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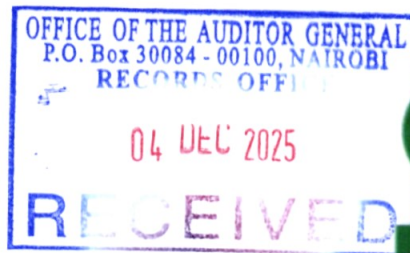
OF

THE AUDITOR-GENERAL

| | |
|--------------------------------------|--|
| THE NATIONAL ASSEMBLY PAPERS LAID | |
| DATE: 14 APR 2026 | DAY. Tuesday |
| TABLED BY: | Hon. Naomi Waga, CBS, MP Deputy Majority Whip |
| CLERK-AT THE-TABLE: | Inzafi Mwale, HSC |

UNITED PROGRESSIVE ALLIANCE (UPA)

FOR THE YEAR ENDED 30 JUNE, 2025



**UNITED PROGRESSIVE ALLIANCE
(UPA)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2025**

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

UNITED PROGRESSIVE ALLIANCE (UPA)
Annual Report and Financial Statements
For the year ended June 30, 2025.

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1. Acronyms and Definition of Key Terms

A: Acronyms

| | |
|-------|--|
| UPA | United Progressive Alliance (UPA) |
| SG | Secretary General |
| ED | Executive Director |
| CBK | Central Bank of Kenya |
| ICPAK | Institute of Certified Public Accountants of Kenya |
| IPSAS | International Public Sector Accounting Standards |
| NT | National Treasury |
| OCOB | Office of the Controller of Budget |
| OAG | Office of the Auditor General |
| OSHA | Occupational Safety and Health Act of 2007 |
| PFM | Public Finance Management |
| PPE | Property Plant & Equipment |
| PSASB | Public Sector Accounting Standards Board |
| PPA | Political Parties Act |
| ORPP | Office of Registrar of Political Parties |
| IDRM | Internal Dispute Resolution Mechanism |
| NEC | National Executive Council |
| NDC | National Delegates Council |
| NGC | National Governing Council |
| PPF | Political Parties Fund |

B: Definition of Key Terms

Fiduciary Management- Members of management who are directly entrusted with the responsibility of managing the organization's financial resources.

The Secretary-General is the accounting officer of the Political Party

Comparative Year- Means the prior period.

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2. Key Political Party Information and Management

(a) Background information

UNITED PROGRESSIVE ALLIANCE (UPA) was fully registered/ established under the Political Parties Act, CAP. 7D on 16th September 2021 by Kenyans whose vision was to to establish a prosperous, industrialized, and modern nation, in which all citizens enjoy social, economic, and democratic rights, and live in dignity.

The Political Party is domiciled in Kenya, with branches in Kisii, Nyamira, Narok, Mombasa, among other major towns.

(b) Principal Activities

The principal activity/mission of the UNITED PROGRESSIVE ALLIANCE (UPA) is to promote a united social democratic party that seeks to promote national consciousness, integration, dialogue, reconciliation, peace, and unity, and to safeguard national interests from sectarianism, tribalism, and racism.

Vision

The Party's vision shall be to establish a prosperous, industrialized, and modern nation, in which all citizens enjoy social, economic, and democratic rights, and live in dignity

Mission

To build a social, democratic state and society which guarantees to all Kenyans the best attainable standard of life and harmonious coexistence between all individuals and cultural communities.

Strategic Objectives

1. To form a Government of Kenya based on democratic and Constitutional principles of liberal democracy and good governance, founded on principles of Unity, Justice, Fairness, Peace, Liberty, and Equality, and which is transparent and accountable to the electorate and all the people of Kenya;
2. To engage in and provide quality, just, fair, and accountable leadership to the Kenyan public in matters of political, economic, and social governance, devoid of corruption, nepotism, and all forms of discrimination;
3. To promote democratic, political governance within the framework of Liberal democracy based on the popular will of the people exercised through grassroots participation in Party activities, universal suffrage on principles of transparency and accountability in public affairs, justice, liberty, equality, and respect for the Rule of Law, and the separation of

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powers between the three arms of Government, namely the Legislature, the Executive, and the Judiciary;

4. To establish, enhance, and entrench sound economic institutions and fiscal policies to ensure sustainable human, economic, and physical development; accountable, free, and fair usage of public resources and total elimination of corruption, nepotism, and mediocrity;
5. To encourage, promote, or form coalitions among political parties pursuing similar objectives in Kenya;

Other Activities for the Party include:

- (a) Recruit and enlist members.
- (b) Nominate candidates for elections.
- (c) Promote representation in Parliament and county assemblies of women, persons with disabilities, youth, ethnic and other minorities, and marginalized communities.
- (d) Sensitize the public on the functioning of the political and electoral system.
- (e) Promote and enhance national unity.
- (f) Mobilize citizens to participate in political decisions.
- (g) Solicit and articulate public policy priorities as identified by its members; and
- (h) Shape and influence public policy.

(i) Key Management

The *Party's* day-to-day management is under the following key organs:

| No. | Designation | Responsibility |
|-----|-------------|--|
| 1. | NDC; | <p>The National Delegates Conference (NDC) shall be the supreme organ of the Party with the power to determine Party policy. With the following powers:</p> <p>i. To review Party policies and programs and give directions regarding the organization of the Party;</p> <p>ii. To consider, modify, amend, and, if it thinks fit, ratify the Manifesto, Constitution, Rules and Regulations of the Party and those governing its subsidiary organizations and their operations;</p> |

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| No. | Designation | Responsibility |
|-----|-------------|---|
| | | <p>iii. To establish and/or revise the by-laws, if required for the proper regulation of the affairs of the Party;</p> <p>iv. To receive, examine and approve Annual Financial Statement and Audited Accounts presented by the National Treasurer for the period since the previous ordinary session of the National Delegates Conference and review annual dues payable by the Party members;</p> <p>v. To receive and discuss reports of the National Governing Council and the National Executive Committee;</p> <p>vi. To appoint Party Auditor and fix his/her honorarium;</p> <p>vii. To elect, from among eligible Party members, the National Officials of the Party who shall constitute the National Executive Committee for a term of five years as set out in this constitution;</p> <p>viii. To delegate or confer any of its powers or duties to the National Governing Council and the National Executive Committee in addition to its functions;</p> <p>ix. To elect or appoint any other Standing Committee and assign specific tasks and duties to such committee;</p> <p>x. To nominate the Party's Presidential candidate for the election of the President of the Republic of Kenya or taking into consideration the criteria, procedures and circumstances provided for in the Party's Elections and Nomination Rules justifying a non-competitive nomination method or direct nomination, the National Delegates Conference may by resolution nominate the Party Leader as the Party's de facto Presidential candidate for the Office of President of the Republic of Kenya;</p> <p>xi. To initiate all such activities to further the aims and objects of the Party;</p> <p>xii. To perform any other duties and functions as the National Delegates Conference may deem fit.</p> |
| 2. | NEC | i. The National Executive Committee shall be in charge of the Secretariat. |



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| No. | Designation | Responsibility |
|-----|-------------|--|
| | | <ul style="list-style-type: none"> ii. To act as the executive body and carry out the decisions of the National Governing Council and the National Delegates Congress. iii. To supervise the National Secretariat of the Party and to take such measures as it deems necessary to enforce the decisions and programs of the Party as laid down by the National Governing Council and the National Delegates Conference. iv. Have the discretion to consider and grant or reject any application for membership of the Party. v. To determine the location of the National Headquarters and other offices of the Party. vi. To issue and send directives and instructions to and receive reports from the Branches. vii. To convene the meetings of and prepare the agenda for and reports to the National Governing Council and National Delegates Conference. viii. To oversee the operations of the Women's League, Youth League, Party Parliamentary Group, and the County Assembly Group. ix. Set up committees as it deems necessary from time to time for specified tasks and to determine their terms of reference. x. To operate and determine the manner in which the Party accounts and finances shall be prudently managed. xi. To appoint the members of the National Elections Board. xii. To appoint and fix the Terms and Conditions of Service of the Executive Director and other members of staff in the employment of the Party. xiii. To receive reports, supervise the work of, and delegate such functions to the National Secretariat and National Elections Board as it considers necessary. |

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| No. | Designation | Responsibility |
|-----|-------------|--|
| | | <p>xiv. To recommend to the Party Leader names of any member of the Party or any other person who has made an outstanding contribution to the Party in the achievement or furtherance of its objects, policies or programmes for the conferment of honors of recognition, merit, distinction, commendation or accolade in accordance with the Party's Reward and Merits Scheme as it may deem appropriate.</p> <p>xv. To initiate, prepare, or cause to be prepared the necessary quarterly, semi-annual, or annual financial statements for approval by the National Governing Council and the National Delegates Conference.</p> <p>xvi. To nominate and present a Party List to the IEBC in accordance with the provisions of the Law.</p> <p>xvii. To receive, consider, approve, and implement reports and recommendations from the various standing, ad hoc, and specialized committees or individuals</p> <p>xviii. To liaise with the Party National Election Board in order to ensure the coordination of elections of Party Officials at all levels and Party nominations for Presidential, Parliamentary, and Civic elections.</p> <p>xix. To appoint various schemes aimed at stimulating Party activities.</p> <p>xx. To make Elections and Nomination Rules and/or Regulations or amendments thereto as may be prescribed under this Constitution and lay them before the National Governing Council for ratification.</p> <p>xxi. To consider and make decisions on the formation of alliances and coalitions with other like-minded political parties so as to advance the objects of the Party.</p> <p>xxii. To initiate all such activities as might further the aims and objects of the Party.</p> <p>xxiii. To determine the multiplier to be used in the delegates' top-up formula.</p> |

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| No. | Designation | Responsibility |
|-----|-------------|---|
| | | <p>xxiv. To determine the maximum number of delegates to attend any National Delegates Conference.</p> <p>xxv. To grant such honoraria, out-of-pocket expenses, to any National Official so as to reasonably facilitate his or her attendance at meetings or to ameliorate his or her just and fair expenses, subject to the availability of funds, and in its own discretion.</p> |
| 3. | SG | <p>The Party Secretary General shall be the Accounting Officer of the Party and the Party Spokesperson. He or she will be responsible for the management of the National Secretariat and remain the principal custodian of all Party records and the Party Seal.</p> <p>His or her responsibilities shall include:</p> <p>i. Ensuring that all Party meetings including the National Executive Committee, National Governing Council and National Delegates Conference take place as provided for in the Constitution at such time as may be decided by the National Executive Committee;</p> <p>ii. Keeping or causing to be kept a proper record of minutes of all meetings of the National Executive Committee, the National Governing Council and the National Delegates Conference and ensuring the distribution of such minutes and conveying of decisions made to persons and branches concerned;</p> <p>iii. He or she is the Accounting Officer of the Party and signatory to all accounts of the Party;</p> <p>iv. As the Spokesperson of the Party, he or she will issue statement, press and media briefings and convey decisions of the National Executive Committee, caucuses and other Party organs;</p> |

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| No. | Designation | Responsibility |
|-----|-------------|--|
| | | <ul style="list-style-type: none"> v. Ensure statutory Compliance; vi. Supervise, monitor and report on the implementation of Party policies and programmes, and provide quarterly reports to the relevant Party organs; vii. Prepare annual reports of the activities of the Party and present them to the relevant Party organs; viii. He or she shall be a member of all Party Committees, Organs and Caucuses, and may choose to attend in person or through an appointment representative; ix. Preparing calendar of meetings and events of the National Delegates Conference, National Governing Council, the Central Committee, the National Executive Committee and the Party National Secretariat; x. He or she shall be a signatory to the Party nomination certificates; xi. He or she shall be the depository and custodian of all Party legal instruments and documents including Party Seal, Minutes Register, instruments of intellectual property rights, instruments of registration, registration of all Party Branches and Party members' register; xii. Corresponding and consulting with the Registrar of Political Parties on behalf of the Party as the authorized Principal Officer of the Party; xiii. Perform any other duties conferred upon him or her by this Constitution or by the National Executive Committee; xiv. Perform such duties and functions as are inherent and customary to the office of the Secretary General. |
| 4. | Treasurer | <p>The National Treasurer shall be in charge of policy guidelines in respect to the Party financial affairs and responsible for compliance of such guidelines under the supervision of the National Secretary General.</p> <p>He or she shall also:</p> |

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| No. | Designation | Responsibility |
|-----|--|---|
| | | <p>i. Receive and bank all monies on behalf of the National Executive Committee and operate all Party banking accounts together with such other signatories as may be specified by the National Executive Committee;</p> <p>ii. Maintain party bank accounts as one of the signatories to those accounts and shall have access to all bank reports;</p> <p>iii. Prepare Annual Party Budgets or Estimates and overall fiscal planning;</p> <p>iv. Monitor financial allocations and expenditure according to departmental votes as may be approved by the National Executive Committee;</p> <p>v. Ensure the execution of prudent stewardship standards and best financial practices to protect Party's finances;</p> <p>vi. Prepare and submit to the National Executive Committee a Financial Statement every quarter of the year and ensure that copies of duly audited Annual Accounts are circulated to all delegates at the same time the notice convening the National Delegates Conference is sent out;</p> <p>vii. Be responsible for the formulation, execution and coordination of resource mobilization and fundraising activities of the Party;</p> <p>viii. Be in charge if the financial appropriation of the National Secretariat under the directions of the Secretary General and the National Chairman;</p> <p>ix. Perform such duties and functions as are inherent or customary to the office if the National Treasurer.</p> |
| 5 | The Executive Director / Chief Administrative Officer. | <p>There shall be established the office of The Executive Director who shall be an employee of the Party appointed by the Party's National Executive Committee. The Executive Director shall be in charge of the Party Secretariat and shall have the following roles:</p> <p>i. Ensure efficient function of the National, County and Constituency</p> |

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| No. | Designation | Responsibility |
|-----|-------------|--|
| | | Secretariats; ii. Supervise and enforce discipline of the staff and their observance of all Party policies, manuals, and programs; iii. Keep minutes of all resolutions of the National Delegates Congresses, National Governing Council, National Executive Committee, and the sub-committees of the National. iv. Coordinate and implement all Party policies, decisions, and programs and generally ensure the achievement of all or any of the objectives of the Party as stipulated in this constitution; and v. Submit periodic reports on the performance of the secretariat to the Accounting Officer. |

The following were the Executive Members of the Party during the year:

| | | |
|------------------------------|---|-------------------------------|
| Hon. Emmanuel Nyabega Gisesa | - | Chairman |
| Hon. Jacob Barongo Bagaka | - | Secretary-General |
| Hon Derrick Mosiay | - | National Treasurer |
| Mr. Kennedy Swanya Mariita | - | Chief Administrative Officer. |



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(j) Fiduciary Management

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

| No. | Position | Name | Profile / Responsibility |
|-----|-----------------------------|---------------------------|--|
| 1 | Party Leader | H.E Governor Amos Nyaribo | Governor Nyaribo Governor Amos Nyaribo |
| 2 | Deputy Party Leader | Hon Dr Charles Onchoke | MP Bonchari |
| 3 | National Chairperson | Hon Nyambega Gisesa | Rigoma Ward MCA |
| 4 | General Secretary | Jacob Bagaka | Masige West MCA and Kisii County Assembly Deputy Speaker |
| 5 | Deputy Secretary General | Hon Joel Ombongi | Bokeira MCA |
| 6 | Organising Secretary | Hon Alice Kiongo | Kiambu County |
| 7 | Deputy Organising Secretary | Hon William Serem | Uasin Gishu county |
| 8 | Treasurer General | Hon Derrick Mosiay | Nakuru County |
| 9 | Deputy Treasurer General | Hon Ishmael Isaak | Wajir County |

(k) Fiduciary Oversight Arrangements

- *Registrar of Political Parties*
- *Governing Body/NEC*
- *Finance committee*
- *Audit and Risk Committee*
- *Parliamentary Oversight Committees*

(l) UPA Party Headquarters

UPA Headquarters
 Location and Address
 Kijabe Street, Nairobi.
 P.O. BOX 22768-00505
 NAIROBI.
Info@upakenya.com
www.upakenya.com
 +254 720 717 571

(m) UPA Contacts

P.O. BOX 22768-00505
 NAIROBI.
 Info@upakenya.com
 www.upakenya.com
 +254 720 717 571

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(n) UPA Party Bankers

Bankers
National Bank of Kenya.
Westlands Branch

Other Banks (N/A)

(o) Independent Auditor

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

(p) Principal Legal Adviser

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




Party Legal Advisor

1. Anyoka & Co. Advocates
2. Mwendani and Co. Advocates




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3. The National Executive Council/Committee

| Ref | Directors | Details |
|-----|---|---|
| a) |  Hon. Emmanuel Nyabega Gisesa | The Chairman. Elected Member of Nyamira County Assembly, Rigoma Ward. |
| b) |  Hon. Jacob Barongo Bagaka | The Secretary General Masige West MCA and Kisii County Assembly Deputy Speaker |
| c) |  Hon. Derick mosiany | The Treasurer From Nakuru County. |



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| | | |
|----|---|--|
| d) |  | <p>Mr. Kennedy Swanya Mariita Chief Administrative Officer. In charge of the day-to-day running of the secretariat.</p> |
|----|---|--|

4. Key Management/Secretariat Team

| | Management | Details |
|----|--|---|
| 1. |  Mr. Kennedy Swanya Mariita | <p>Chief Administrative Officer. In charge of the day to day management of the UPA secretariat.</p> |
| 2. |  Wilkister Bonareri | <p>Office Assistant Assist in the management of the secretariat operations.</p> |



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5. Chairman’s Statement

I am delighted to present the financial report for **UNITED PROGRESSIVE ALLIANCE (UPA)** for the year ended 30 June 2025. I would like to congratulate the members of the **UNITED PROGRESSIVE ALLIANCE (UPA)** without whom it would not have been possible for us to achieve the results for the year under review.

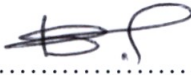
As the Chairman, I appreciate the support accorded to me by my fellow party officials and I thank them for their invaluable advice and support. I would also like to thank the Government and the Registrar of Political Parties for their support.

Key activities during the Financial Year under review included engaging our elected and nominated members effectively and initiating a new income stream where they contributed a total of Kshs. 539,000.00, an increase from Kshs. 411,000.00 in the year 2024, this is towards supporting the Party Activities. This was a major step towards addressing the underfunding from the Political Parties Funds and the budget cuts by the treasury towards the political Parties, that we have been facing as a Party since the year 2022.

The year under review is a post-election year and hence there were numerous attempts to ensure we put up structures within the secretariat. Having had numerous court litigations in the previous year, touching on the National Executive Committee Structure of the Party.

As a party, we are committed to ensuring that we come up with more initiatives that will help us achieve our goals and aspirations as leaders within UPA and also live up to the expectations of our members.

Thank you.


.....

Hon Nyambega Gisesa
CHAIRPERSON
DATE..2nd Dec 2025.....



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6. Report of the Secretary-General

The Secretary-General, in the case of UPA, serves as an Accounting Officer for the Party. I hereby present the financial report for **UNITED PROGRESSIVE ALLIANCE (UPA)** for the year ended 30 June 2025.

Collective responsibility from the National Delegates Conference, National Executive Council (NEC), and the Management Committee made it possible for us to achieve the results posted for the Financial Year under review. We also want to take this opportunity to thank the Government of Kenya, specifically the Registrar of Political Parties for their invaluable support in ensuring that Political Parties operate on a level playing field that guarantees fairness for all electorates.

The Party's revenue and Expenses for the year are indicated below. The Party's operations were also affected by the budget cuts, with a decrease of ORPP allocation by 8.6%, hence generally interfering with the overall operations of the Party.

REVENUE

- The party received Ksh.7,220,176.00 for the Financial Year 2024/2025 (An Increase of Kshs.2,468,838 of the total receipts in the previous financial Year 2023/2024 being the allocation of the Political Parties Fund based on the results of the August 2022 General Elections.
- The Party also raised Kshs. 539,000 from the collections of its Elected and Nominated Members.

EXPENDITURE

- The total expenditure of Kshs. 7,579,703.00 for the Financial Year 2024/2025.

PERFORMANCE.

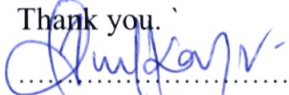
The Party reported a surplus of Kshs 179,473.00, in **the year ending 30th June 2025**, an improvement from the previous year's deficit of Kshs. **(898,951.00)**.

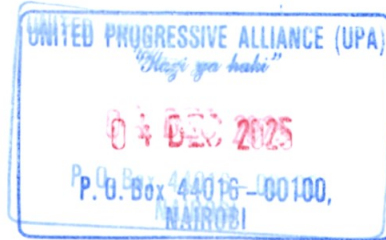
As a party, the biggest challenge we still face is the lack of enough funds to run our operations smoothly. The Government through the Registrar of Political Parties should put in place plans to

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allocate enough resources from the Political Parties Fund (PPF) to enable Political Parties to manage their affairs better.

Thank you.


.....
Hon. Jacob Barongo Bagaka
SECRETARY GENERAL
DATE 3rd Dec 2025



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7. Statement of Performance against Predetermined Objectives for FY 2024/2025

| No | Program/Activity | Key Performance Indicator | Target | Achievement | Remarks |
|-----------|-------------------------|----------------------------------|---------------|--------------------|--|
| 1. | Membership Recruitment | No of Members | 4,500. | 2,700. | The Party has also been able to attract key political figures, including former cabinet secretaries and Political figures. |
| | | | | | |

UNITED PROGRESSIVE ALLIANCE (UPA) has 5 strategic objectives within the current Strategic Work Plan and budgets for the FY 2024/2025. These strategic objectives are as follows:

1. To form a Government of Kenya based on democratic and Constitutional principles of a liberal democracy and good governance founded on principles of Unity, Justice, Fairness, Peace, Liberty and Equality, and which is transparent and accountable to the electorate and all the people of Kenya;
2. To engage in and provide quality, just, fair and accountable leadership to the Kenyan public in matters of political, economic and social governance devoid of corruption, nepotism and all forms of discrimination;
3. To promote democratic, political governance within the framework of Liberal democracy based on the popular will of the people exercised through grassroots participation in Party activities, universal suffrage on principles of transparency and accountability in

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public affairs, justice, liberty, equality, and respect for the Rule of Law, and the separation of powers between the three arms of Government, namely the Legislature, the Executive, and the Judiciary;

4. To establish, enhance, and entrench sound economic institutions and fiscal policies to ensure sustainable human, economic and physical development; accountable, free, and fair usage of public resources and total elimination of corruption, nepotism, and mediocrity;
5. To encourage, promote or form coalitions among political parties pursuing similar objectives in Kenya;

UNITED PROGRESSIVE ALLIANCE (UPA) developed its annual work plans based on the five strategic objectives outlined in the party's Constitution.

More so, the party's operational performance improved, reporting a surplus as compared to the previous year, where we had a deficit. The extract below highlights each performance item in percentage as reported on the Statement of Financial Performance for the year ended 30th June 2025.

| | Jul '24 - Jun 25 | Jul '23 - Jun 24 | Ksh Change | % Change |
|---|------------------|------------------|--------------|----------|
| Ordinary Income/Expense | | | | |
| Income | | | | |
| 4000 · Income Non-Exchange Transaction | | | | |
| 4100 · Political Parties Fund_PPF | 7,220,176.00 | 4,751,338.00 | 2,468,838.00 | 51.96% |
| Total 4000 · Income Non-Exchange Transaction | 7,220,176.00 | 4,751,338.00 | 2,468,838.00 | 51.96% |
| 4340 · Members Monthly Contribution | 539,000.00 | 411,000.00 | 128,000.00 | 31.14% |
| Total Income | 7,759,176.00 | 5,162,338.00 | 2,596,838.00 | 50.3% |
| Expense | | | | |
| 6020 · Administration Expenses | 20,000.00 | 513,000.00 | -493,000.00 | -96.1% |
| 6040 · Membership Subscription | 100,000.00 | 70,000.00 | 30,000.00 | 42.86% |
| 6240 · Depreciation Expense | 199,802.00 | 224,944.00 | -25,142.00 | -11.18% |

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| | | | | |
|--|---------------------|---------------------|---------------------|----------------|
| 6250 · Cleaning and Garbage Collection | 30,500.00 | 0.00 | 30,500.00 | 100.0% |
| 6260 · National Delegate Conference | 1,489,700.00 | 1,780,000.00 | -290,300.00 | -16.31% |
| 6470 · Bank Charges | 25,809.00 | 18,276.00 | 7,533.00 | 41.22% |
| 6490 · Office Expense | 641,273.00 | 420,269.00 | 221,004.00 | 52.59% |
| 6650 · Postage and Delivery | 10,000.00 | 0.00 | 10,000.00 | 100.0% |
| 6670 · Professional Fees | 150,000.00 | 330,400.00 | -180,400.00 | -54.6% |
| 6680 · Printing and Production | 1,264,400.00 | 47,500.00 | 1,216,900.00 | 2,561.9% |
| 6710 · Rent and Rates | 1,427,000.00 | 1,703,200.00 | -276,200.00 | -16.22% |
| 6720 · Employees Cost | 550,000.00 | 540,000.00 | 10,000.00 | 1.85% |
| 6730 · Executive Cost and Allowances | 172,500.00 | 30,000.00 | 142,500.00 | 475.0% |
| 6810 · Office Internet Service | 238,400.00 | 0.00 | 238,400.00 | 100.0% |
| 6830 · Travel and Meetings | 1,260,319.00 | 383,700.00 | 876,619.00 | 228.47% |
| Total Expense | 7,579,703.00 | 6,061,289.00 | 1,518,414.00 | 25.05% |
| Net Ordinary Income | 179,473.00 | -898,951.00 | 1,078,424.00 | 119.97% |
| Profit for the Year | 179,473.00 | -898,951.00 | 1,078,424.00 | 119.97% |

8. Governance Statement

As a party, we continue to inculcate Corporate Governance in all our operations. UNITED PROGRESSIVE ALLIANCE is accountable to its membership and all its stakeholders.

The National Executive Committee of UNITED PROGRESSIVE ALLIANCE (UPA) is responsible for the Governance of the party and is accountable to the members for ensuring that the party complies with the law and the highest standards of business ethics and corporate Governance. Accordingly, party officials attach great importance to the generally accepted corporate governance practices.

The Party has defined procedures and financial controls that ensure proper reporting of financial reports according to the International Public Sector Accounting Standards (IPSAS). The party will continue to focus its attention on maintaining the highest standards of Corporate Governance and Business ethics in its operations.

9. Management Discussion and Analysis

As a party, our ambition is to establish a Country where its citizens enjoy Social, Economic and Democratic rights as envisioned in our Vision and Mission.

Our party was established by Kenyans whose vision was to change the entrenched socio-economic inequalities, bad governance, corruption, negative ethnicity and to tackle the growing poverty and marginalization of communities and disadvantaged groups. We intend to guard these virtues jealously in order to create a just society.

One aspect we want to focus on is ensure that our activities as a Political Party impact positively on the livelihoods of Kenyans. Social responsibility if well managed can be used to improve living standards in our communities.

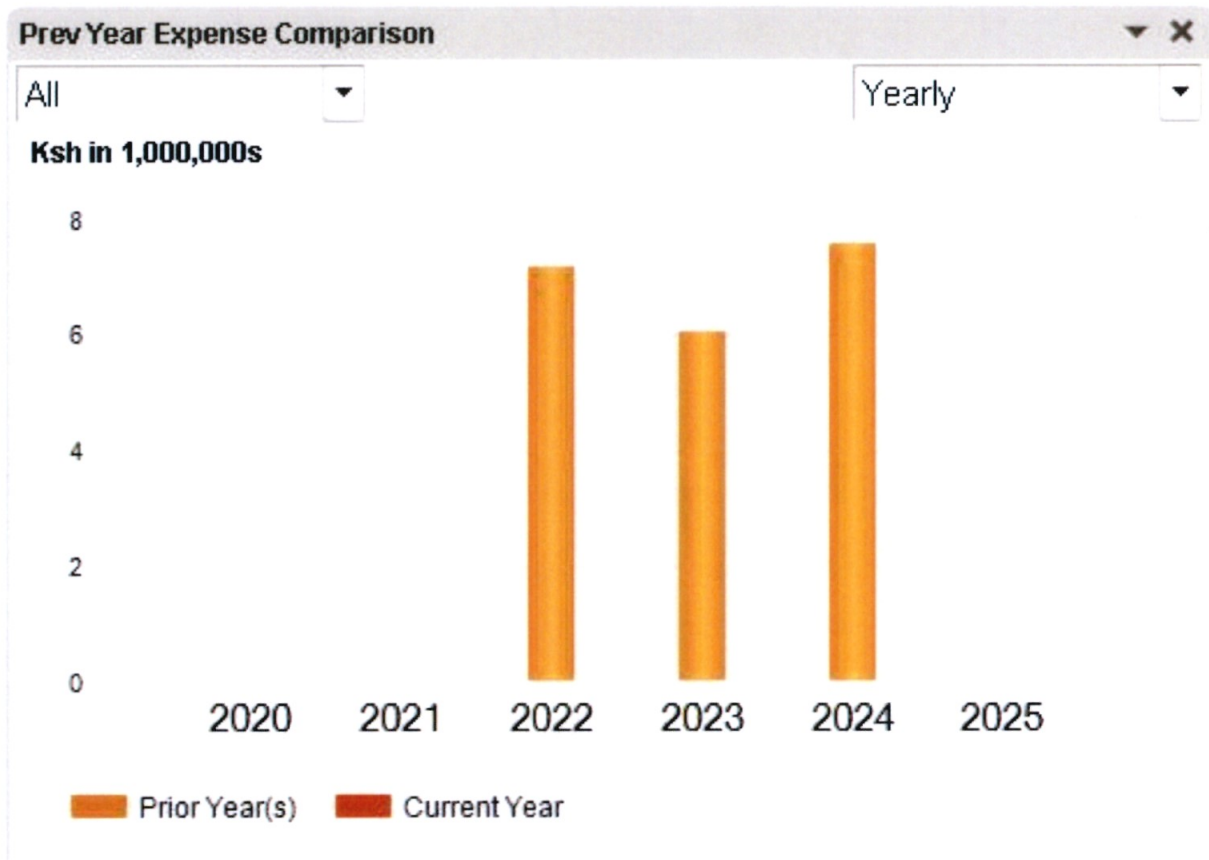
Our intention is:

1. work towards the independence of the Civil Service by delinking the same from any Political Party;
2. To promote national consciousness, integration, dialogue, reconciliation, peace and unity, and to safeguard national interests from sectarianism, tribalism and racism;
3. To pursue, promote and protect the rights of workers by securing a just return commensurate with their labour, or contribution, and in line with the cost of living; improved terms and conditions of service as well as promoting the rights of employers to demand commensurate output from their workers;
4. To respect and preserve our national heritage, history, cultural diversity, national monuments, historical sites and archives for the good and enjoyment of posterity and enhance cultural life of Kenyans in all spheres of national development;
5. To pursue and promote the full participation of women, youth, minorities, the disabled and any other disadvantaged groups in the management of public affairs and national development through affirmative action and mainstreaming their participation in Party activities and structures at all levels, and to advocate for and promote respect of the 1979 United Nations Conference for the Elimination of all Forms of Discrimination Against Women;

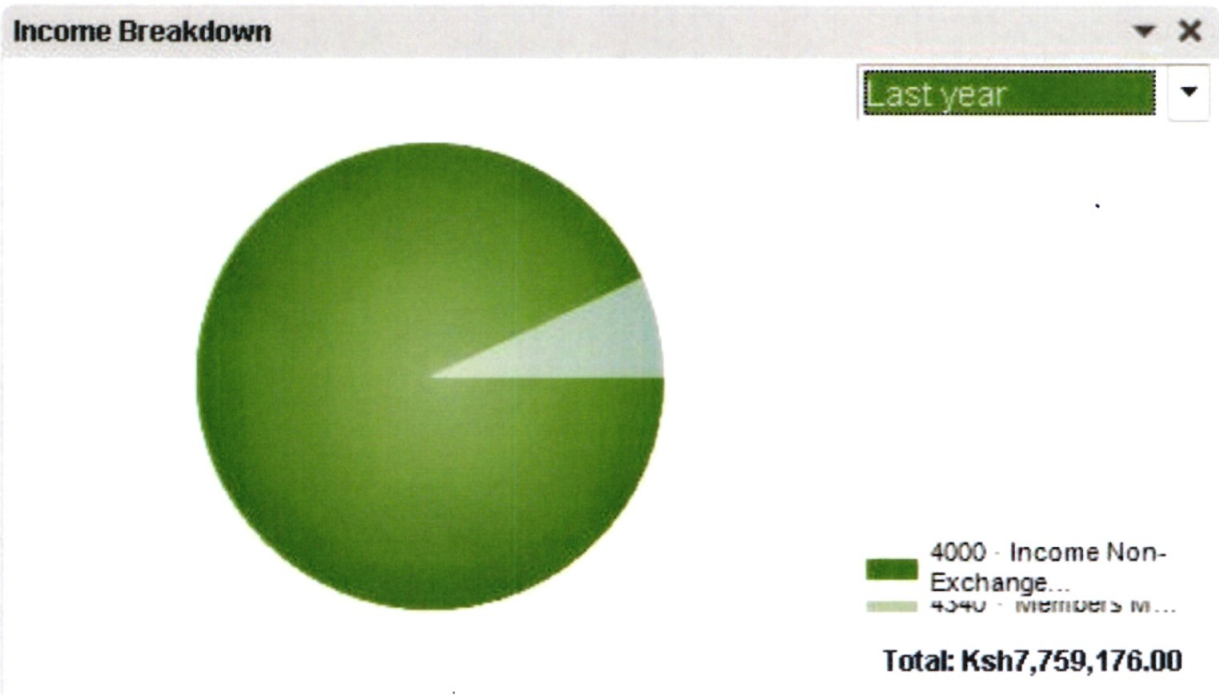
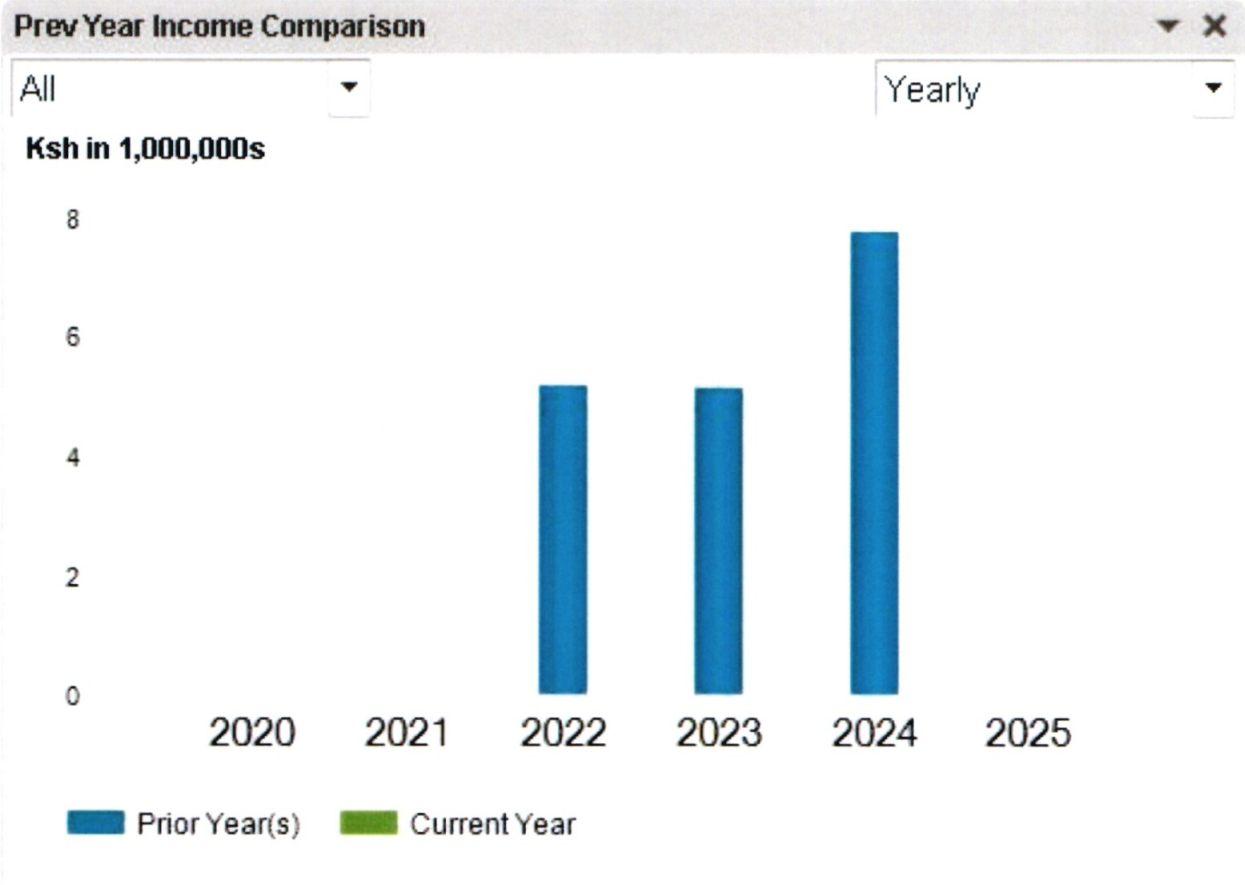
UNITED PROGRESSIVE ALLIANCE (UPA)
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6. To promote gender equality and equity;
The following presents graphically the performance of the Party in the year ended 30th June 2025: Noteable:

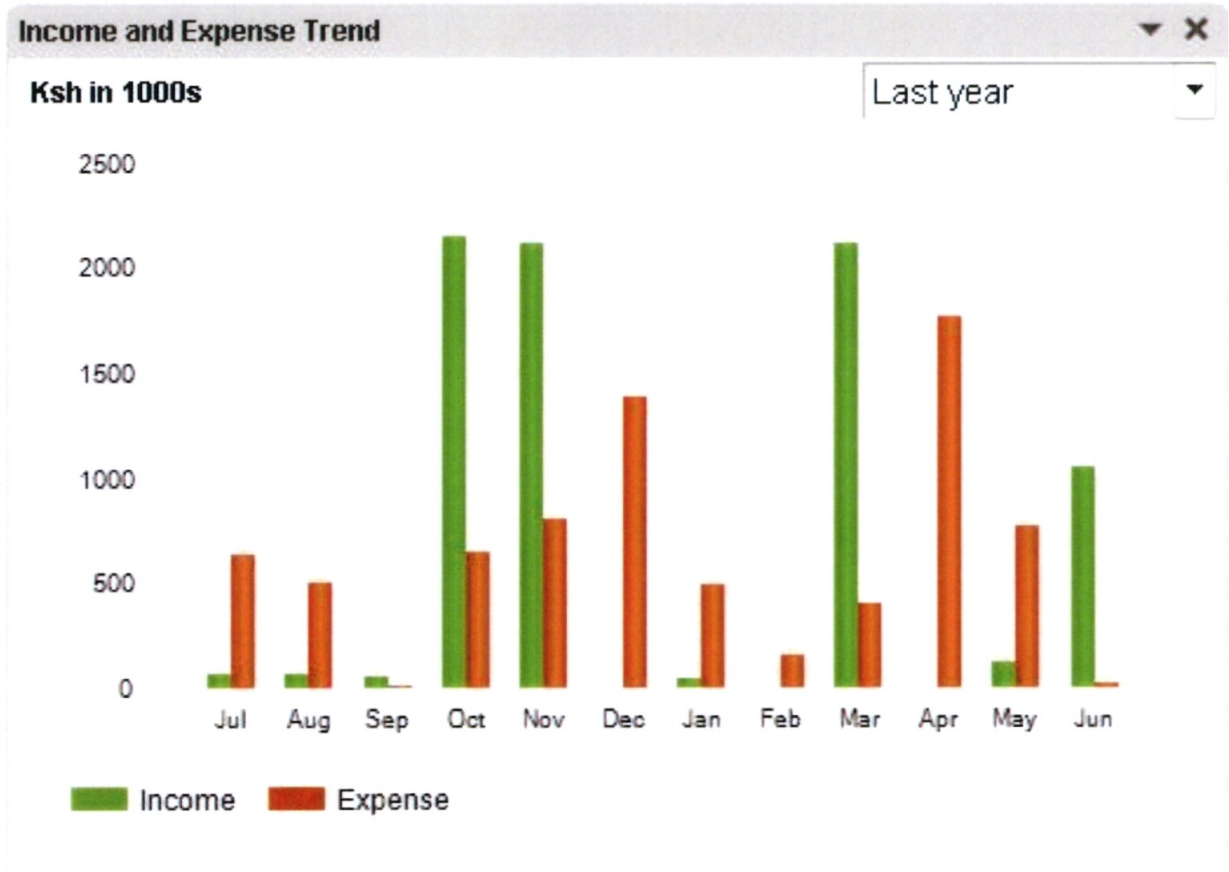
1. There has been an increase in Income.
2. Expense management became efficient over the years



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UNITED PROGRESSIVE ALLIANCE (UPA)
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Thank you.

Mr. Kennedy Swanya Mariita
CHIEF ADMINISTRATIVE OFFICER

DATE: 4/12/2025

UNITED PROGRESSIVE ALLIANCE (UPA)
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For the year ended June 30, 2025.

10. Report of the National Executive Council/Committee

The Council/Committee submits their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the UPA *Party's* affairs.

i) Principal activities

The principal activities of the Party are reported on pages (iii) and (iv).

ii) Results

The results of the Entity for the year ended June 30, 2025, are set out on pages (1) to (6).

iii) Council Members

The members of the Governing body/NEC who served during the year are shown on pages (xiv) and (Xv). During the year 2024/2025, none of the members retired/ resigned, and none were appointed.

iv) Auditors

The Auditor-General is responsible for the statutory audit of the UPA Party in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015

By Order of the Council/Committee



.....
Hon. Jacob Barongo Bagaka
Secretary General

UNITED PROGRESSIVE ALLIANCE (UPA)
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11. Statement of the National Executive Council Responsibilities

The National Executive Committee submits its report together with the audited financial statements for the year ended 30th June 2025, which show the state of affairs of UNITED PROGRESSIVE ALLIANCE (UPA)

The National Executive Committee is responsible for the preparation and presentation of the UNITED PROGRESSIVE ALLIANCE (UPA) financial statements, which give a true and fair view of the state of affairs of the party for and as of the end of the financial year ended on June 30, 2025. This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the party;
- (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 UNITED PROGRESSIVE ALLIANCE (UPA);
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

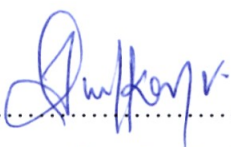
The NEC accepts responsibility for the party's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012, and the Political Parties Act, 2011. The Directors are of the opinion that the party's financial statements give a true and fair view of the state of UNITED PROGRESSIVE ALLIANCE (UPA) transactions during the financial year that ended June 30, 2025, and of the party's financial position as of that date. The NEC further confirms the completeness of the accounting records maintained for the party, which have been relied upon in the preparation of the financial statements, as well as the adequacy of the systems of internal financial control.


UNITED PROGRESSIVE ALLIANCE (UPA)
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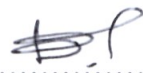
In preparing the financial statements, the NEC assessed the UPA Party's ability to continue as a going concern, and nothing has come to the attention of the NEC to indicate that the UPA will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Party's financial statements were approved by the Board on 9/4 2025 and signed on its behalf by:


.....
Name: Hon. Jacob Barongo
Bagaka
Secretary General


.....
Name: Hon. Derick Lotaya
Mosiany
National Treasurer


.....
Name: Hon Emmanuel Nyambega
Gisesa
NEC Chairperson



REPUBLIC OF KENYA



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Website: www.oagkenya.go.ke

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

REPORT OF THE AUDITOR-GENERAL ON UNITED PROGRESSIVE ALLIANCE (UPA) FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

The three parts of the report 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

Opinion

I have audited the accompanying financial statements of United Progressive Alliance (UPA) set out on pages 1 to 53, which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all

the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the United Progressive Alliance (UPA) as at 30 June 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Political Parties Act, 2011, (Revised 2022) and the Public Finance Management Act, 2012.

Basis for Opinion

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.11,400,471 and Kshs.7,759,176, respectively, resulting to an under-realization of Kshs.3,641,295 or 32% of the budget. Similarly, the actual expenditure reflects an expenditure of Kshs.8,399,901 against an approved budget of Kshs.11,400,471, resulting to a budget under absorption of Kshs.3,000,570 or 26% of the budget.

In the circumstances, the under-realization and under-absorption may have impacted negatively service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the prior years' audit reports, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on the Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during the audit of the Party in the Financial Year 2024/2025 revealed that the following eleven (11) issues remained unresolved:

| No. | Financial Year | Audit Issue |
|-----|-------------------------|--|
| 1 | 2023/2024 | Unsupported Operating Costs |
| 2 | 2023/2024 | Unsupported Share Capital |
| 3 | 2023/2024 | Budgetary Control and Performance-Underfunding |
| 5 | 2023/2024 | Inadequate Presentation and Disclosures Inadequate in the Financial Statements |
| 6 | 2023/2024 | Failure to Deduct and Remit Statutory Dues |
| 7 | 2023/2024 | Lack of Procurement and Strategic Plans |
| 8 | 2022/2023 and 2023/2024 | Failure to Establish Party Offices in at Least 24 Counties |
| 9 | 2022/2023 and 2023/2024 | Lack of an Internal Audit Function |
| 10 | 2023/2024 | Lack of Risk Management Policy and Disaster Recovery Plan |
| 11 | 2022/2023 and 2023/2024 | Incomplete Fixed Assets Register |

Other Information

The Management is responsible for the Other Information set out on pages iii to xxviii which comprise of Key Political Party Information and Management, The National Executive Council/Committee, Key Management/Secretariat Team, Chairman's Statement, Report of the Secretary General, Statement of Performance Against Predetermined Objectives, Governance Statement, Management Discussion and Analysis, Report of the National Executive Council and the Statement of the National Executive Council Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Presentation and Disclosures in the Financial Statements

Review of the financial statements as prepared and submitted for audit revealed the following errors and inconsistencies:

- i. The Environmental and Sustainability Report was not included in the annual report.
- ii. Transfer from Political Parties Fund and Membership fees in the statement of cash flows were not referenced to disclosure Notes;
- iii. The budget information on page 15 did not disclose the date the budget was approved;
- iv. The Governance Statement does not include details on the Party structures, the role of the National Delegates Conference (NDC) and National Executive Committee, its composition, nomination process, members and the number of meetings held;
- v. Management Discussion Analysis does not provide a trend analysis for the last three to five years on key metrics such as Membership, Annual budget, revenue from Political Parties' Fund, Members' subscriptions, Contributions, Donations, number of Elected Representatives, and Party branch offices.

In the circumstances, the financial statements did not comply with the prescribed Public Sector Accounting Standards Board reporting template for Political Parties.

2. Lack of a Procurement Plan

During the year under review, the Party incurred the Kshs.4,014,419 on special interest group expenses and Kshs.1,312,173 for advocacy and electoral expenses as disclosed in Notes 12 and 13 to the financial statements, respectively. However, these expenditures were not supported by a Procurement Plan contrary to Part VI(1) of the Public Procurement and Asset Disposal Regulations 2020 on the General Procurement and Asset Disposal principles, which states that a procuring entity shall prepare a procurement plan for each financial year as part of the annual preparation process.

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

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

As disclosed in Notes 12 and 13 to the financial statements, the Party incurred expenditures of Kshs.1,264,400 for printing and production and Kshs.238,400 for office internet service. However, Management did not withhold the required 0.03% Capacity Building Levy in respect of the payments. Further, there was no evidence that monthly returns were filed by the 20th of the following month with the Public Procurement Regulatory Authority. This was contrary to Paragraphs 3(1) and 3(3) of the Public Procurement Capacity Building Levy Order, 2023, which require all entities to withhold and remit the Capacity Building Levy and to file the relevant returns.

In the circumstances, Management was in breach of the Levy Order.

4. Non-Compliance with the Law on Establishment of Party Offices

During the year under review, the Party operated only one (1) office located in Nairobi and three (3) offices in other Counties. Although the Party submitted a list indicating

branch offices in twenty-four (24) Counties, no supporting documentary evidence was provided to verify the existence of the offices. Therefore, the audit could not confirm whether the Party maintained branch offices in at least twenty-four (24) counties as required by Section 7(2)(f)(iii) of the Political Parties Act, 2011, which states that a provisionally registered Political Party shall be qualified to be fully registered if it has submitted to the Registrar the location and addresses of the branch offices of the Political Party, which shall be in more than half of the Counties.

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

5. Non-Compliance with Climate Change Financing Requirements

Review of the Party's annual work plans for the financial year 2024/2025 revealed that the Party did not integrate Climate Change considerations into its operational activities. Further, there was no evidence of climate-related allocations in the administrative expenditure budget or in the environmental and sustainability reporting sections of the annual report. This was contrary to Regulation 6(1)(d) of the Climate Change (Duties and Incentives) Regulations, 2021, which requires each public entity at both the National and

County Governments to dedicate an amount in their annual budget towards Climate Change activities..

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

6. Lack of a Strategic Plan

The Management of the Party did not provide a strategic plan for the year under review. In the circumstance, the Party budget proposal for the financial year 2024/2025 was not supported with a strategic plan contrary to Regulation 32(5) of the Public Finance Management Regulations (National Government), 2015, which requires that all budget proposals shall be supported by the Entity's Strategic Plan.

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

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

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

Conclusion

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

Basis for Conclusion

1. Lack of an Internal Audit Function

During the year under review, the Party did not have an Internal Audit Unit, contrary to Section 73(1)(a) of the Public Finance Management Act, 2012, which requires every National Government entity to maintain an internal auditing arrangement that adheres to the guidelines issued by the Public Sector Accounting Standards Board.

In the circumstances, the effectiveness of internal controls and risk management of the Party could not be confirmed.

2. Lack of a Risk Management Policy and Disaster Recovery Plan

During the financial year under review, the Party did not have a risk management strategy in place and therefore, had no approved processes and guidelines on how to mitigate operational, legal, and financial risks. Consequently, Management did not perform formal risk assessments on all key financial areas such as cash, revenue, and expenditure.

Further, the Party did not have a Disaster Recovery Plan or Business Continuity Plan in place, and therefore, crucial information may not be recoverable in the event of a disaster. This was contrary to Regulation 165(1)(a) and (b) of the Public Finance Management (National Government) Regulations, 2015, which requires the Accounting Officer to ensure that the National Government entity develops risk management strategies, which include fraud prevention mechanisms and a system of risk management and internal control that builds robust business operations.

In the circumstances, Party Management may be unable to identify key risks, assess their likelihood of occurrence, or develop effective mitigation measures.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, SBS
AUDITOR-GENERAL

Nairobi

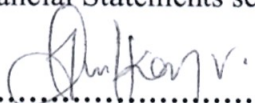
11 December 2025

UNITED PROGRESSIVE ALLIANCE (UPA)
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For the year ended June 30, 2025.

13. Statement of Financial Performance for the year ended 30 June 2025

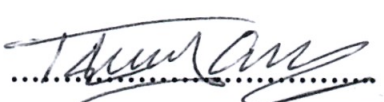
| | Notes | 2025 | 2024 |
|---|-------|---------------------|---------------------|
| | | Kshs | Kshs |
| Revenue | | | |
| Transfers from Political Parties Fund (PPF) | 6 | 7,220,176.00 | 4,751,338.00 |
| Membership Fees | 7 | 539,000.00 | 411,000.00 |
| Public contributions and donations | 8 | 0 | 0 |
| Investment Income | 9 | 0 | 0 |
| Miscellaneous Revenue | 10 | 0 | 0 |
| Total Revenue | | 7,759,176.00 | 5,162,338.00 |
| Expenses | | | |
| Administrative Expenses | 11 | 2,253,111.00 | 2,999,420.00 |
| Special Interest Groups expenses | 12 | 4,014,419.00 | 2,211,200.00 |
| Advocacy and Electoral expenses | 13 | 1,312,173.00 | 850,669.00 |
| Finance Costs | 14 | 0 | 0 |
| Total expenses | | 7,579,703.00 | 6,061,289.00 |
| Other gains/(losses) | | | |
| Gain/Loss on sale of assets | 15 | 0 | 0 |
| Gain/Loss on foreign exchange transactions | 16 | 0 | 0 |
| Gain /Loss on fair value of investments | 17 | 0 | 0 |
| Impairment loss | 18 | 0 | 0 |
| Surplus/Deficit | | 179,473.00 | (898,951.00) |

The notes set out on pages (7) to (51) form an integral part of these Financial Statements. The Financial Statements set out on pages (1) to (6) were signed on behalf of the NEC by:



Name: Hon. Jacob Barongo Bagaka
Secretary-General

Date 3rd Dec 2025



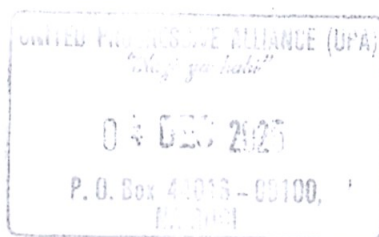
Name: Mr. Kennedy Swanya Mariita
Chief Administrative Officer

Date 4th Dec 2025



Name: Hon Nyambega Gisesa
Chairman.

Date 2nd Dec 2025

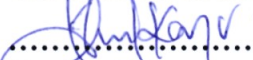



UNITED PROGRESSIVE ALLIANCE (UPA)
Annual Report and Financial Statements
For the year ended June 30, 2025.


14. Statement of Financial Position as at 30 June 2025

| | Notes | 2025 Kshs | 2024 Kshs |
|--------------------------------------|-------|------------------|------------------|
| Assets | | | |
| Current Assets | | | |
| Cash and Cash equivalents | 19 | 1,062,763 | 1,703,488 |
| Receivables and advances | 20 | 320,000 | 220,000 |
| Inventories | 21 | - | - |
| Investments (current) | 22 | - | - |
| Total Current Assets | | 1,382,763 | 1,923,488 |
| Non-Current Assets | | | |
| Investments | 22 | - | - |
| Property Plant and Equipment | 23 | 987,504 | 987,306 |
| Intangible Assets | 24 | - | - |
| Total Non- Current Assets | | 987,504 | 987,306 |
| Total Assets (A) | | 2,370,267 | 2,910,794 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and Other Payables | 26 | - | 720,000 |
| Refundable Deposits from Customers | 27 | - | - |
| Current Provision | 28 | - | - |
| Finance Lease Obligation | 29 | - | - |
| Deferred Income | 30 | - | - |
| Current Portion of Borrowings | 31 | - | - |
| Total Current Liabilities | | - | 720,000 |
| Non-Current Liabilities | | | |
| Non-Current Provisions | 28 | - | - |
| Borrowings | 31 | - | - |
| Total Non-Current Liabilities | | - | - |
| Total Liabilities (B) | | - | 720,000 |
| Net Assets (A-B) | | 2,370,267 | 2,190,794 |
| Represented by: | | | |
| Revaluation Reserves | | 3,213,308.22 | - |
| Accumulated Surplus/deficits | | (843,040.97) | 2,190,794 |
| Net Assets | | 2,370,267 | 2,190,794 |

The financial statements set out on pages (1) to (6) were signed on behalf of the NEC by:


 Name: Hon. Jacob Barongo
 Bagaka
 Secretary-General


 Name: Mr. Kennedy Swanya
 Mariita
 Chief Administrative
 Officer


 Name: Hon Nyambega
 Gisesa
 Chairman.

Date 3rd Dec 2025

Date 4th Dec 2025

Date 2nd Dec 2025



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

| Description | Capital Fund | Accumulated Surplus | Total |
|--|---------------------|----------------------------|---------------------|
| | Kshs | Kshs | Kshs |
| As at July 1, 2023 | 3,358,054.00 | (318,309.00) | 3,039,745.00 |
| Revaluation gain | | 50,000.00 | 50,000.00 |
| Transfer of excess depreciation on revaluation | (224,943.75) | 224,943.75 | - |
| Surplus/ deficit for the year | - | (898,950.75) | (898,950.75) |
| | (80,000.00) | 80,000.00 | |
| As at June 30, 2024 | 3,053,110.25 | (862,316.00) | 2,190,794.25 |
| Prior year adjustments | 160,000.00 | (160,000.00) | |
| | | | |
| As at July 1, 2024 | 3,213,110.25 | (1,022,316.00) | 2,190,794.25 |
| Revaluation gain | - | - | - |
| Transfer of excess depreciation on revaluation | (199,802.03) | 199,802.03 | - |
| Being purchase of assets | 200,000 | (200,000) | |
| Surplus/ (deficit) for the year | - | 179,473.00 | 179,473.00 |
| As at June 30, 2025 | 3,213,308.22 | (843,040.97) | 2,370,267.25 |

Note:

1. For items not common in the financial statements, the Entity should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.

2. A prior-year adjustment should have an elaborate note describing what the amounts relate to. In such instances, a restatement of the opening balances is needed.

3. Being correction of error of deduction in capital fund of addition in assets in the prior year

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17. Statement of Cash Flows for the year ended 30 June 2025

| | Notes | 2025 | 2024 |
|---|-------|---------------------|-----------------------|
| | | Kshs | Kshs |
| Cash flows from operating activities | | | |
| Receipts | | | |
| Transfers from Political Parties Fund (PPF) | | 7,220,176.00 | 4,751,338.00 |
| Membership Fees | | 539,000.00 | 411,000.00 |
| Public contributions and donations | | - | - |
| Investment Income | | - | - |
| Miscellaneous Revenue | | - | - |
| Total receipts | | 7,759,176.00 | 5,162,338.00 |
| Payments | | | |
| Administrative Expenses | 32(a) | 2,053,309.00 | 5,000,113 |
| Special Interest Groups expenses | 32(b) | 4,834,419.00 | 3,211,200 |
| Advocacy and Electoral expenses | | 1,312,173.00 | 570,332.00 |
| Finance Costs | | - | - |
| Total payments | | 8,199,901.00 | 8,781,645 |
| Net cash flows from/(used in) operating activities | 32 | (440,725.00) | (3,619,307.00) |
| Cash flows from investing activities | | | |
| Purchase of PPE and Intangible assets | | (200,000.00) | (80,000.00) |
| Proceeds from sale of PPE | | - | - |
| Purchase of investments | | - | - |
| Sale of investments | | - | - |
| Net cash flows from/(used in) investing activities | | (200,000.00) | (80,000.00) |
| Cash flows from financing activities | | | |
| Proceeds from borrowings | | - | - |
| Repayment of borrowings | | - | - |
| Contributions to provisions | | | 50,000 |
| Net cash flows from financing Activities | | - | - |
| Net increase/(decrease) in cash & Cash equivalents | | (640,725.00) | (3,649,307.00) |
| Cash and cash equivalents at 1 July | 19 | 1,703,488.00 | 5,352,795.00 |
| Cash and cash equivalents at 30 June | 19 | 1,062,763.00 | 1,703,488.00 |

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18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2025

| | Original budget | Adjustments | Final budget | Actual on comparable basis | Performance difference | % of utilization |
|---|-------------------|--------------------|-------------------|----------------------------|------------------------|------------------|
| | Kshs | Kshs | Kshs | Kshs | Kshs | |
| | a | b | c=(a+b) | d | e=(c-d) | f=d/c*100 |
| Carry Overs from the Previous Period | | - | - | 1,703,488 | | |
| Receipts | | | | | | |
| Transfers from Political Parties Fund (PPF) | 8,395,813 | (1,175,637) | 7,220,176 | 7,220,176 | - | 100% |
| Membership Fees | 200,000 | - | 200,000 | 539,000 | (339,000) | 270% |
| Public contributions and donations | 1,730,295 | - | 1,730,295 | - | 1,730,295 | 0% |
| Investment Income | - | - | - | - | - | 0% |
| Miscellaneous Revenue | 2,250,000 | - | 2,250,000 | - | 2,250,000 | 0% |
| Total | 12,576,108 | (1,175,637) | 11,400,471 | 7,759,176 | 3,641,295 | |
| Payments | | | | | | |
| Administrative Expenses | 3,520,813 | (365,500) | 3,155,313 | 2,053,309 | 1,102,004 | 65% |
| Special Interest Groups expenses | 6,591,888 | (749,137) | 5,842,751 | 4,834,419 | 1,008,332 | 83% |
| Advocacy and Electoral expenses | 2,263,407 | (61,000) | 2,202,407 | 1,312,173 | 890,234 | 60% |
| Finance Costs | - | - | - | - | - | 0% |
| Purchase of Assets | 200,000 | - | 200,000 | 200,000 | - | 100% |
| Purchase of Intangible Assets | - | - | - | - | - | 0% |
| Others specify | - | - | - | - | - | 0% |
| Total Expenditure | 12,576,108 | (1,175,637) | 11,400,471 | 8,399,901 | 3,000,570 | |
| Surplus for the period | - | - | - | (640,725) | 640,725 | |

Budget notes

1. The revision of the budget was occasioned by the revision of the amount of PPF allocated to the Party. The amount was revised downwards from what we had anticipated at the beginning of the year.
2. The under absorption of expenses, was attributed to three things:

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- a). *The anticipated by elections that were not announced in the year under review but in the following year by the Independent Electoral and Boundaries Commission.*
- b). *With the budget cuts by the government all other operations as planned by the party had to be aligned.*
- c). *The anticipated full income for the year was not realized by the close of Financial Year ending 2025, so some of the activities were carried forward to the subsequent Financial Year.*

Budget Reconciliation

| No | Description | Kshs |
|----|---|--------------|
| 1 | Actual Surplus Amounts as per the statement of Budget | (640,725.00) |
| 2 | Balance B/F | 1,703,488.00 |
| | Closing Cash and Cash Equivalent as per the statement of Cash flows | 1,062,763.00 |



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19. Notes to the Financial Statements

1. General Information

UNITED PROGRESSIVE ALLIANCE (UPA) is established by and derives its authority and accountability from the Political Parties Act (2011). The principal activity/mission of the UNITED PROGRESSIVE ALLIANCE (UPA) is to promote a united social democratic party that seeks to develop a fundamentally united Kenya through the ideals and principles of democracy that promote equality, justice, peace, freedom, and equitable distribution of resources

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts, and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the party's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of UNITED PROGRESSIVE ALLIANCE (UPA). The financial statements have been prepared in accordance with the PFM Act, 2012, the Political Parties Act 2011, and the International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

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Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

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

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

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

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

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

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

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| Standard | Effective date and impact: |
|--|--|
| IPSAS 43: Leases | <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 Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> |
| IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations | <p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> |
| IPSAS 45: Property Plant and Equipment | <p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> |
| IPSAS 46: Measurement | <p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS</p> |

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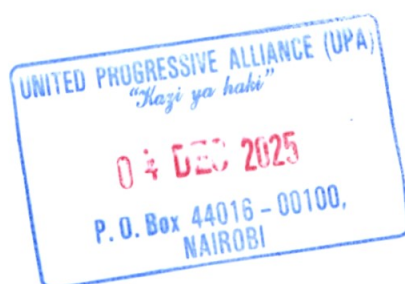
| | |
|--|---|
| | <p>by:</p> <ul style="list-style-type: none"> ii. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. iii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iv. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> |
| IPSAS 47: Revenue | <p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> |
| IPSAS 48: Transfer Expenses | <p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> |
| IPSAS 49: Retirement Benefit Plans | <p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> |
| IPSAS 50: Exploration For & Evaluation of Mineral Resources | <p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> iv. Limited improvements to existing accounting practices for exploration and |

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| | |
|--|--|
| | <p>evaluation expenditures.</p> <p>v. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.</p> <p>vi. Disclosures that identify and explain the amounts in the UPA financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</p> |
|--|--|

iii. Early adoption of standards

The Entity did not early-adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption, and impact on the UPA financial statements.)*



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Notes to the financial statements (continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from The Political Parties Fund

Revenues transfers from the Political Parties Fund 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 Party and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance upon meeting the set conditions.

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

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

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net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Dividends

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

Rental income

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

b) Budget information

The original budget for the Current FY was approved by the National Assembly on **0.00**. 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 **Entity** recorded additional appropriations of 2025 on the **2025** budget following the governing body's approval.

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Budget information (continued)

The *UPA* 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 actual cash and cash equivalents from the statement of cash flows.

c) Investment property

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

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d) 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.

e) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the *Entity*. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The *Entity* also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the *Entity* will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

f) 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. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

g) Research and development costs

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

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

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

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h) Financial instruments

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

a) Financial assets

Classification of financial assets

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

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Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

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Fair value through surplus or deficit

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

Impairment

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

b) Financial liabilities

Classification

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

i) Inventories

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

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j) 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.

k) 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.

l) 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.

m) Nature and purpose of reserves

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

n) 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.

o) 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.

p) Foreign currency transactions

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

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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

q) 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.

r) 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 NEC Members and other officials as per the Party's constitution and the Political Parties Act.

s) 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.

t) Comparative figures

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

u) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025.

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Summary of Significant Accounting Policies (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *UPA* 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:

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

Useful lives and residual value

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 40. 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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Notes to the Financial Statements (Continued)

6. Transfers from Political Parties Fund (PPF)

| Particulars | Account Category | ACCOUNT | 2025 | 2024 |
|--|------------------|---|---------------------|---------------------|
| | | | Kshs | Kshs |
| 4000 · Income Non-Exchange Transaction:4100 · Political Parties Fund_PPF | Revenue | Transfers from Political Parties Fund (PPF) | 7,220,176.00 | 4,751,338.00 |
| | | | 7,220,176.00 | 4,751,338.00 |

7. Membership Fees

| Particulars | Account Category | ACCOUNT | 2025 | 2024 |
|--------------------------------------|------------------|-----------------|-------------------|-------------------|
| | | | Kshs | Kshs |
| 4340 · Members' Monthly Contribution | Revenue | Membership Fees | 539,000.00 | 411,000.00 |
| | | | 539,000.00 | 411,000.00 |

8. Public Contributions and Donations

| Description | 2025 | 2024 |
|-------------------------------|-------------|-------------|
| | Kshs | Kshs |
| Party Fundraising Events | 0.00 | 0.00 |
| Founder Members contributions | 0.00 | 0.00 |
| Others (specify) | 0.00 | 0.00 |
| Total | 0.00 | 0.00 |

9. Investment Income

| Description | 2025 | 2024 |
|--------------------------------|-------------|-------------|
| | KShs | KShs |
| Interest income | 0.00 | 0.00 |
| Rental Income | 0.00 | 0.00 |
| Dividends Income | 0.00 | 0.00 |
| Others specify | 0.00 | 0.00 |
| Total Investment Income | 0.00 | 0.00 |

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10. Miscellaneous Revenue

| Description | 2025 | 2024 |
|------------------------------------|-------------|-------------|
| | KShs | KShs |
| Sale of Merchandise | 0.00 | 0.00 |
| Hire of Grounds/Halls | 0.00 | 0.00 |
| Hire of Vehicles | 0.00 | 0.00 |
| Rendering of services | 0.00 | 0.00 |
| Others specify | 0.00 | 0.00 |
| Total Miscellaneous Revenue | 0.00 | 0.00 |

11. Administrative Expenses

| Particulars | Account Category | ACCOUNT | 2025 | 2024 |
|--|------------------|-------------------------|---------------------|---------------------|
| | | | Kshs | Kshs |
| 6020 · Administration Expenses | Expenses | Administrative Expenses | 20,000.00 | 513,000.00 |
| 6720 · Employees Cost | Expenses | Administrative Expenses | 550,000.00 | 540,000.00 |
| 6710 · Rent and Rates | Expenses | Administrative Expenses | 1,427,000.00 | 1,703,200.00 |
| 6470 · Bank Charges | Expenses | Administrative Expenses | 25,809.00 | 18,276.00 |
| 6250 · Cleaning and Gabbage Collection | Expenses | Administrative Expenses | 30,500.00 | - |
| 6240 · Depreciation Expense | Expenses | Administrative Expenses | 199,802.00 | 224,944.00 |
| | | | 2,253,111.00 | 2,999,420.00 |



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11(a) Salaries and Wages

| Description | 2025 | 2024 |
|---|-------------------|-------------------|
| | Kshs | Kshs |
| Salaries and wages | 0.00 | 0.00 |
| Employer contribution to health insurance schemes | 0.00 | 0.00 |
| Employer contribution to pension schemes | 0.00 | 0.00 |
| Volunteer allowances | 550,000.00 | 540,000.00 |
| Housing benefits and allowances | 0.00 | 0.00 |
| Overtime payments | 0.00 | 0.00 |
| Performance and other bonuses | 0.00 | 0.00 |
| Social contributions | 0.00 | 0.00 |
| Gratuity | 0.00 | 0.00 |
| Other employee-related costs * | 0.00 | 0.00 |
| Total Salaries and Wages | 550,000.00 | 540,000.00 |

11(b) Utilities

| Description | 2025 | 2024 |
|------------------------|------------------|----------|
| | Kshs | Kshs |
| Water & Sewerage | 0.00 | 0.00 |
| Electricity | 0.00 | 0.00 |
| Garbage Collections | 30,500.00 | 0 |
| Others Specify | 0.00 | 0.00 |
| Total Utilities | 30,500.00 | 0 |

UNITED PROGRESSIVE ALLIANCE (UPA)
"Kazi ya haki"
04 DEC 2025
P. O. Box 44016 - 00100,
NAIROBI

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11(c) Professional Fees

| Description | 2025 | 2024 |
|--------------------------------|-------------|-------------|
| | Kshs | Kshs |
| Audit | 0.00 | 0.00 |
| Legal | 0.00 | 0.00 |
| Accountancy | 0.00 | 0.00 |
| Others Specify | 0.00 | 0.00 |
| Total Professional Fees | 0.00 | 0.00 |

12. Special Interest Groups

| Particulars | Account Category | ACCOUNT | 2025 | 2024 |
|-------------------------------------|------------------|----------------------------------|---------------------|---------------------|
| | | | Kshs | Kshs |
| 6830 · Travel and Meetings | Expenses | Special Interest Groups expenses | 1,260,319.00 | 383,700.00 |
| 6680 · Printing and Production | Expenses | Special Interest Groups expenses | 1,264,400.00 | 47,500.00 |
| 6260 · National Delegate Conference | Expenses | Special Interest Groups expenses | 1,489,700.00 | 1,780,000.00 |
| | | | 4,014,419.00 | 2,211,200.00 |

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13. Advocacy and Electoral Expenses

| Particulars | Account Category | ACCOUNT | 2025 | 2024 |
|--------------------------------------|------------------|---------------------------------|---------------------|-------------------|
| | | | Kshs | Kshs |
| 6490 · Office Expense | Expenses | Advocacy and Electoral expenses | 641,273.00 | 420,269.00 |
| 6650 · Postage and Delivery | Expenses | Advocacy and Electoral expenses | 10,000.00 | - |
| 6730 · Executive Cost and Allowances | Expenses | Advocacy and Electoral expenses | 172,500.00 | 30,000.00 |
| 6810 · Office Internet Service | Expenses | Advocacy and Electoral expenses | 238,400.00 | - |
| 6670 · Professional Fees | Expenses | Advocacy and Electoral expenses | 150,000.00 | 330,400.00 |
| 6040 · Membership Subscription | Expenses | Advocacy and Electoral expenses | 100,000.00 | 70,000.00 |
| | | | 1,312,173.00 | 850,669.00 |

14. Finance Costs

| Description | 2025 | 2024 |
|--|-------------|-------------|
| | Kshs | Kshs |
| Borrowings (amortized cost) * | 0.00 | 0.00 |
| Finance leases (amortized cost) | 0.00 | 0.00 |
| Unwinding of discount on lease liabilities | 0.00 | 0.00 |
| Interest on bank overdrafts | 0.00 | 0.00 |
| Interest on loans from commercial banks | 0.00 | 0.00 |
| Total finance costs | 0.00 | 0.00 |

15. Gain on Sale of Assets

| Description | 2025 | 2024 |
|-------------------------------------|-------------|-------------|
| | Kshs | Kshs |
| | 0.00 | 0.00 |
| Property, plant and equipment | 0.00 | 0.00 |
| Intangible assets | 0.00 | 0.00 |
| Other assets not capitalised | 0.00 | 0.00 |
| Total gain on sale of assets | 0.00 | 0.00 |

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Notes to the Financial Statements (Continued)

16. Gain/Loss on foreign exchange transactions

| Description | 2025 | 2024 |
|--------------|-------------|-------------|
| | Kshs | Kshs |
| specify | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| Total | 0.00 | 0.00 |

(Provide brief explanation of gain/loss on foreign exchange transactions)

17. Gain/ (loss) on Fair Value Investments

| Description | 2025 | 2024 |
|--------------|-------------|-------------|
| | Kshs | Kshs |
| specify | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| Total | 0.00 | 0.00 |

(Provide brief explanation of fair value valuation on investment assets)

18. Impairment Loss

| Description | 2025 | 2024 |
|-------------------|-------------|-------------|
| | Kshs | Kshs |
| PPE | 0.00 | 0.00 |
| Intangible Assets | 0.00 | 0.00 |
| Others specify | 0.00 | 0.00 |
| Total | 0.00 | 0.00 |

(Provide brief explanation on the impairment loss)

19. Cash and Cash Equivalents

| | Kshs | Kshs |
|---------------------------------------|------------------|------------------|
| Cash and Cash Equivalents | | |
| 1100 · National Bank Of Kenya_ORD A/C | 487,773 | 495,458 |
| 1200 · National Bank Of Kenya_PPF A/C | 574,990 | 1,208,030 |
| Petty Cash | - | - |
| Total Cash and Cash Equivalent | 1,062,763 | 1,703,488 |

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Detailed Analysis of the Cash and Cash Equivalents

| Financial Institution | Account number | 2024/2025 | 2023/2024 |
|--|----------------|---------------------|------------------|
| | | Kshs | Kshs |
| Current Account | | | |
| 1. 1100 · National Bank Of Kenya_ORD A/C | 01020243712100 | 487,773.00 | 495,458 |
| 2. 1200 · National Bank Of Kenya_PPF A/C | 01021243712100 | 574,990.00 | 1,208,030 |
| Others | | | |
| Petty Cash | | - | - |
| Grand Total | | 1,062,763.00 | 1,703,488 |

20. Receivables and advances

| Description | 2025 | 2024 |
|----------------------------------|----------------|----------------|
| | Kshs | Kshs |
| Receivables | | |
| Rent Deposits Refundables | 320,000 | 220,000 |
| Other Receivables | - | - |
| Total Current Receivables | 320,000 | 220,000 |

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Notes to the Financial Statements (Continued)

21. Inventories

| Description | 2025 | 2024 |
|--|-------------|-------------|
| | Kshs | Kshs |
| Consumable stores | 0.00 | 0.00 |
| Medical supplies | 0.00 | 0.00 |
| Spare parts and meters | 0.00 | 0.00 |
| Water for distribution | 0.00 | 0.00 |
| Other goods held for resale | 0.00 | 0.00 |
| Catering | 0.00 | 0.00 |
| Less: allowance for impairment | 0.00 | 0.00 |
| Total inventories at the lower of cost and net realizable value | 0.00 | 0.00 |

Detailed disclosure on inventories

| | 2025 | 2024 |
|----------------------------------|-------------|-------------|
| | Kshs | Kshs |
| Opening balance | 0.00 | 0.00 |
| Additional Inventory in the year | 0.00 | 0.00 |
| Inventory expensed in the year | 0.00 | 0.00 |
| Write-downs in the year | 0.00 | 0.00 |
| Others specify | 0.00 | 0.00 |
| Closing balance | 0.00 | 0.00 |

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Notes to the Financial Statements (Continued)

22. Investments

| Description | 2025 | 2024 |
|--|-------------|-------------|
| | Kshs | Kshs |
| a) Investment in Treasury bills and bonds | | |
| Financial institution | | |
| CBK | 0.00 | 0.00 |
| CBK | 0.00 | 0.00 |
| Sub- total | 0.00 | 0.00 |
| b) Investment with Financial Institutions | | |
| Bank x | 0.00 | 0.00 |
| Bank y | 0.00 | 0.00 |
| Sub- total | 0.00 | 0.00 |
| c) Equity investments (specify) | | |
| Equity/ shares in Entity 0.00 | 0.00 | 0.00 |
| Sub- total | 0.00 | 0.00 |
| Grand Total | 0.00 | 0.00 |
| | | |
| Categorization of Investments | | |
| Current Investments | 0.00 | 0.00 |
| Longterm Investments | 0.00 | 0.00 |
| Grand total | 0.00 | 0.00 |

d) Movement of Equity Investments

| Impairment allowance/ provision | 2025 | 2024 |
|---|-------------|-------------|
| | Kshs | Kshs |
| At the beginning of the year | 0.00 | 0.00 |
| Purchase of investments in the year | 0.00 | 0.00 |
| Sale of investments during the year | (0.00) | (0.00) |
| Gain/(loss) in fair value of investments through surplus or deficit | 0.00 | 0.00 |
| At the end of the year | 0.00 | 0.00 |

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e) Shareholding in other entities

For investments in equity shares listed under note 33 above, list down the equity investments under the following categories:

| Name of Entity where investment is held | No of shares | | | Nominal value of shares | Fair value of shares | Fair value of shares |
|---|---------------------|-----------------------|------------------------|-------------------------|----------------------|----------------------|
| | Direct shareholding | Indirect shareholding | Effective shareholding | | Current year | Comparative year |
| | % | % | % | Kshs | Kshs | Kshs |
| Entity A | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Entity B | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Entity C | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

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23. Property, Plant and Equipment

| Cost | Motor vehicles | Furniture and fittings | Computers | Other Assets (Office Equipment) | Capital Work in progress | Total |
|------------------------------------|-----------------------|-------------------------------|------------------|--|---------------------------------|------------------|
| Depreciation Rate | 25.00% | 12.50% | 30.00% | 12.50% | 0.00% | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| As At 1 July 2023 | - | 906,000 | 485,000 | - | - | 1,391,000 |
| Additions | - | - | 80,000 | - | - | 80,000 |
| Disposals | - | - | - | - | - | - |
| Transfers/Adjustments | - | - | - | - | - | - |
| Revaluation Adjustments | - | - | - | - | - | - |
| As at 30th June 2024 | - | 906,000 | 565,000 | - | - | 1,471,000 |
| 1st July 2024 | - | 906,000 | 565,000 | - | - | 1,471,000 |
| Additions | - | 200,000 | - | - | - | 200,000 |
| Disposals | - | - | - | - | - | - |
| Transfer/Adjustments | - | - | - | - | - | - |
| Revaluation adjustments | - | - | - | - | - | - |
| As at 30th June 2025 | - | 1,106,000 | 565,000 | - | - | 1,671,000 |
| Depreciation And Impairment | | | | | | |
| At 1st July 2023 | - | 113,250 | 145,500 | - | - | 258,750 |
| Depreciation | - | 99,094 | 125,850 | - | - | 224,944 |
| Impairment | - | - | - | - | - | - |
| Transfers/ Adjustments | - | - | - | - | - | - |
| As At 30th June 2024 | - | 212,344 | 271,350 | - | - | 483,694 |
| 1st July 2024 | - | 212,344 | 271,350 | - | - | 483,694 |
| Depreciation | - | 111,707 | 88,095 | - | - | 199,802 |
| Disposals | - | - | - | - | - | - |
| Impairment | - | - | - | - | - | - |
| Transfer/Adjustment | - | - | - | - | - | - |
| As at 30th June 2025 | - | 324,051 | 359,445 | - | - | 683,496 |
| Net Book Values | | | | | | |
| As at 30th June 2024 | - | 693,656 | 293,650 | - | - | 987,306 |
| As at 30th June 2025 | - | 781,949 | 205,555 | - | - | 987,504 |

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Valuation

Land and buildings/ Equipment (be specific) were valued by (N/A) professional valuers from the government in line with the National Assets and Liabilities Management Policy and Guidelines (issued 30th June 2020). The assets were revalued by 0.00 professional valuers on this date (N/A). These amounts were adopted by the Board on (N/A) with concurrence from the National Treasury.

25 (b) Property, Plant and Equipment at Cost

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

| Description | Cost | Accumulated Depreciation | NBV |
|---|------------------|--------------------------|----------------|
| | Kshs | Kshs | Kshs |
| Land | 0.00 | 0.00 | 0.00 |
| Buildings | 0.00 | 0.00 | 0.00 |
| Plant And Machinery | 0.00 | 0.00 | 0.00 |
| Motor Vehicles, Including Motorcycles | 0.00 | 0.00 | 0.00 |
| Computers And Related Equipment | 565,000 | 359,445 | 205,555 |
| Office Equipment, Furniture, And Fittings | 1,106,000 | 324,051 | 781,949 |
| Total | 1,671,000 | | 987,504 |

Property, plant and Equipment includes the following assets that are fully depreciated:

| Description | Cost or valuation | Normal annual depreciation charge |
|--|-------------------|-----------------------------------|
| Plant and Machinery | 0.00 | 0.00 |
| Motor Vehicles including Motorcycles | 0.00 | 0.00 |
| Computers and Related Equipment | 0.00 | 0.00 |
| Office Equipment, Furniture and Fittings | 0.00 | 0.00 |
| Total | 0.00 | 0.00 |

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24. Intangible Assets

| Description | 2025 | 2024 |
|------------------------------------|------|------|
| | Kshs | Kshs |
| Cost | | |
| At beginning of the year | 0.00 | 0.00 |
| Additions | 0.00 | 0.00 |
| At end of the year | 0.00 | 0.00 |
| Additions–internal development | 0.00 | 0.00 |
| At end of the year | 0.00 | 0.00 |
| Amortization and impairment | | |
| At beginning of the year | 0.00 | 0.00 |
| Amortization | 0.00 | 0.00 |
| At end of the year | 0.00 | 0.00 |
| Impairment loss | 0.00 | 0.00 |
| At end of the year | 0.00 | 0.00 |
| NBV | 0.00 | 0.00 |

25. Investment Property

| Description | 2025 | 2024 |
|--|-------------|-------------|
| | Kshs | Kshs |
| At beginning of the year | 0.00 | 0.00 |
| Additions | 0.00 | 0.00 |
| Disposal during the year | (0.00) | (0.00) |
| Depreciation | (0.00) | (0.00) |
| Impairment | (0.00) | (0.00) |
| Gain/(loss) in fair value (if fair value is elected) | 0.00 | 0.00 |
| At end of the year | 0.00 | 0.00 |

UNITED PROGRESSIVE ALLIANCE (UPA)
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Notes to the Financial Statements (Continued)

26. Trade and Other Payables

| Description | 2025 | | 2024 | |
|--|-------------|-----------------------|-------------------|-----------------------|
| | Kshs | | Kshs | |
| Trade payables | - | | - | |
| Other payables | - | | 720,000 | |
| Total trade and other payables | - | | 720,000 | |
| | | | | |
| Ageing analysis: (Trade and other payables) | 2025 | % of the Total | 2024 | % of the Total |
| Under one year | 0 | 0% | 720,000.00 | 100% |
| 1-2 years | 0 | 0% | - | 0% |
| 2-3 years | 0 | 0% | - | 0% |
| Over 3 years | 0 | 0% | - | 0% |
| Total (tie to above total) | 0 | 0 | 720,000.00 | |

27. Refundable Deposits and Prepayments from Customers

| Description | 2025 | | 2024 | |
|---|-------------|-----------------------|-------------|-----------------------|
| | Kshs | | Kshs | |
| Customer deposits | 0.00 | | 0.00 | |
| Prepayments | 0.00 | | 0.00 | |
| Other deposits | 0.00 | | 0.00 | |
| Total deposits | 0.00 | | 0.00 | |
| | | | | |
| Ageing analysis: (Refundable deposits) | 2025 | % of the Total | 2024 | % of the Total |
| Under one year | 0.00 | 0% | 0.00 | 0% |
| 1-2 years | 0.00 | 0% | 0.00 | 0% |
| 2-3 years | 0.00 | 0% | 0.00 | 0% |
| Over 3 years | 0.00 | 0% | 0.00 | 0% |
| Total | 0.00 | 0 | 0.00 | 0 |

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Notes to the Financial Statements (Continued)

28. Current Provisions

| Description | Leave provision | Bonus provision | Gratuity Provision | Other provision | Total |
|---|-----------------|-----------------|--------------------|-----------------|-------------|
| | Kshs | Kshs | Kshs | Kshs | Kshs |
| Balance b/f | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Additional provisions | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Provision utilised | (0.00) | (0.00) | (0.00) | (0.00) | (0.00) |
| Change due to discount and time value for money | (0.00) | (0.00) | (0.00) | (0.00) | (0.00) |
| Transfers from non-current provisions | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total provisions year end | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

29. Finance Lease Obligation

| Description | 2025 | 2024 |
|--------------------------------------|-------------|-------------|
| | Kshs | Kshs |
| At the start of the year | 0.00 | 0.00 |
| Discount interest on lease liability | 0.00 | 0.00 |
| Paid during the year | (0.00) | (0.00) |
| At end of the year | 0.00 | 0.00 |

Maturity Analysis

| Period | Amount (Kshs) |
|-------------------------|---------------|
| Year 1 | 0.00 |
| Year 2 | 0.00 |
| Year 3 | 0.00 |
| Year 4 | 0.00 |
| Year 5 And Onwards | 0.00 |
| Less: Unearned Interest | (0.00) |
| Total | 0.00 |

Analysed as:

| Description | Amount (Kshs) |
|--------------|---------------|
| Current | 0.00 |
| Non- Current | 0.00 |
| Total | 0.00 |

(Provide brief explanation)

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Notes to the Financial Statements (Continued)

The deferred income movement is as follows:

30. Deferred Income

| Description | 2025 | 2024 |
|------------------------------------|-------------|-------------|
| | Kshs | Kshs |
| National Government | 0.00 | 0.00 |
| International Funders | 0.00 | 0.00 |
| Public Contributions and Donations | 0.00 | 0.00 |
| Total Deferred Income | 0.00 | 0.00 |

(Provide brief explanation)

| | National government | International funders | Public contributions and donations | Total |
|-------------------------------|---------------------|-----------------------|------------------------------------|-------------|
| | Kshs | Kshs | Kshs | Kshs |
| Balance Brought Forward | 0.00 | 0.00 | 0.00 | 0.00 |
| Additions | 0.00 | 0.00 | 0.00 | 0.00 |
| Transfers To Capital Fund | (0.00) | (0.00) | (0.00) | (0.00) |
| Transfers To Income Statement | (0.00) | (0.00) | (0.00) | (0.00) |
| Other Transfers | (0.00) | (0.00) | (0.00) | (0.00) |
| Balance Carried Forward | 0.00 | 0.00 | 0.00 | 0.00 |

31. Borrowings

| Description | 2025 | 2024 |
|-----------------------------------|-------------|-------------|
| | Kshs | Kshs |
| Balance at beginning of the year | 0.00 | 0.00 |
| borrowings during the year | 0.00 | 0.00 |
| Repayments during the year | (0.00) | (0.00) |
| Balance at end of the year | 0.00 | 0.00 |
| | | |
| Borrowings - Current | 0.00 | 0.00 |
| Borrowings - Longterm | 0.00 | 0.00 |
| Total Borrowings | 0.00 | 0.00 |

UNITED PROGRESSIVE ALLIANCE (UPA)
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Notes To The Financial Statements (Continued)

32. Cash Generated from Operations

| Description | 2025 Kshs | 2024 Kshs |
|--|----------------------|-----------------------|
| Surplus for the year | 179,473.00 | (898,951.00) |
| Adjusted for: | | |
| Depreciation | 199,802.00 | 224,944.00 |
| Non-cash grants received | - | - |
| Contributed assets | - | - |
| Impairment | - | - |
| Gains and losses on disposal of assets | - | - |
| Contribution to provisions | - | 50,000.00 |
| Contribution to impairment allowance | - | - |
| Working capital adjustments | | |
| Increase in inventory | - | - |
| Increase in receivables | (100,000.00) | - |
| Increase in deferred income | - | - |
| Increase in payables | (720,000.00) | (2,945,300.00) |
| Increase in payments received in advance | - | - |
| Net cash flow from operating activities | (440,725.00) | (3,569,307.00) |

32 (a). Adjustments to Administration Cost

| Particulars | | Amount (Kshs) |
|---|--------------|----------------------|
| Amount Reported on the Statement of Performance | | 2,253,111.00 |
| Less: Non-Cash Expenses | | |
| 6240 · Depreciation Expense | (199,802.00) | (199,802.00) |
| | | 2,053,309.00 |

32 (b). Adjustments to SIG Costs

| Particulars | | Amount (Kshs) |
|---|------------|----------------------|
| Amount Reported on the Statement of Performance | | 4,014,419.00 |
| Add: | | |
| Working Capital Adjustments | | |
| Increase in receivables | 100,000.00 | |
| Increase in payables | 720,000.00 | 820,000.00 |
| | | 4,834,419.00 |

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33. Financial Risk Management

The UPA activities expose it to a variety of financial risks, including credit and liquidity risks and effects of changes in foreign currency. The UPA 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 Entity 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 UPA financial risk management objectives and policies are detailed below:

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i) Credit risk

The Entity 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 UPA management based on prior experience and their assessment of the current economic environment.

Financial Risk Management

The carrying amount of financial assets recorded in the financial statements representing the UPA maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

| Description | Total amount | Fully performing | Past due | Impaired |
|--|--------------|------------------|-------------|-------------|
| | Kshs | Kshs | Kshs | Kshs |
| As at 30th June 2025 | | | | |
| Receivables | 0.00 | 0.00 | 0.00 | 0.00 |
| Bank balances | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 0.00 | 0.00 | 0.00 | 0.00 |
| As at 30 June 2024 | | | | |
| Receivables | 0.00 | 0.00 | 0.00 | 0.00 |
| Bank balances | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 0.00 | 0.00 | 0.00 | 0.00 |

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

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Financial Risk Management

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 0.00. The board of directors sets the UPA credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the UPA directors, who have built an appropriate liquidity risk management framework for the management of the UPA 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 Entity under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

| Description | Less than 1 month | Between 1-3 months | Over 5 months | Total |
|--|-------------------|--------------------|---------------|-------------|
| | Kshs | Kshs | Kshs | Kshs |
| As at 30th June 2025 | | | | |
| Trade payables | 0.00 | 0.00 | 0.00 | 0.00 |
| Current portion of borrowings | 0.00 | 0.00 | 0.00 | 0.00 |
| Provisions | 0.00 | 0.00 | 0.00 | 0.00 |
| Deferred income | 0.00 | 0.00 | 0.00 | 0.00 |
| Employee benefit obligation | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 0.00 | 0.00 | 0.00 | 0.00 |
| As at 30th June 2024 | | | | |
| Trade payables | 0.00 | 0.00 | 0.00 | 0.00 |
| Current portion of borrowings | 0.00 | 0.00 | 0.00 | 0.00 |
| Provisions | 0.00 | 0.00 | 0.00 | 0.00 |
| Deferred income | 0.00 | 0.00 | 0.00 | 0.00 |
| Employee benefit obligation | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 0.00 | 0.00 | 0.00 | 0.00 |

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Appendix iv. Asset Register.

| UNITED PROGRESSIVE ALLIANCE FIXED ASSET REGISTER YEAR TO JUNE 30, 2025 | | | | | | | | | | | | |
|---|------------------------------|----------------------------|------------|-----------|---------------------|-----------------------|---------------------|---------------------|--------------------------------|---------------------|-----------------------|------------------|
| NO. ITEM DESCRIPTION | | Jun-25 | | | | | | | | | | |
| FURNITURE & FITTINGS & EQUIPMENT | DESCRIPTION | DATE OF ACQUISITION | QTY | UNIT COST | TOTAL COST | ADDITIONS 2024 - 2025 | TOTAL ASSET VALUE | ACCUMULATED DEP B/F | DEPRECIATION 2024 - 2025 @ | ACCUMULATED DEP C/D | NET VALUE | Source |
| | | | | | | | | | 12.5% | | 2024 - 2025 | |
| 1 | Conference Table | Wooden | 01/07/2022 | 1 | 20,000.00 | 20,000.00 | 20,000.00 | 4,688 | 1,914 | 6,602 | 13,398 | Donation In Kind |
| 2 | Conference Leather chair | Adjustable Leather | 01/07/2022 | 8 | 45,000.00 | 360,000.00 | 360,000.00 | 84,375 | 34,453 | 118,828 | 241,172 | Donation In Kind |
| 3 | Executive Table | Wooden | 01/07/2022 | 1 | 68,000.00 | 68,000.00 | 68,000.00 | 15,938 | 6,508 | 22,445 | 45,555 | Donation In Kind |
| 4 | Executive Chair | Leather | 01/07/2022 | 1 | 45,000.00 | 45,000.00 | 45,000.00 | 10,547 | 4,307 | 14,854 | 30,146 | Donation In Kind |
| 5 | Visitors Chairs | Metal - leather | 01/07/2022 | 5 | 23,000.00 | 115,000.00 | 115,000.00 | 26,953 | 11,006 | 37,959 | 77,041 | Donation In Kind |
| 6 | Reception Table | Wooden | 01/07/2022 | 1 | 50,000.00 | 50,000.00 | 50,000.00 | 11,719 | 4,785 | 16,504 | 33,496 | Donation In Kind |
| 7 | Working 4 people rectangular | Wooden and Glass | 01/07/2022 | 1 | 45,000.00 | 45,000.00 | 45,000.00 | 10,547 | 4,307 | 14,854 | 30,146 | Donation In Kind |
| 8 | 4 working Net chairs | Metal plastic | 01/07/2022 | 4 | 6,500.00 | 26,000.00 | 26,000.00 | 6,094 | 2,488 | 8,582 | 17,418 | Donation In Kind |
| 9 | Electric / Gas cooker | Ramtons | 01/07/2022 | 1 | 50,000.00 | 50,000.00 | 50,000.00 | 11,719 | 4,785 | 16,504 | 33,496 | Donation In Kind |
| 10 | Fridge - Times Longer | Samsung | 01/07/2022 | 1 | 85,000.00 | 85,000.00 | 85,000.00 | 19,922 | 8,135 | 28,057 | 56,943 | Donation In Kind |
| 11 | Microwave Oven | Samsung | 01/07/2022 | 1 | 35,000.00 | 35,000.00 | 35,000.00 | 8,203 | 3,350 | 11,553 | 23,447 | Donation In Kind |
| 12 | Pump Control Machine | M-MAAT | 01/07/2022 | 1 | 7,000.00 | 7,000.00 | 7,000.00 | 1,641 | 670 | 2,311 | 4,689 | Donation In Kind |
| 13 | Tents and Chairs | Nyamira and Kisii Tents ar | 07/03/2025 | 2 | 100,000.00 | - | 200,000.00 | - | 25,000 | 25,000 | 175,000 | Purchase |
| Sub Total | | | | | 906,000.00 | 200,000.00 | 1,106,000.00 | 212,344 | 111,707 | 324,051 | 781,949 | |
| COMPUTERS | | | | | | | | | | | | |
| | | | QTY | UNIT COST | TOTAL COST | ADDITIONS 2024 - 2025 | TOTAL ASSET VALUE | ACCUMULATED DEP B/F | DEPRECIATION 2024 - 2025 @ 30% | ACCUMULATED DEP B/D | NET VALUE 2024 - 2025 | Source |
| 1 | Colour Printer | HP Laser MFP178NW | 01/07/2022 | 1 | 185,000.00 | 185,000.00 | 185,000.00 | 94,350 | 27,195 | 121,545 | 63,455 | Donation In Kind |
| 2 | CCTV Machine | cctv001 | 01/07/2022 | 1 | 15,000.00 | 15,000.00 | 15,000.00 | 7,650 | 2,205 | 9,855 | 5,145 | Donation In Kind |
| 3 | CCTV Cameras | cctv002 | 01/07/2022 | 1 | 15,000.00 | 15,000.00 | 15,000.00 | 7,650 | 2,205 | 9,855 | 5,145 | Donation In Kind |
| 4 | Laptops | HP Laptops | 01/07/2022 | 6 | 45,000.00 | 270,000.00 | 270,000.00 | 137,700 | 39,690 | 177,390 | 92,610 | Donation In Kind |
| 5 | Office Printer | Kyocera | 13/09/2023 | 1 | 80,000.00 | 80,000.00 | 80,000.00 | 24,000 | 16,800 | 40,800 | 39,200 | Kyocera |
| Sub Total | | | | | 565,000.00 | - | 565,000.00 | 271,350.00 | 88,095.00 | 359,445.00 | 205,555.00 | |
| Grand Totals | | | | | 1,471,000.00 | 200,000.00 | 1,671,000.00 | 483,693.75 | 199,802 | 683,496 | 987,504 | |

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Appendix iii (b). Summarised TB:

| Particulars | Sum of Debit | Sum of Credit |
|---|----------------------|----------------------|
| Accumulated Depreciation | - | 683,496.00 |
| Accumulated Surplus/deficits | 2,867,010.00 | 5,057,804.00 |
| Administrative Expenses | 2,253,111.00 | - |
| Advocacy and Electoral expenses | 1,312,173.00 | - |
| Cash and Cash equivalents | 1,062,763.00 | - |
| Membership Fees | - | 539,000.00 |
| Property Plant and Equipment | 1,671,000.00 | - |
| Receivables and advances | 320,000.00 | - |
| Special Interest Groups expenses | 4,014,419.00 | - |
| Trade and Other Payables | - | - |
| Transfers from Political Parties Fund (PPF) | - | 7,220,176.00 |
| Grand Total | 13,500,476.00 | 13,500,476.00 |

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Appendix III: Trial Balance for the Year Ended 30th June 2025

| | 30 Jun 25 | |
|--|----------------------|----------------------|
| | <u>Debit</u> | <u>Credit</u> |
| 1000 · National Bank Of Kenya:1100 · National Bank Of Kenya_ORD A/C | 487,773.00 | |
| 1000 · National Bank Of Kenya:1200 · National Bank Of Kenya_PPF A/C | 574,990.00 | |
| 1001 · Office Petty Cash | 0.00 | |
| 1300 · Office Rent Deposit | 320,000.00 | |
| 1500 · Furniture, Fittings & Equipment | 1,186,000.00 | |
| 1510 · Computer Equipment | 485,000.00 | |
| 1710 · Accum Depr - Furn and Equip | | 324,051.00 |
| 1720 · Accum Depr - Comp Equip | | 359,445.00 |
| 2000 · Accounts Payable | 0.00 | |
| 3000 · Share Capital Account | | 5,007,804.00 |
| 3130 · Unrestricted Funds | | 50,000.00 |
| 3201 · Unrestricted Net Assets | 2,867,010.00 | |
| 4000 · Income Non-Exchange Transaction:4100 · Political Parties Fund_PPF | | 7,220,176.00 |
| 4340 · Members Monthly Contribution | | 539,000.00 |
| 6020 · Administration Expenses | 20,000.00 | |
| 6040 · Membership Subscription | 100,000.00 | |
| 6240 · Depreciation Expense | 199,802.00 | |
| 6250 · Cleaning and Gabbage Collection | 30,500.00 | |
| 6260 · National Delegate Conference | 1,489,700.00 | |
| 6470 · Bank Charges | 25,809.00 | |
| 6490 · Office Expense | 641,273.00 | |
| 6650 · Postage and Delivery | 10,000.00 | |
| 6670 · Professional Fees | 150,000.00 | |
| 6680 · Printing and Production | 1,264,400.00 | |
| 6710 · Rent and Rates | 1,427,000.00 | |
| 6720 · Employees Cost | 550,000.00 | |
| 6730 · Executive Cost and Allowances | 172,500.00 | |
| 6810 · Office Internet Service | 238,400.00 | |
| 6830 · Travel and Meetings | 1,260,319.00 | |
| | <u>13,500,476.00</u> | <u>13,500,476.00</u> |

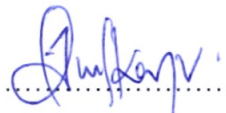
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Appendix II: Transfers from Political Parties Fund

| No. | Type | Amount | Date | Financial Year the funds relates to | Details |
|-----|-----------------------------------|----------------------------|------------|-------------------------------------|---|
| 1 | 4100 · Political Parties Fund_PPF | 2,098,953.25 | 02/10/2024 | FY 2024/25 | 1st Tranche of PPF FY 2024_2025 |
| 2 | 4100 · Political Parties Fund_PPF | 2,098,953.25 | 14/11/2024 | FY 2024/25 | 2nd Tranche of PPF FY 2024_2025 |
| 3 | 4100 · Political Parties Fund_PPF | 2,098,953.25 | 12/03/2025 | FY 2024/25 | 3rd Tranche of PPF FY 2024_2025 |
| 4 | 4100 · Political Parties Fund_PPF | <u>923,316.25</u> | 09/06/2025 | FY 2024/25 | 4th and Final Tranche of PPF FY 2024_2025 |
| | TOTAL | <u>7,220,176.00</u> | | | |

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| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|--|-----------------------------------|--|
| Internal Control, Risk Management and Governance | Lack of Risk Management Policy and Disaster Recovery Plan, Lack of Strategic Plan, Lack of Approved HR Instruments, Lack of Internal Audit Function. | Budget Constraints and Insufficient Allocation of PPF. | Work In Progress. (Not Resolved) | 2026 |



Hon. Jacob Barongo Bagaka,
UPA Secretary-General,

Date: 3rd Dec 2025



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20. Appendices

Appendix I: Implementation Status of Auditor-General’s Recommendations

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|---|--|---|--|---|
| OAG/UPA/AUD/2023/2024(6) | Budgetary Control and Performance. | Insufficient PPF Allocation. 0.03% is yet to be attained. | Resolved | 2024 |
| | Unsupported Operating Costs. | Relevant documentation was provided. | Resolved | 2024 |
| | Unsupported Share Capital | The Account was renamed to the correct name, Retained Earnings and Reserves. | Resolved | 2025 |
| | Non-Compliance with the Law on Statutory Dues. | Insufficient Funds, and hence the use of volunteers whose pay is below the taxable level. | Resolved | 2024 |
| | Non-Compliance with the law on establishment of Political Party Offices in at least 24 Counties. | Budget Cuts are affecting PPF. | Work in Progress. (Not Resolved) | 2026 |
| | Incomplete Fixed Asset Register | The register was successfully updated. | Resolved | 2025 |

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| | | |
|---------|-----|-----|
| Gearing | xx% | xx% |
|---------|-----|-----|

Notes to the Financial Statements (Continued)

34. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the *United Progressive Alliance (UPA)* 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.

Related parties include:

- i) Office of the Registrar of Political Parties
- ii) NEC Members
- iii) Secretary General
- iv) The Treasurer
- v) Executive Directors

| Description | 2025 | 2024 |
|---|-------------|-------------|
| | Kshs | Kshs |
| a) Grants /transfers from the government | | |
| Grants from Political Parties Fund | 0.00 | 0.00 |
| Other grants | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| Total | 0.00 | 0.00 |
| b) Key management compensation | | |
| Allowances to NEC Members | 0.00 | 0.00 |
| Compensation to key management | 0.00 | 0.00 |
| Total | 0.00 | 0.00 |

35. Contingent Assets and Contingent Liabilities

Give a disclosure of any Contingent assets or liability held by the Party.

36. Events after the Reporting Period

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

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Notes to the Financial Statements (Continued)

Financial Risk Management

The following table shows an analysis of financial and non-financial instruments recorded at fair value by level of the fair value hierarchy:

| Description | Level 1 | Level 2 | Level 3 | Total |
|--|-------------|-------------|-------------|-------------|
| | Kshs | Kshs | Kshs | Kshs |
| As at 30 June 2025 | | | | |
| Financial Assets | | | | |
| Quoted Equity Investments | 0.00 | 0.00 | 0.00 | 0.00 |
| Non- Financial Assets | | | | |
| Investment Property | 0.00 | 0.00 | 0.00 | 0.00 |
| Land And Buildings | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 0.00 | 0.00 | 0.00 | 0.00 |
| As at 30th June 2024 | | | | |
| Financial Assets | | | | |
| Quoted Equity Investments | 0.00 | 0.00 | 0.00 | 0.00 |
| Non- Financial Assets | | | | |
| Investment Property | 0.00 | 0.00 | 0.00 | 0.00 |
| Land And Buildings | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 0.00 | 0.00 | 0.00 | 0.00 |

There were no transfers between levels 1, 2 and 3 during the year. Disclosures of fair values of financial instruments not measured at fair value have not been made because the carrying amounts are a reasonable approximation of their fair values.

iv) Capital Risk Management

The objective of the UPA capital risk management is to safeguard the UPA ability to continue as a going concern. The United Progressive Alliance (UPA) capital structure comprises of the following funds:

| Description | 2025 | 2024 |
|---|-------------|-------------|
| | Kshs | Kshs |
| Revaluation Reserve | 0.00 | 0.00 |
| Retained Earnings | 0.00 | 0.00 |
| Total Funds | 0.00 | 0.00 |
| Total Borrowings | 0.00 | 0.00 |
| Less: Cash and Bank Balances | (0.00) | (0.00) |
| Net Debt/(Excess Cash And Cash Equivalents) | 0.00 | 0.00 |

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the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs 0.00 (2025: Kshs 0.00). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs 0.00 (2025 – Kshs 0.00)

Notes to the Financial Statements (Continued)

Financial Risk Management

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the *UPA* market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The *United Progressive Alliance (UPA)* considers relevant and observable market prices in its valuations where possible.

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| | | | |
|--|------|------|------|
| Net Foreign Currency Asset/(Liability) | 0.00 | 0.00 | 0.00 |
|--|------|------|------|

Notes To The Financial Statements (Continued)

Financial Risk Management

The following table demonstrates the effect on the UPA statement of comprehensive income 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.

| Description | Change in currency rate | Effect on Profit before tax | Effect on Equity/Net assets |
|--------------------|-------------------------|-----------------------------|-----------------------------|
| | Kshs | Kshs | Kshs |
| Current FY | | | |
| Euro | 10% | 0.00 | 0.00 |
| USD | 10% | 0.00 | 0.00 |
| Previous FY | | | |
| Euro | 10% | 0.00 | 0.00 |
| USD | 10% | 0.00 | 0.00 |

b) Interest rate risk

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

Management of interest rate risk

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

Financial Risk Management

Sensitivity analysis

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

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Notes to the Financial Statements (Continued)

Financial Risk Management

Financial Risk Management

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

2025

| Description | In Kshs | Other currencies | Total |
|---|-------------|------------------|-------------|
| | Kshs | Kshs | Kshs |
| As at 30th June 2025 | | | |
| Financial Assets | 0.00 | 0.00 | 0.00 |
| Investments | 0.00 | 0.00 | 0.00 |
| Cash | 0.00 | 0.00 | 0.00 |
| Debtors | 0.00 | 0.00 | 0.00 |
| Total Financial Assets | 0.00 | 0.00 | 0.00 |
| Financial Liabilities | | | |
| Trade And Other Payables | 0.00 | 0.00 | 0.00 |
| Borrowings | 0.00 | 0.00 | 0.00 |
| Total Financial Liabilities | 0.00 | 0.00 | 0.00 |
| Net Foreign Currency Asset/(Liability) | 0.00 | 0.00 | 0.00 |

Foreign currency sensitivity analysis

2025

| Description | In Kshs | Other currencies | Total |
|--|-------------|------------------|-------------|
| | Kshs | Kshs | Kshs |
| As at 30th June 2025 | | | |
| Financial Assets | 0.00 | 0.00 | 0.00 |
| Investments | 0.00 | 0.00 | 0.00 |
| Cash | 0.00 | 0.00 | 0.00 |
| Debtors | 0.00 | 0.00 | 0.00 |
| Total Financial Assets | 0.00 | 0.00 | 0.00 |
| Financial Liabilities | | | |
| Trade And Other Payables | 0.00 | 0.00 | 0.00 |
| Borrowings | 0.00 | 0.00 | 0.00 |
| Total Financial Liabilities | 0.00 | 0.00 | 0.00 |

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Notes to the Financial Statements (Continued)

Financial Risk Management

iii) Market risk

The *Entity* 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 UPA 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 UPA 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 UPA exposure to market risks or the way it manages and measures the risk.

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