

REPUBLIC OF KENYA



**OFFICE OF THE AUDITOR-GENERAL**



*Paper Laid on the  
Table of the House  
by the Leader of  
the Majority Party  
on Wednesday  
15<sup>th</sup> August 2018  
(Afternoon)*

**PARLIAMENT  
OF KENYA  
LIBRARY**

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**



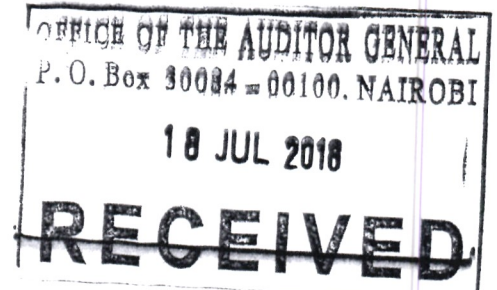
**THE FINANCIAL STATEMENTS OF  
JUBILEE PARTY**

**FOR THE NINE (9) MONTHS  
PERIOD ENDED 30 JUNE 2017**



JUBILEE PARTY

Annual Report and Financial Statements for the Financial Year Ended June 30, 2017



**JUBILEE PARTY**

Party No: 027

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30, 2017**

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

Ammended Copy

JUBILEE PARTY

Annual Report and Financial Statements for the Financial Year Ended June 30, 2017

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**LIST OF ABBREVIATIONS**

E.D	- Executive Director
FY	- Financial Year
GOK	- Government of Kenya
IAS	- International Accounting Standard
M.P	-Member of Parliament
MCA	-Member of County Assembly
MOU	- Memorandum of Understanding
N.E.C	-National Executive Committee
NDC	- National Delegates Council
PG	- Parliamentary Group
S.G	- Secretary General
URP	- United Republican Party
TNA	- The National Alliance
JP	- Jubilee Party
IPSAS	- International Public Sector Accounting Standards

## JUBILEE PARTY

### Annual Report and Financial Statements for the Financial Year Ended June 30, 2017

- **KEY ENTITY INFORMATION AND MANAGEMENT**

- **Background information**

Jubilee Party is a political party registered under the office of the Registrar of Political Parties on September 09, 2016 our commitment to the national values and principles of governance enshrined in the constitution of Kenya.

This party was formed as a merger of its affiliate parties within Jubilee family with the sole purpose of unifying the country and promoting development as a unified entity.

- **Principal Activities**

The principal activity/mission of Jubilee Party is to promote democratic participation and involvement for all the Kenyan citizens. We endeavor to form a Government that shall embody our ideals and aspirations, promote the common good, conserve and develop our patrimony; to secure to ourselves and our posterity the blessings of independence and democracy under the rule of law and a regime of truth, justice, freedom, love, equality, and peace.

- **Key Management**

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

- Secretary General;
- Executive Director
- Deputy Executive Director & Director Legal and Compliance
- Director Finance & Administration
- Director Membership
- Director Elections
- Director Media

- **Fiduciary Management**

The key management personnel who held office during the financial year ended June 30, 2016 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Chairman	Nelson Dzuya
2.	Secretary General	Hon. Raphael Tuju
3.	Treasurer	Alfred Mutai
4.	National Executive Director	Winnie Guchu

- **Fiduciary Oversight Arrangements**

- *National Executive Committee*
- *Budget committee activities*

JUBILEE PARTY

Annual Report and Financial Statements for the Financial Year Ended June 30, 2017

- *Procurement Committee*
  - *Finance Committee*
  - *Audit Committee*
  - *Technical Committee*
  - *National Elections Board*
  - *National Treasury*
  - *Tender Committee*
  - *Parliamentary Group*
  - *National Governing Council*
  - *Office Of The Registrar Of Political Parties*
  - *Auditor General*
- 
- **Entity Headquarters**  
P.O. Box 38601 – 00623 Nairobi  
Jubilee House  
Pangani Interchange, Exit 3, Thika Road  
Nairobi, Kenya
- 
- **Entity Contacts**  
Telephone: 0711-399841/0780184393/0704367983  
E-mail: info@jubileepamoja.co.ke  
Website: [jubileepamoja.co.ke](http://jubileepamoja.co.ke)
- 
- **Entity Bankers**
    - Equity Bank Ltd  
Tel: 2744000  
P.O Box 75104 - 00200  
Community Corporate Branch  
Nairobi
- 
- **Independent Auditors**  
Office Of The Auditor General  
Anniversary Towers, University Way  
P.O.Box 30084 0100  
Nairobi.
- 
- **Principal legal adviser**  
Singoei, Murkomen & Sigei Advocates  
0729 366357  
P.O Box 37300-00100  
Nairobi

**NATIONAL EXECUTIVE COMMITTEE**

<b>NEC Members</b>		
<b>No.</b>	<b>Name</b>	<b>Designation</b>
1	Nelson Dzuya	Chairman
2	Hon. David Murathe	Deputy chairman
3	Hon. Raphael Tuju	Secretary General
4	Winnie Guchu	National Executive Director
5	Hon. Caleb Kositany	Deputy Secretary General
6	Veronica Maina	Vice Chairperson
7	Pamela Mutua	Member
8	Fatuma Mohamed	Member
9	Abdul Haji	Member

**MANAGEMENT TEAM**

<b>No.</b>	<b>Management Team</b>	<b>Responsibility</b>
1	Executive Director	Chief Executive and Secretary to National Executive Committee, head of campaigns, nominations and campaigns
2	Deputy Executive Director, Director Legal & Compliance	Deputises E.D, head of legal, , Planning & Research.
3	Finance & Administrations Director	Head of Finance & Accounting, Human Resources Management, general administration and chief of operations
4	Elections Director	Head of ICT and party systems, Head Nominations, By-Elections & Elections
5	Special Interest & Gender Director	Gender, PWD, Special Interest Groups
6	Membership Director	Head of Programs, & Head Of Field Services.

### CHAIRMAN'S STATEMENT

The writers of the new Constitution sought to have political parties being run in extremely professional manner just like it is in public and other private sectors. Indeed, I am delighted by the steps and policies that the party have made during the year.

Jubilee Party is a key player in the Jubilee Government. This is after the affiliate parties dissolved and formed one formidable Jubilee Party. The reason for a stronger party is to achieve economies of scale and all pull in one direction. Unity of purpose will enable us to achieve our goals faster and better. An accountable regime ensures that the citizen's expectations are not only met but also surpassed. Driven by the desire to succeed and offer first class public service, J.P is geared to being integrated to successive governments that are positively legendary to this great nation.

For J.P to be able to achieve the above goal it has set up an effective and efficient party management on its resources (Capital, Supporters, Goodwill, Finance etc.)

The office of the registrar of political parties together with key political parties in Kenya instrumental players in laying down policies that govern the use of these funds. The government has adopted the new IPSAS standards aimed at better management of tax payer's money and other related stakeholder's funds, and central to impress it has been the office of the registrar of political parties and her beneficiary political parties.

I must acknowledge the support and contribution that we have received from our members and other donors (in the capacities as individual and elected to the party). Their time and participation has shaped this party to what it is. I am glad to note that the Jubilee Party has been collaborating with key partners and stakeholders. Secondly, let me register my heartfelt appreciation to all former Jubilee affiliate parties for having seen it wise to shelve personal political space for the overall goodwill of the nation.

Just like other nations need to have strong issue-based political parties, Kenya needs a non-tribal and issue-based political party to meet her development agenda. J.P is that party as it appeals to all citizens of this country.

J.P has a strong base built from the support from more than eleven different political parties. The political parties have come under the umbrella of J.P with the aim of establishing an all-inclusive party with presence across the country.

J.P is also a sign of unity for all Kenyans. It is the one single party that enjoys support from all the 47 counties and therefore reflects the picture of the republic of Kenya.

JUBILEE PARTY

Annual Report and Financial Statements for the Financial Year Ended June 30, 2017

Our main focus in J.P is to ensure that our promises to the electorate are delivered accordingly and in line with that, we field candidates who have a similar vision and capacity to deliver to the people.

To achieve that, the party needs a strong financial background and a clear framework of how the funds are spent. The party also needs a strong documentation of all its financial activities so as to keep a clear financial record. This financial report is a very crucial instrument that contributes towards realization of such a goal. Together we have been able to boost our technical capacity. Central and implemental among the operation of the party is the precious guidance and oversight of the National Executive committee during this Financial year. NEC has given adequate steering, support and advice to the secretariat to achieve our goals. Resolutions made by the NEC have been implemented by the secretariat.

The NEC under whose mandate we are operating will continue to give the necessary support to the party. Its crucial role being to ensure that we remain politically relevant and focused in the successful implementation of our party constitution so as to make Kenya a great Nation for ourselves and our children.

Thank you



**Nelson Dzuya**

**Chairman**

### THE EXECUTIVE DIRECTORS REPORT

On behalf of the National Executive Committee and Secretariat of the Jubilee Party (J.P), I am pleased to present the 9 month to June 2017 Financial Report of the Party. The reports demonstrate the tremendous milestones we have achieved in the achievement of the Jubilee Manifesto in Jubilee Government.

Kenyans demonstrated their confidence with the Jubilee family 2017 General Elections. As a result, H.E Uhuru Kenyatta, President and Deputy President of the Republic of Kenya were re-elected.

This also came at the time when the new Constitution was applied. Wanjiku in her interpretation of the new constitution envisioned a situation whereby political matters in the country were to be formalized, complied upon and run professionally. She felt that the political parties were too many, un-ideological and hence opted for a lean and all involving democracy with maximum citizen participation and impact. The Political Parties Act 2011, lays down the regulations for forming, and maintaining Political Parties. Now more than ever before the Kenyan citizen is actively involved in this process.

With this in mind, the Jubilee Party was borne out of the need to have an all-inclusive citizen participation and joining together of all coalition partners and other likeminded individuals to work in unity. Indeed, all top democracies in the world are led by countries that few but very strong Political parties. Political analysts in the Kenyan arena had found out that most of our parties largely share the same ideologies and doctrines and have recommended a collapse of them so as to enjoy full synergy. Now, at this point I would point out that the Jubilee Government developed a manifesto based on affiliate Jubilee Party's ideologies. These were then handed over to be included in the Government implementation plan. As such once merged our manifestoes are now harmonized and immediately incorporated in the Government plan.

These, ladies and gentlemen, is what all political parties are made to do, to govern. It is clearly high time that Kenyan political parties stopped being built around key personalities and the ethnic factor. J.P will hold great promise – and set a huge example – to forge itself into a political bloc that is made up of an all-inclusive and accommodative political support for all.

The overwhelming election wins registered in August 08, 2017 elections is yet another manifestation of how strong support that the party continues to enjoy. In addition, the National Executive Council (NEC) targets to open offices all over the country. These offices increase our outreach; promote our Party's influence to the masses at the grassroots.

JUBILEE PARTY

Annual Report and Financial Statements for the Financial Year Ended June 30, 2017


The secretariat and the NEC have also gone overboard to step in and reconcile party members/organs in conflict. This has happened in quit a number of Counties hence bringing harmony and co-existence.

The 2016/2017 Financial Year was not without challenges. The year under review so us undertake double nomination. Our party qualified for **Kshs. 145,911,501** from the office of the Registrar of Political Parties. **Kshs. 719,498,643** was raised from Aspirants Registration & Nomination Fees. Contribution from Elected Members, their arrears thereto and Donations amounted to **Kshs. 387,334,192**. During the year in review we had a Total Income of **Kshs. 1,252,744,336** against total expenses amounting to **Kshs. 1,441,002,394**.

The Party commends the Party Leadership, NEC, Secretariat officials for their personal commitment to the mandate of the Party as demonstrated by their personal participation and timely advisory role as and when required. In addition, the Party has enjoyed and continues to enjoy the support of stakeholders, other likeminded parties and members of the diaspora, Office of the Registrar of Political Parties, J.P elected members, general supporters and Kenyans at large.

Finally, I wish to register my optimism and confidence that we shall be able to steer J.P to greater heights and continue to work with likeminded parties to make Kenya a better Country.

Thank you



**Winnie Guchu**

**The Executive Director**

JUBILEE PARTY

Annual Report and Financial Statements for the Financial Year Ended June 30, 2017

**REPORT OF THE DIRECTOR (MANAGEMENT)**

The Director presents the report together with the audited financial statements for the year ended 30<sup>th</sup> June 2016, which disclose the state of affairs of the party.

**Principal activities**

The mandate of the party, which is derived from the Political Parties Act, 2011, is to promote active political participation by citizens with the general view of assuring national values and principles of governance enshrined in the constitution of Kenya.

**Results**

The results of the party for the year ended June 30, 2017 are set out from pages 17.

**Directors**

The members of the National Executive Committee who held office during the year are set out on page 6.

**Auditors**

The Auditor of the party for the year ended is the Auditor General in line with the Public Audit Act, 2003. The Auditor of the party continues to be the Auditor General.

On Behalf of the Party

Winnie Guchu  
Executive Director

September 20, 2017

JUBILEE PARTY

Annual Report and Financial Statements for the Financial Year Ended June 30, 2017

JUBILEE PARTY

STATEMENT OF NATIONAL EXECUTIVE COUNCIL'S RESPONSIBILITIES

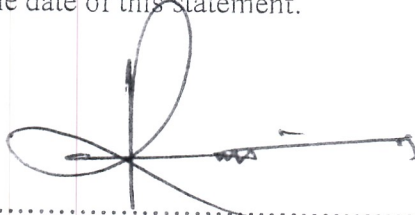
FOR THE ENDED 30<sup>TH</sup> JUNE, 2017

The National Executive Council, (NEC) is required by the Political Parties Act to prepare Financial Statements for each financial year, which gives a true and fair view of the state of the financial affairs of the Party as at the end of the financial year and of its operating results for the year. The National Executive Council (NEC) is also responsible for safeguarding the assets of the Party.

The National Executive Council (NEC) are responsible for the preparation and representation of the Party's financial statements, which give a true and fair view of the state of affairs of the party for at as the end of the financial year ended on June 30, 2017. The responsibility includes maintaining adequate financial management arrangements and ensuring that this continue to be effective throughout the reporting period, maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Party, designing, implementing and maintain 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, safeguarding the assets of the Party, selecting and applying accounting policies and making accounting estimates that are reasonable in the circumstances.

The National Executive Council (NEC) accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Statements give true and fair view of the state of the financial affairs of the Party and of its operating results at that date. The National Executive Council (NEC) further confirm the completeness of the accounting records maintained for the Party, which have been relied upon in the preparation of the Party's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the National Executive Council (NEC) to indicate that the Party will not remain a going concern for at least the next twelve months from the date of this statement.



.....  
SECRETARY GENERAL

Date

# REPUBLIC OF KENYA

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NAIROBI



## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR-GENERAL ON JUBILEE PARTY FOR THE NINE (9) MONTHS PERIOD ENDED 30 JUNE 2017

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#### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of Jubilee Party set out on pages 13 to 25, which comprise the statement of financial position for the nine (9) Months period ended 30 June 2017, and the statement of financial performance, statement of changes in equity, statement of cash flows and statement of comparison of budget and actual amounts for the nine (9) months then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit

In my opinion, except for the effect of the matters described in the Basis of Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Jubilee Party for the nine (9) Months period ended 30 June 2017, and of its financial performance and its cash flows for the nine (9) months period then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Political Parties Act, 2011.

In addition, as required by Article 229(6) of the Constitution, except for the matters described in the Basis for Qualified Opinion and Other Matter sections of my report, based on the procedures performed, I confirm that, nothing else has come to my attention to cause me to believe that public money has not been applied lawfully and in an effective way.

#### Basis for Qualified Opinion

##### i. Unregistered Lease Agreements

The Party's Headquarter lease agreement which ought to have been registered with the Ministry of Lands, Physical Planning and Urban Development was not made available for audit verification. In addition, the Party has offices in other regions of the country but no leases were provided for audit scrutiny although the party paid rent of Kshs.750,000 (2016:Kshs3,000,000) as at 30 June 2017.

Under the circumstance, the accuracy and regularity of the rent expenditure of Kshs.750,000 could not be confirmed.

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*Report of the Auditor-General on the Financial Statements of Jubilee Party For The Nine (9) Months Period Ended 30 June 2017*

## **ii. Party Motor Vehicles**

The party financial statements reflect motor vehicles with a book value of Kshs.4,543,087 as at 30 June 2017. However, logbooks for the vehicles were not made available for audit verification.

Consequently, the ownership of the motor vehicles worth Kshs.4,543,087 as at 30 June 2017 could not be ascertained.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Jubilee Party in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Key Audit Matters**

Key Audit Matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion and Other Matter sections of my report, I have determined that there are no other Key Audit Matters to communicate in my report.

### **Other Matter**

#### **1. Information Technology Governance**

During the nine (9) months period under review, the following was noted:

- i. the Party did not have Information Technology continuity and disaster recovery plans.
- ii. the back-ups were not kept off-site.
- iii. there was no IT Strategic or Steering Committee and no formally documented and approved use of management standards and procedures.
- iv. there was no formal process to review user access rights.

In the absence of a sound information technology system, data confidentiality, integrity and availability could not be confirmed.

#### **2. Weak Internal Controls**

During the nine (9) months period under review, the following internal control weaknesses were noted:

- i. the Party did not have an internal audit unit, procurement unit nor did it have enough personnel in the information technology (IT) department for the party to be able to have a strong IT system.
- ii. the Party did not have enough personnel in the accounts department for proper segregation of duties. The accounts department had not been segregated and one employee could write the cash book, make payments and do the bank reconciliations.

In the absence of strong internal controls, the risk of fraud could not be ruled out.

### **3. Non Preparation of Budget**

All public entities are required to prepare annual financial budgets and operate within the confines of the prepared budget. However, it was observed that, during the 9 months period under review, the Party did not prepare a budget as required by Public Finance Management Act, 2012.

It was, therefore, not possible to confirm whether public funds were used for the intended purposes during the 9 month period under review.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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 such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 applicable basis of accounting unless the management either intends to liquidate the Party or to cease operations, or have no realistic alternative but to do so.

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.

Those charged with governance are responsible for overseeing the Party's financial reporting process.

### **Auditor-General's Responsibilities for the Audit of the Financial Statements**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the

provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Party's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Party's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Party's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Party to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

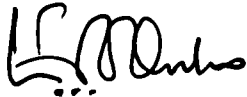
I communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Political Parties Act 2011, I report based on my audit, that:

- i. 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;
- ii. In my opinion, adequate accounting records have been kept by the Party, so far as appears from the examination of those records; and,
- iii. The Party's financial statements are in agreement with the accounting records and returns.



**FCPA Edward R. O. Ouko, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**02 August 2018**

JUBILEE PARTY  
 FINANCIAL STATEMENTS  
 Nine months to 30 June 2017

Statement Of Financial Performance

	Note	9 Months to Jun-17 shs
<b>Income</b>		
Membership Fee	8	97,076,502
Nomination Fees	8	621,839,141
Nomination Petition Fees	8	583,000
Contributions From Members/Donations	8	387,334,192
Political Parties Fund	8	145,911,501
<b>Gross Income</b>		<b>1,252,744,336</b>
<b>Gross Income after SPPF</b>		<b>1,252,744,336</b>
<b>Recurrent expenditure</b>		
Administrative costs	9	13,894,133
Operating Cost	10	1,366,960,853
Finance Cost	11	17,790,967
Secretariat Staff & Executive costs	12	38,964,032
Depreciation	3	3,392,409
<b>Total Expenditure</b>		<b>1,441,002,394</b>
Surplus/Deficit		(188,258,058)
Net Surplus/Deficit		(188,258,058)

The notes on pages 17 to 21 form an integral part of these financial statements.

**Statement Of Financial Position**

	Notes	9 Months to Jun-17 shs
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3	<u>22,100,365</u>
<b>Current assets</b>		
Receivables	4	2,662,869
Cash and bank balances	6	<u>5,010,290</u>
		<u>7,673,159</u>
<b>Total assets</b>		<u><u>29,773,524</u></u>
<b>CAPITAL EMPLOYED</b>		
<b>Capital and Reserves</b>		
Accumulated Fund	7	<u>(150,649,396)</u>
		<u>(150,649,396)</u>
<b>Current liabilities</b>		
Payables	5	180,422,920
<b>Non Current Liabilities</b>		
		<u>180,422,920</u>
<b>Total reserves and liabilities</b>		<u><u>29,773,525</u></u>

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The notes on pages 17 to 21 form an integral part of these financial statements.

The financial statements were approved and signed on-----

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 Secretary General

JUBILEE PARTY  
 FINANCIAL STATEMENTS  
 for Nine months to 30 June 2017

Statement of changes in Equity

	Note		Accumulated Fund shs	Total shs
Balance at 01.07.2016			10,287,555	10,287,555
Surplus/Deficit	Inc	-	27,321,107	27,321,107
Addition During The Year (Donation in kind)				-
<b>Balance at 30-09-2016</b>		<b>-</b>	<b>37,608,662</b>	<b>37,608,662</b>
Balance at 30-09-2016		-	37,608,662	37,608,662
Surplus/Deficit	Inc	-	(188,258,058)	(188,258,058)
Addition During The Year (Donation in kind)		-		-
<b>Balance at 30-06-2017</b>		<b>-</b>	<b>(150,649,396)</b>	<b>(150,649,396)</b>

The notes on pages 17 to 21 form an integral part of the financial statements.

**JUBILEE PARTY**  
**FINANCIAL STATEMENTS**  
for Nine months to 30 June 2017

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Cash flow statement

	Note	9 Months to Jun-17 shs
<b>Cash generated from operating activities</b>		
Surplus before capital expenditure		(188,258,058)
Add Back Depreciations	3	3,363,190
Loses on Burglary & Non Cash Items		-
Adjusted Profit before changes in working capital		<u>(184,894,867)</u>
<b>Changes in Working Capital Items</b>		
(Increase)/Decrease in Account Receivables		41,261,239
Increase/(Decrease) in Account payables		<u>136,251,919</u>
Net cash from operating activities		<u>(7,381,709)</u>
<b>Investing activities</b>		
Acquisition of capital assets	3	(765,095)
Disposal of Capital Assets		
Net cash used in investing activities		<u>(765,095)</u>
<b>Financing activities</b>		
Net Cash Used in Financing Activity		
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>(8,146,804)</b>
Balance at 01-10-2016		<u>13,157,096</u>
<b>Balance at 30-06-2017</b>		<u><u>5,010,290</u></u>

The notes on pages 9 to 15. form part of the integral part of the financial statements.

THE NATIONAL ALLIANCE  
 FINANCIAL STATEMENTS  
 FOR NINE MONTHS TO 30 JUNE 2017

NOTES FORMING PART OF THE FINANCIAL STATEMENTS.

	Motor Vehicles	Furniture, Fittings & Equipment	Computer Equipment	Total
<b>3. Property, plant and equipment</b>	shs	shs	shs	shs
At 01-10-2016	18,850,000	18,042,068	8,489,988	45,382,056
Additions during the year	-	413,851	115,100	4,253,610
<b>Total at 30-06-2016</b>	<b>18,850,000</b>	<b>22,180,578</b>	<b>8,605,088</b>	<b>49,635,666</b>
<b>Accum. Depreciation</b>				
At 01-07-2016	12,885,742	6,188,517	4,665,760	23,740,019
Charge for the 3 Months	372,766	499,752	295,450	1,167,968
<b>Total at 30-09-2016</b>	<b>13,258,508</b>	<b>6,688,269</b>	<b>4,961,210</b>	<b>24,907,987</b>
<b>Property, plant and equipment</b>	shs	shs	shs	shs
At 01-10-2016	18,850,000	22,180,578	8,605,088	49,635,666
Additions during the year	-	765,095	-	765,095
<b>Total at 30-06-2016</b>	<b>18,850,000</b>	<b>22,945,673</b>	<b>8,605,088</b>	<b>50,400,761</b>
<b>Accum. Depreciation</b>				
At 01-10-2016	13,258,508	6,688,269	4,961,210	24,907,987
Charge for the 9 Months	1,048,405	1,524,132	819,873	3,392,409
<b>Total at 30-09-2016</b>	<b>14,306,913</b>	<b>8,212,401</b>	<b>5,781,083</b>	<b>28,300,396</b>
<b>Net Book Values</b>				
At 30-06-2017	4,543,087	14,733,272	2,824,005	22,100,365
At 30-09-2016	5,591,492	15,492,309	3,643,878	24,727,679

JUBILEE PARTY  
 FINANCIAL STATEMENTS  
 for Nine months to 30 June 2017

Notes forming part of the financial statements

	9 Months to Jun-17 shs
<b>4. Debtors and Prepayments</b>	
Balances due from	
Deposits Refundables	2,662,869
	<u>2,662,869</u>
<b>5 Balances owing to</b>	
Payables	157,466,046
Accruals	22,956,874
Orwa and Company	-
	<u>180,422,920</u>
<b>6. (a) Cash and bank balances</b>	
Equity Bank 009	8,100
Equity Bank 079	412,332
Equity Bank 141	480,766
Equity Bank 269	158,100
Equity Bank 309	1,218,362
Equity Bank 949	137,516
Co-operative Bank 1 TNA	33,269
Co-operative Bank 2	84,402
Equity Bank	54,945
Co-operative Bank 1 URP	316,034
Trans National Bank Ltd	2,106,465
Petty Cash	-
Cash Accounts	-
	<u>5,010,290</u>

JUBILEE PARTY  
FINANCIAL STATEMENTS  
for Nine months to 30 June 2017

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Notes forming part of the financial statements

	9 Months to Jun-17 shs
<b>7. Accumulated Fund</b>	
Balance at 01-07-2016	11,890,022
Movement	<u>(191,326,755)</u>
Balance at -30-07-2017	<u><u>(179,436,733)</u></u>

JUBILEE PARTY  
FINANCIAL STATEMENTS

for three months to 30 September 2016

Notes forming part of the financial statements

. Schedule to the income statement

3 Months to  
Sep-16  
shs

**8. Income**

Membership Fee	97,076,502
Nomination Fees	621,839,141
Nomination Petition Fees	583,000
Contributions From Members	387,334,192
Political Parties Fund	145,911,501
<b>Total Income</b>	<b>1,252,744,336</b>
Share of Political Parties Fund	
<b>Net Income</b>	<b>1,252,744,336</b>

**9. Administration costs**

Electricity and Water	273,317
Telephone, postage and Internet	1,735,305
Rent and Rates	7,750,223
Audit Fee	-
Cleaning and Landscaping Expenses	308,157
Office General Expenses	3,656,440
Insurance	120,691
Subscription	50,000
	<b>13,894,133</b>

JUBILEE PARTY  
 FINANCIAL STATEMENTS  
 Nine months to 30 June 2017

Notes forming part of the financial statements

Schedules to the income statement

	9 Months to Jun-17 shs
<b>10. Operating Costs</b>	
Advertisements and Communication Expenses	2,237,824
Campaign and Election Expenses	537,065,455
Grassroot and Field Support	87,152,733
Traveling and Meeting Expenses	31,656,184
By Election Related Expenses	-
Mobilization and Logistics Expenses	-
Operational Consultancy and Legal Expenses	5,215,000
Repair and Maintenance	5,796,688
Training Expenses	7,903,776
Nomination Expenses	685,740,480
Security Expenses	2,266,560
Motor Vehicle Running Expenses	769,052
Unrecoverable debts w/o	1,157,100
	<u>1,366,960,853</u>
<b>11. Financial Costs</b>	
Bank Charges and Interests	17,778,662
Mpesa Charges	12,305
	<u>17,790,967</u>
<b>12. Secretariat Staff &amp; Executive Costs</b>	
Salaries , Wages and Allowances	25,479,895
Staff Welfare	13,484,137
	<u>38,964,032</u>

Summary of Significant Accounting Policies

- **Statement of compliance and basis of preparation – IPSAS 1**

The party's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the entity. The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

**a) Revenue recognition**

- **Revenue from non-exchange transactions – IPSAS 23**

**Contributions & Government Funding**

The entity recognizes revenues from government funding when the event occurs and the asset recognition criteria are met. In addition, the Party recognizes members' contributions on accruals basis. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

For the year under review contributions from elected members have recognized when cash was received.

**Transfers from other government entities**

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

**Summary of Significant Accounting Policies****b) Budget information – IPSAS 24**

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the entity. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

**c) Property, plant and equipment – IPSAS 17**

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 party 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. All donation assets have been capitalized as belonging to the party. Depreciation is done on straight line basis and rates applicable are as follows:-

	<u>Rates</u>
Computers	30%
Furniture & Fittings	12.5%
Office Equipments	12.5%
Motor Vehicle	25%

**d) Provisions – IPSAS 19**

Provisions are recognized when the Party 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.

JUBILEE PARTY

Annual Report and Financial Statements for the Financial Year Ended June 30, 2017

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement. The provision in our statements includes Gratuity due to the directors which are payable at the expiry of the contract.

**Summary of Significant Accounting Policies**

**e) Nature and purpose of reserves**

The Entity creates and maintains reserves in terms of specific requirements. Entity to state the reserves maintained and appropriate policies adopted.

**f) Changes in accounting policies and estimates – IPSAS 3**

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.

**g) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, headquarters & county petty cash. Bank account balances include amounts held Trans National Bank Ltd, Co-operative bank Ltd, and at various county office commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**h) Comparative figures**

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

**i) Significant judgments and sources of estimation uncertainty – IPSAS 1**

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

JUBILEE PARTY

Annual Report and Financial Statements for the Financial Year Ended June 30, 2017

As such the assumptions made are :-

Elected member's revenue inform of contributions not yet received are accrued.

**Summary of Significant Accounting Policies**

Going concern Assumption - The party will continue as a going concern in the long run.

**j) Subsequent events – IPSAS 14**

There have been several events subsequent to the financial year end with immaterial significant impact on the financial statements for the year ended June 30, 2017.

**k) Taxation**

The party, being a non-trading entity is not subject to taxation. No tax therefore is provided in these accounts.

