans to youth and women led groups across the county.

Below is a brief highlight of our achievements in each pillar

1. Sustainability strategy and profile -

The fund is created in such a way that it is a revolving fund that will enable the fund to operate for a long time. The interest charged is the lowest (3%) compared to what is charged in the market by financial and non-financial institutions making it affordable. The funding requirements are also minimal to enable easy access to the loan with a flexible repayment instalments and schedule.

2. Environmental performance

Since this is a revolving fund, there is minimal interaction of the products (loans) with the environment. The fund therefore does not have an environmental management policy.

3. Employee welfare

The fund comprises of a board of management that comprises of 2 gentlemen and 6 ladies. The fund does not hire any staff since it is operated and managed by the staff working for the department the fund is housed under.

4. Market place practices-

The organisation should outline its efforts to:

a) Responsible competition practice.

The fund offers a competitive interest rate that is lower the pre-existing market interest rates while maintaining a levelled platform for all the eligible groups to apply and receive the funds without any bias or preference.

Advertisement for the funds are always made public while loan application forms are made available in all the ward administrators' offices countywide for ease of access.

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

- b) Responsible Supply chain and supplier relations- The fund does not engage suppliers.
- c) Responsible marketing and advertisement-The fund advertises calls for funding through the social media, radios and newspapers.

5. Community Engagements

There were no charitable events undertaken by the fund during the financial year under review.

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

10. Report of The Trustees

The Trustees submit their report together with the audited financial statements for the year ended June 30, 2022 which show the state of the Fund affairs.

Principal activities

The principal activities of the Fund are to provide seed capital for women and youth-led micro and small enterprise within Turkana County, For poverty alleviation and social development and in accordance with article 207(4)(b) of the constitution and section 116 of the Public Finance Management Act, 2012

Results

The results of the Fund for the year ended June 30, 2022 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 iii. The changes in the Board during the financial year are as shown below:

S/No.	Name of the Previous Board Member	Position	New Board Member
1	Charles Ewoi	Patron	Jennipher Nawoi

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. OR Certified Public Accountants were nominated by the Auditor General to carry out the audit of the Turkana County Youth and Women Empowerment Fund for the year/period ended June 30, 2022 in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf].

By Order of the Board


.....

Chair of the Board/Fund Administration Committee

Date: 27th Feb, 2023

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

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 the Constitution, an Act of Parliament or County Legislation, 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, 2022. 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 the Constitution, an Act of Parliament or County Legislation. 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, 2022, 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. 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 22/02 2023 and signed on its behalf by:


.....

Administrator of the County Public Fund

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: 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 YOUTH AND WOMEN EMPOWERMENT FUND FOR THE YEAR ENDED 30 JUNE, 2022

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 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 Government achieves value for money and that such funds are applied for the intended purpose.
- 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, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Turkana County Youth and Women Empowerment Fund set out on pages 1 to 40, which comprise the statement of

Report of the Auditor-General on Turkana County Youth and Women Empowerment Fund for the year ended 30 June, 2022

financial position as at 30 June, 2022, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Turkana County Youth and Women Empowerment Fund as at 30 June, 2022, and 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 Act, 2012 and the Turkana County Youth and Women Empowerment Fund Management and Administration Regulations, 2020.

Basis for Qualified Opinion

1. Current Portion of Long-Term Receivables from Exchange Transactions

The statement of financial position reflects current portion of long-term receivables from exchange transactions of Kshs.63,094,613 as at 30 June, 2022 which, as analysed in Note 12 to the financial statements, comprises of interest receivable of Kshs.676,000 and current loan repayments due of Kshs.62,418,613. However, the amount of Kshs.62,418,613 includes Kshs.35,847,356 whose repayment is due over a period more than one year and they were therefore not due for repayment in the period under review.

In the circumstances, the accuracy of current portion of long-term receivables from exchange transactions balance of Kshs.62,418,614 as at 30 June, 2022 could not be confirmed.

2. Statement of Cash Flows

The statement of cash flow reflects cash flow from operating activities of Kshs.169,099 for the year ended 30 June, 2022 while the explanatory Note 21 to the financial statements indicates cash generated from operations of Kshs.845,099 resulting in unexplained variance of Kshs.676,000.

Consequently, the accuracy of cash flow from operating activities amount of Kshs.169,099 for the year ended 30 June, 2022 could not be confirmed.

3. Statement of Comparison of Budget and Actual Amounts

The statement of comparison of budget and actual amounts reflects actual interest income of Kshs.312,500 while the statement of financial performance reflects interest income of Kshs.988,500 for the year ended 30 June, 2022 resulting to an unexplained or unreconciled difference of Kshs.676,000.

Consequently, the accuracy and completeness of the statement of comparison of budget and actual amounts for the year ended 30 June, 2022 as at 30 June, 2022 could not be ascertained.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, 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

1. Budgetary Control and Performance

The Turkana County Youth and Women Empowerment Fund had a total budget allocation of Kshs.100,000,000 which was received in full from Turkana County Executive during the year ended 30 June, 2022. Further, during the year, the Fund earned interest of Kshs.988,500 and collected Kshs.7,107,910 as loan repayments resulting into total receipts of Kshs.108,096,410 during the year available for operations and disbursement to qualifying youth and women as per the regulations. However, only Kshs.9,743,401 or 9% of the available funds was utilized for expenditure and disbursement to qualifying loanees leaving Kshs.98,353,009 or 91% of the funds unused. No reason was provided for the failure to utilize the funds allocated and generated as provided for in Regulation 4 (a) of the Turkana County Youth and Women Empowerment Fund Regulations, 2020 to provide seed capital for women and youth-led micro and small enterprises within Turkana County for poverty alleviation and social development.

In the circumstances, the Fund did not pursue the objects for which it was formed and kept idle funds that would have been utilized in other deserving programmes to provide services to the citizens of Turkana County.

2. Implementation of Oversight Bodies' Recommendations

The Reports of the Auditor-General on Turkana County Youth and Women Empowerment Fund for the years ended 30 June, 2016, 2017, 2018, 2019, 2020 and 2021 were concluded and submitted to the Fund and Turkana County Assembly. However, evidence to show that the reports and financial statements have been discussed by the County Assembly and recommendations thereon implemented was not provided for audit review. In the circumstances, the recommendations of the Auditor-General may not be implemented in the absence of effective oversight on utilization and accountability of public funds.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Irregular Borrowing by the County Executive of Turkana

The statement of financial position includes receivables from non-exchange transactions balance of Kshs.61,643,940 as at 30 June, 2022 in respect of outstanding loans lent out to the Turkana County Executive. However, the outstanding balance of Kshs.61,643,940 includes Kshs.60,242,540 that has been outstanding for over a year from the date the funds were borrowed by the County Executive of Turkana. This was contrary to Section 142(3) of the Public Finance Management Act, 2012 which states 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. Further, there was no evidence of the County Assembly approval for short-term borrowings 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 a short-term basis for cash management purposes only.

In the circumstances, the Fund management was in breach of the law and the Fund may not meet its objective of providing loan seed capital to deserving youth and women.

The audit was conducted in accordance with ISSAI 4000. The standard requires 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 are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the County Government is aware of the intention to terminate the Fund or 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 are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how the entity 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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control 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 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My

conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Turkana County Youth and Women Empowerment Fund to cease its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 March, 2023

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

13. Statement of Financial Performance For The Year Ended 30th June 2022

	Note	2021-2022	2020-2021
		Kshs	Kshs
Revenue From Non-Exchange Transactions			
Public Contributions and Donations	1	0	0
Transfers From the County Government	2	3,000,000	4,650,000
Fines, Penalties and Other Levies	3	0	0
Total Revenue from Non-Exchange Transactions		3,000,000	4,650,000
Revenue From Exchange Transactions			
Interest Income	4	988,500	3,000
Other Income	5	0	0
Total Revenue from Exchange Transactions		988,500	3,000
Total Revenue		3,988,500	4,653,000
Expenses			
Employee Costs	6	0	0
Use of goods and services	7	3,143,401	4,684,477
Depreciation and Amortization Expense	8	0	0
Finance Costs	9	0	0
Total Expenses		3,143,401	4,684,477
Other Gains/Losses			
Gain/Loss on Disposal of Assets	10	0	0
Surplus/(Deficit) For The Period		845,099	(31,477)

(The notes set out on pages 8 to 39 form an integral part of these Financial Statements)

.....
 Name: Grace Ewoi
 Administrator of the Fund

.....
 Name: Amos Kibet
 Fund Accountant
 ICPAK Member Number: 17957


Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

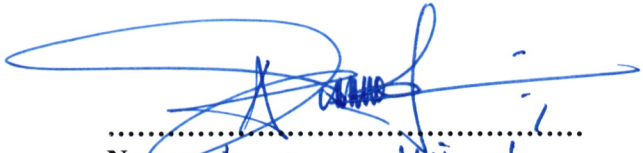
14. Statement of Financial Position As At 30th June 2022

	Note	2021-2022	2020-2021
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	11	123,417,860	27,454,751
Current Portion of Long- Term Receivables From Exchange Transaction	12	63,094,613	62,614,023
Receivables from Non-Exchange Transactions		61,643,940	60,242,540
Prepayments	13	0	0
Inventories	14	0	0
Total Current Assets		248,156,413	150,311,314
Non-Current Assets			
Property, Plant and Equipment	15	0	0
Intangible Assets	16	0	0
Long Term Receivables from Exchange Transactions	12	0	0
Total Non-Current Assets		0	0
Total Assets		248,156,413	150,311,314
Liabilities			
Current Liabilities			
Trade and Other Payables from Exchange Transactions	17	0	0
Provisions	18	0	0
Current Portion of Borrowings	19	0	0
Employee Benefit Obligations	20	0	0
Total Current Liabilities		0	0
Non-Current Liabilities			
Non-Current Employee Benefit Obligation	20	0	0
Long Term Portion of Borrowings	19	0	0
Total Non-Current Liabilities		0	0
Total Liabilities		0	0
Net Assets		248,156,413	150,311,314
Revolving Fund		247,569,254	150,569,254
Reserves		0	0
Accumulated Surplus		587,159	(257,940)
Total Net Assets and Liabilities		248,156,413	150,311,314

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

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 27th Feb 2023 and signed by:



.....
Name: Grace Ewoi
Administrator of the Fund

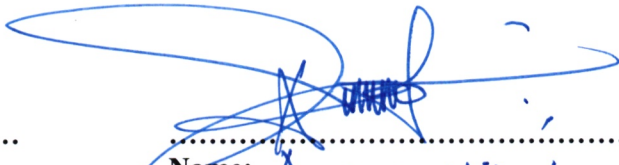

.....
Name: Amos Kibet
Fund Accountant
ICPAK Member Number: 17957

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

15. Statement of Changes in Net Assets for the year ended 30th June 2022

	Revolving Fund	Revaluation	Accumulated surplus	Total
		Reserve		
		Kshs	Kshs	Kshs
Balance As At 1 July 2020	219,254	0	(226,463)	(7,209)
Surplus/(Deficit) For the Period	0	0	(31,477)	(31,477)
Funds Received During the Year	150,350,000	0	0	150,350,000
Transfers	0	0	0	0
Revaluation Gain	0	0	0	0
Balance As At 30 June 2021	150,569,254	0	(257,940)	150,311,314
Balance As At 1 July 2021	150,569,254	0	(257,940)	150,311,314
Surplus/(Deficit) For the Period	0	0	845,099	845,099
Funds Received During the Year	97,000,000	0	0	97,000,000
Transfers	0	0	0	0
Revaluation Gain	0	0	0	0
Balance As At 30 June 2022	247,569,254	0	587,159	248,156,413


 Name: Grace Ewoi
 Administrator of the Fund


 Name: Amos Kibet
 Fund Accountant
 ICPAK Member Number: 17957

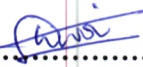
Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

16. Statement of Cash Flows for The Year Ended 30th June 2022

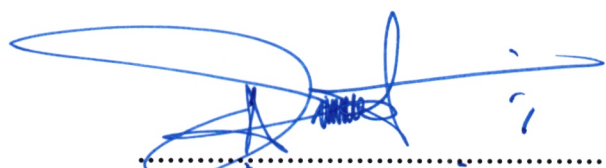
	Note	2021-2022	2020-2021
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Public contributions and donations		0	0
Transfers from the county government		3,000,000	4,650,000
Interest received		312,500	3,000
Receipts from other operating activities		0	0
Total receipts		3,312,500	4,653,000
Payments			
Fund administration expenses		3,136,000	4,621,400
General expenses		7,401	63,077
Finance cost		0	0
Other payments		0	0
Total Payments		3,143,401	4,684,477
Net cash flows from operating activities	21	169,099	(31,477)
Cash flows from investing activities			
Purchase of property, plant, equipment and Intangible assets		0	0
Proceeds from sale of property, plant & equipment		0	0
Proceeds from loan principal repayments		6,795,410	3,385,977
Loan disbursements paid out		(6,600,000)	(66,000,000)
Receivables from non-Exchange Transaction-Borrowings		(1,401,400)	(60,242,540)
Net cash flows used in investing activities		(1,205,990)	(122,856,563)
Cash flows from financing activities			
Proceeds from revolving fund receipts		97,000,000	150,350,000
Additional borrowings		0	0
Repayment of borrowings		0	0
Net cash flows used in financing activities		97,000,000	150,350,000
Net increase/(decrease)in cash & cash Equivalents		95,963,109	27,461,960
Cash and cash equivalents at 1 July	11	27,454,751	(7,209)
Cash and cash equivalents at 30 June	11	123,417,860	27,454,751

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

(IPSAS 2 allows an entity to present the cash flow statement using the direct or indirect method but encourages the direct method. PSASB also recommends the use of direct method of cash flow preparation. The above illustration assumes direct method)



.....
Name: Grace Ewoi
Administrator of the Fund



.....
Name: Amos Kibet
Fund Accountant
ICPAK Member Number: 17957

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

17. Statement of Comparison of Budget and Actual Amounts for the Period

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	2022	2022	2022	2022	2022	2022
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	
Public Contributions and Donations	0	0	0	0	0	0%
Transfers From County Govt.	3,000,000	0	3,000,000	3,000,000	0	100 %
Interest Income	0	988,500	988,500	988,500	0	100 %
Other Income	0	0	0	0	0	0 %
Total Income	3,000,000	988,500	3,988,500	3,988,500	0	100 %
Expenses						
Fund Administration Expenses	2,992,000	988,500	3,980,500	3,136,000	844,500	79 %
General Expenses	8,000	0	8,000	7,401	599	93 %
Finance Cost	0	0	0	0	0	0 %
Total Expenditure	3,000,000	988,000	3,988,500	3,143,401	845,099	79%
Surplus For The Period	0	0	0	845,099	(845,099)	

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

18. Notes to the Financial Statements

1. General Information

Turkana County Youth and women Empowerment Fund is established under Turkana county Youth and women Empowerment Fund Regulations, 2020. The Fund is wholly owned by the County Government of Turkana and is domiciled in Kenya.

The Fund's principal activity is to provide seed capital for women and youth-led micro and small enterprise within Turkana County, for poverty alleviation and social development and in accordance with article 207(4)(b) of the constitution and section 116 of the Public Finance Management Act, 2012.

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) Relevant new standards and amendments to published standards effective for the year ended 30 June 2022

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

(ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows.</p>

Turkana County Youth & Women Empowerment Fund
Annual Report and Financial Statements for the year ended June 30, 2022

Standard	Effective date and impact:
	<p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p>There is no impact as the fund does not own any financial assets</p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> (a) The nature of such social benefits provided by the Entity; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows. <p>There is no impact as the fund does not provide any social benefits</p>
<p>Amendments to Other IPSAS</p>	<p>Applicable: 1st January 2023:</p> <ul style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the

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Standard	Effective date and impact:
<p>resulting from IPSAS 41, Financial Instruments</p>	<p>components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p> <p>There is no impact as the fund does not own any financial assets.</p>
<p>Other improvements to IPSAS</p>	<p><i>Applicable 1st January 2023</i></p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p> <p>There is no impact to the fund.</p>
<p>IPSAS 43</p>	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an</p>

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Standard	Effective date and impact:
	<p>Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>There is no impact to the fund.</p>
<p>IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>There is no impact to the fund.</p>

(iii) Early adoption of standards

The entity did not early – adopt any new or amended standards in year 2022.

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1. 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.

b) Budget information

The original budget for FY 2021-2022 was approved by the County Assembly on 30th June, 2021. 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 did not record any additional appropriations on the FY 2021-2022 budget.

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.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 13 of these financial statements.

Summary Of Significant Accounting Policies (Continued)

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.

d) 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.

d) Financial instruments

Financial assets

Initial recognition and measurement

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

Loans and receivables

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

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Summary Of Significant Accounting Policies (Continued)

Held-to-maturity

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

Impairment of financial assets

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

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

Financial liabilities

Initial recognition and measurement

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

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

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus

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or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

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

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Summary Of Significant Accounting Policies (Continued)

e) 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.

f) 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.

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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.

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Summary Of Significant Accounting Policies (Continued)

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.

g) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements. The entity does not maintain any reserves

h) 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.

i) 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.

j) 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

Summary Of Significant Accounting Policies (Continued)

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. 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.

k) 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.

l) 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.

m) Comparative figures

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

n) Events after the reporting period

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

o) Ultimate and Holding Entity

The Turkana County Youth and women Empowerment Fund is a County Public Fund established by Turkana county Youth and women Empowerment Fund Act and Regulations,

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2020 under the Ministry of Trade, Gender and Youth Affairs. Its ultimate parent is the County Government of Turkana.

p) Currency

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

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 such as there will be no inflation and change in interest rates.

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. There are no additional disclosure of these estimates provisioned.

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

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6. Notes To The Financial Statements

1. Public contributions and donations

Description	2021-2022	2020-2021
	Kshs	Kshs
Donation From Development Partners	0	0
Contributions From The Public	0	0
Total	0	0

2. Transfers from County Government

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers From County Govt. –Operations	3,000,000	4,650,000
Payments By County On Behalf Of The Entity	0	0
Total	3,000,000	4,650,000

3. Fines, penalties and other levies

Description	2021-2022	2020-2021
	Kshs	Kshs
Late Payment Penalties	0	0
Fines	0	0
Total	0	0

4. Interest income

Description	2021-2022	2020-2021
	Kshs	Kshs
Interest Income From Mortgage Loans	0	0
Interest Income From Car Loans	0	0
Interest Income From loans	988,500	3,000
Interest Income On Bank Deposits	0	0
Total Interest Income	988,500	3,000

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Notes to the Financial Statements Continued.

5. Other income

Description	2021-2022	2020-2021
	Kshs	Kshs
Insurance Recoveries	0	0
Income From Sale Of Tender Documents	0	0
Miscellaneous Income	0	0
Total Other Income	0	0

6. Employee Costs

Description	2021-2022	2020-2021
	Kshs	Kshs
Salaries And Wages	0	0
Staff Gratuity	0	0
Staff Training Expenses	0	0
Social Security Contribution	0	0
Other (<i>Specify</i>)	0	0
Total	0	0

7. Use of Goods and Services

Description	2021/22	2020/21
	Kshs.	Kshs.
General Office Expenses	0	0
Loan Processing Costs	0	0
Professional Services Costs	0	0
Administration Fees	3,136,000	4,621,400
Committee Allowances	0	0
Bank Charges	7,401	63,077
Electricity And Water Expenses	0	0
Fuel And Oil Costs	0	0
Insurance Costs	0	0
Postage And Courier	0	0
Printing And Stationery	0	0
Rental Costs	0	0
Security Costs	0	0
Telephone And Communication Expenses	0	0
Audit Fees	0	0
Provision For Doubtful Debts	0	0
Other (<i>Specify</i>)	0	0
Total	3,143,401	4,684,477

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8. Depreciation and Amortization Expense

Description	2021/22	2020/21
	Kshs.	Kshs.
Property Plant and Equipment	0	0
Intangible Assets	0	0
Total	0	0

9. Finance costs

Description	2021-2022	2020-2021
	Kshs	Kshs
Interest On Bank Overdrafts	0	0
Interest On Loans From Banks	0	0
Total	0	0

10. Gain/(loss) on disposal of assets

Description	2021-2022	2020-2021
	Kshs	Kshs
Property, Plant And Equipment	0	0
Intangible Assets	0	0
Total	0	0

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Notes to the Financial Statements Continued

11. Cash and cash equivalents

Description	2021-2022	2020-2021
	Kshs	Kshs
Turkana County Youth and Women Empowerment Fund account	123,417,860	27,454,751
County Mortgage Account	0	0
Fixed Deposits Account	0	0
On – Call Deposits	0	0
Current Account	0	0
Others	0	0
Total Cash And Cash Equivalents	123,417,860	27,454,751

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

Financial Institution	Account number	2021-2022	2020-2021
		Kshs	Kshs
a) Fixed Deposits Account			
Kenya Commercial Bank		0	0
Equity Bank, Etc.		0	0
Sub- Total		0	0
b) On - Call Deposits			
Kenya Commercial Bank		0	0
Equity Bank - Etc.		0	0
Sub- Total		0	0
c) Current Account			
Kenya Commercial Bank	1167444752	123,417,860	27,454,751
Bank B		0	0
Sub- Total		123,417,860	27,454,751
d) Others(Specify)			
Cash In Transit		0	0
Cash In Hand		0	0
Sub- Total		0	0
Grand Total		123,417,860	27,454,751

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12. Receivables from exchange transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
Current Receivables		
Interest Receivable	676,000	0
Current Loan Repayments Due	62,418,613	62,614,023
Other Exchange Debtors	0	0
Less: Impairment Allowance	0	0
Total Current Receivables	63,094,613	62,614,023
Non-Current Receivables		
Long Term Loan Repayments Due	0	0
Total Non- Current Receivables	0	0
Total Receivables From Exchange Transactions	63,094,613	62,614,023

Additional disclosure on interest receivable

Description	2021-2022	2020-2021
	Kshs	Kshs
Interest Receivable		
Interest receivable from current portion of long-term loans of previous years	988,500	0
Accrued interest receivable from of long-term loans of previous years	0	0
Interest receivable from current portion of long-term loans issued in the current year	0	0
Current loan repayments due		
Current portion of long-term loans from previous years	0	0
Accrued principal from long-terms loans from previous periods	0	0
Current portion of long-term loans issued in the current year	6,600,000	0

13. Prepayments

Description	2021-2022	2020-2021
	Kshs	Kshs
Prepaid Rent	0	0
Prepaid Insurance	0	0
Prepaid Electricity Costs	0	0
Other Prepayments (Specify)	0	0
Total	0	0

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14. Inventories

Description	2021-2022	2020-2021
	Kshs	Kshs
Consumable Stores	0	0
Spare Parts and Meters	0	0
Catering	0	0
Other Inventories (Specify)	0	0
Total Inventories At The Lower Of Cost And Net Realizable Value	0	0

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Notes To The Financial Statements (Continued)

15. Property, plant and equipment

	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Cost	Kshs	Kshs	Kshs	Kshs	Kshs
At 1st July 2020	0	0	0	0	0
Additions	0	0	0	0	0
Disposals	0	0	0	0	0
Transfers/Adjustments	0	0	0	0	0
At 30th June 2021	0	0	0	0	0
At 1st July 2021					0
Additions	0	0	0	0	0
Disposals	0	0	0	0	0
Transfer/Adjustments	0	0	0	0	0
At 30th June 2022	0	0	0	0	0
Depreciation And Impairment					0
At 1 st July 2020	0	0	0	0	0
Depreciation	0	0	0	0	0
Impairment	0	0	0	0	0
At 30th June 2021	0	0	0	0	0
At 1st July 2021					0
Depreciation	0	0	0	0	0
Disposals	0	0	0	0	0
Impairment	0	0	0	0	0

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Transfer/Adjustment	0	0	0	0	0
At 30th June 2022	0	0	0	0	0
Net Book Values					0
At 30th June 2021	0	0	0	0	0
At 30th June 2022	0	0	0	0	0

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Notes To The Financial Statements (Continued)

16. Intangible assets

Description	2021-2022	2020-2021
	Kshs	Kshs
Cost		
At Beginning Of The Year	0	0
Additions	0	0
At End Of The Year	0	0
Amortization And Impairment		
At Beginning Of The Year	0	0
Amortization	0	0
At End Of The Year	0	0
Impairment Loss	0	0
At End Of The Year	0	0
NBV	0	0

17. Trade and other payables from exchange transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Payables	0	0
Refundable Deposits	0	0
Accrued Expenses	0	0
Other Payables	0	0
Total Trade and Other Payables	0	0

18. Provisions

Description	Leave provision	Bonus provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs
Balance at the Beginning of the Year (1.07.2021)	0	0	0	0
Additional Provisions	0	0	0	0
Provision Utilized	0	0	0	0
Change Due To Discount And Time Value For Money	0	0	0	0
Transfers From Non -Current Provisions	0	0	0	0
Balance at the End of the Year (30.06.2022)	0	0	0	0

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Notes To The Financial Statements (Continued)

19. Borrowings

Description	2021-2022	2020-2021
	Kshs	Kshs
Balance At Beginning of The Period	0	0
External Borrowings During the Year	0	0
Domestic Borrowings During the Year	0	0
Repayments Of External Borrowings During the Period	0	0
Repayments Of Domestic Borrowings During the Period	0	0
Balance At End of The Period	0	0

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

	2021-2022	2020-2021
	Kshs	Kshs
External Borrowings		
Dollar Denominated Loan From Organisation'	0	0
Sterling Pound Denominated Loan From Organisation'	0	0
Euro Denominated Loan from Organisation'	0	0
Domestic Borrowings		
Kenya Shilling Loan From KCB	0	0
Kenya Shilling Loan from Barclays Bank	0	0
Kenya Shilling Loan from Consolidated Bank	0	0
Borrowings From Other Government Institutions	0	0
Total Balance at End Of The Year	0	0

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Short Term Borrowings(Current Portion)	0	0
Long Term Borrowings	0	0
Total	0	0

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Notes To The Financial Statements (Continued)

20. Employee benefit obligations

Description	Defined benefit plan	Post employment medical benefits	Other Provisions	2021-2022	
				2020-2021	
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	0	0	0	0	0
Non-Current Benefit Obligation	0	0	0	0	0
Total	0	0	0	0	0

21. Cash generated from operations

	2021-2022	2020-2021
	Kshs	Kshs
Surplus/ (Deficit) For the Year Before Tax	845,099	(31,477)
Adjusted For:		
Depreciation	0	0
Amortisation	0	0
Gains/ Losses On Disposal Of Assets	0	0
Interest Income	0	0
Finance Cost	0	0
Working Capital Adjustments		
Increase In Inventory	0	0
Increase In Receivables	0	0
Increase In Payables	0	0
Net Cash Flow From Operating Activities	845,099	(31,477)

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Other Disclosures

22. 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

	2021-2022	2020-2021
	Kshs	Kshs
Transfers From Related Parties'	100,000,000	155,000,000
Transfers To Related Parties	0	0

c) Key management remuneration

	2021-2022	2020-2021
	Kshs	Kshs
Board Of Trustees	0	0
Key Management Compensation	0	0
Total	0	0

d) Due from related parties

	2021-2022	2020-2021
	Kshs	Kshs
Due From Parent Ministry	0	0
Due From County Government	61,643,940	60,242,540
Total	61,643,940	60,242,540

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Other Disclosures Continued

e) Due to related parties

	2021-2022	2020-2021
	Kshs	Kshs
Due To Parent Ministry	0	0
Due To County Government	0	0
Due To Key Management Personnel	0	0
Total	0	0

23. Contingent assets and contingent liabilities

Contingent Liabilities	2021-2022	2020-2021
	Kshs	Kshs
Court Case Against The Fund	0	0
Bank Guarantees	0	0
Total	0	0

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Other Disclosures Continued

24. 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:

	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
At 30 June 2022				
Receivables From Exchange Transactions	62,418,613	62,418,613	0	0
Receivables From Non-Exchange Transactions	0	0	0	0
Bank Balances	123,417,860	123,417,860	0	0
Total	185,836,473	185,836,473	0	0
At 30 June 2021				
Receivables From Exchange Transactions	62,614,023	62,614,023	0	0
Receivables From Non Exchange Transactions	0	0	0	0

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Bank Balances	27,454,751	27,454,751	0	0
Total	90,068,774	90,068,774	0	0

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 youth and women groups loans and borrowings from the County government.

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.

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2022				
Trade Payables	0	0	0	0
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	0	0	0	0
At 30 June 2021				
Trade Payables	0	0	0	0
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0

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Employee Benefit Obligation	0	0	0	0
Total	0	0	0	0

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 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:

	Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 2022			
Financial Assets	0	0	0
Investments	0	0	0
Cash	0	0	0
Debtors/ Receivables	0	0	0
Liabilities			
Trade And Other Payables	0	0	0
Borrowings	0	0	0
Net Foreign Currency Asset/(Liability)	0	0	0

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The Fund does not manage 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.

	Change in currency rate	Effect on surplus/ deficit	Effect on equity
	Kshs	Kshs	Kshs
2022			
Euro	10%	0	0
USD	10%	0	0
2021			
Euro	10%	0	0
USD	10%	0	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. The fund applies a 3 interest on the group loans issued.

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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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 0 (2022: KShs 0). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of KShs 0 (2021 – KShs 0)

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:

	2021-2022	2020-2021
	Kshs	Kshs
Revaluation reserve	0	0
Revolving fund	247,569,254	150,569,254
Accumulated surplus	587,159	(257,940)
Total funds	248,156,413	150,311,314
Total borrowings	0	0
Less: cash and bank balances	(123,417,860)	(27,454,751))
Net debt/(excess cash and cash equivalents)	123,417,860	27,454,751
Gearing	50%	18%

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19. 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. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.2	Budget absorption	The over-expenditure was as a result of unanticipated overcharge in bank charges.	Resolved	Dec 2021
1.0	Internal Borrowings	The fund management is in liaison with the department of Finance to co-ordinate the refund process	Resolved	Sept 2022
2.0	Implementation of oversight bodies' and recommendations	The fund management submits reports to the Internal Audit, County Assembly and Controller of Budget	Resolved	Sept 2022
3.0	Performance of the fund and review and implementation progress.	The fund quarterly and annual reports are submitted to the governor and the County Assembly	Resolved	Sept 2021
4.0	Unresolved prior year audit matters	All the prior year audit matters have been resolved	Resolved	Dec 2021
1.0	Lack of Risk Management Policy	The fund management will work closely with the County Treasury to help develop and operationalize a risk management policy.	Resolved	Sep 2022