

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

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REPORT

OF

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 29 APR 2025	DAY. Tuesday
TABLED BY:	Hon. Julius Melly, MP on behalf of LOM
CLERK-AT THE-TABLE:	Benson Inzafu.

THE AUDITOR-GENERAL

ON

GREEN THINKING ACTION PARTY

FOR THE YEAR ENDED  
30 JUNE, 2024

OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
REGISTRY  
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REGULATORY AND NON-COMMERCIAL ENTITY  
***GREEN THINKING ACTION PARTY***

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30<sup>TH</sup> JUNE 2024

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

**GREEN THINKING ACTION PARTY**  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2024**

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GREEN THINKING ACTION  
 PARTY (GTAP)  
 P. O. Box 9164 - 00200  
 NAIROBI

**1. KEY ENTITY INFORMATION AND MANAGEMENT**

**(a) Background information**

Green Thinking Action Party founders, aware that since the reintroduction of multi-party politics in the country in early 1990's, Kenyan politics have largely been organized through non representative, personalized and ethnically based political parties; dismayed that the current political parties are by large moribund and remain agents of disunity and instability and that the core activities of political parties are usually consigned to the period preceding elections; appreciating that the constitution has not only recognised the role of political parties in governance but also set benchmarks with high standards and requirements for their institutionalization and democratic functioning, and committed to the democratic ideals of rule of law, fairness, social justice, gender equity and equality, affirmative action, voluntary participation, respect for human rights and freedoms, unity of purpose in diversity as well as the national values and principles of governance enshrined in the Country's Constitution formed the party in 2019.

The party was provisionally registered in 2020 and later fully registered by the Office of the Registrar of Political parties on 18<sup>th</sup> October 2021.

**(b) Principal Activities**

The Party's Principal activity is to strive to establish a government committed to the democratic ideals of rule of law, fairness, fairness, social justice, gender equity and equality, affirmative action, voluntary participation, respect for human rights and freedoms, unity of purpose in diversity as well as the national values and principles of governance enshrined in the Country's Constitution.

**VISION**

A Green Prosperity to every Kenyan Household.

**MISSION**

To enhance a Society that treat each other kindly through upholding social ethics, training on life skills, promote good health, peace within communities and to create sustainable livelihood and lastly practising actual environmental conservation.

**GREEN THINKING ACTION PARTY**  
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**for the year ended June 30, 2024**

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**(c) Key Management**

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

- Secretary General
- Executive Director
- Finance & Administration Director
- Other Directors and managers
- Accountant

**(d) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2024 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Chairman	<b>James Otieno Oketch</b>
2.	Secretary General	<b>Lone Felix</b>
3.	Deputy Secretary General	<b>Harizon Ochieng</b>
4.	Executive Director	<b>Joseph Kithyaka</b>
5.	National Treasurer	<b>Anthony Mbandi</b>

**KEY ENTITY INFORMATION AND MANAGEMENT (continued)**

**(e) Entity Headquarters**

P.O Box 9164-00200  
G-TAP Centre, Outering Road  
21 Old Donholm  
Nairobi, Kenya

**(f) Entity Contacts**

Telephone: +254-97-111-117  
E-mail: [info@thegtap.org](mailto:info@thegtap.org)  
Website: [www.thegtap.org](http://www.thegtap.org)

**(g) Entity Bankers**

Ecobank Kenya Limited  
Karen office Park, Langata Road  
P.o Box 79587-00100  
Nairobi, Kenya

**(h) Independent Auditor**

**(i) Principal Legal Adviser**

The Attorney General  
State Law Office and Department of Justice  
Harambee Avenue  
P.o Box 70112  
City Square 00200  
Nairobi, Kenya

**GREEN THINKING ACTION PARTY**  
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**1. NATIONAL OFFICIALS**

<b>Ref</b>		
1.	Party Leader	Dr. Isaac Kalua
2.	Chairman	James Otieno Oketch
3.	Secretary General	Lone Felix
4.	Deputy Secretary General	Harizon Ochieng
5.	Executive Director	Joseph Kithyaka
6.	National Treasurer	Anthony Mbandi

GREEN THINKING ACTION  
PARTY (GTAP)  
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**2. KEY MANAGEMENT TEAM**

<b>Ref</b>		
1.	Secretary General	Lone Felix
2.	Harizon Ochieng	Deputy Secretary General
3.	Executive Director	Joseph Kithyaka
4.	National Treasurer	Anthony Mbandi

GREEN THINKING ACTION  
PARTY (GTAP)  
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**GREEN THINKING ACTION PARTY**  
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**3. CHAIRMAN'S STATEMENT**

We are obligated by the political parties Act 2011 to prepare annual financial statements in respect of the Green Thinking Action Party, which statements are expected to present a true and fair view of the state of affairs of our Party including the operating results at the end of each fiscal year. The public finance Management Act 2012 at Section 81, Section 31 of the Political Parties Act 2011 and Public Audit requirements requires of us to prepare the said statements and present the same to the office of the Registrar of Political Parties and Auditor General respectively not late than 30<sup>th</sup> September 2023.

In Pursuits of the foregoing obligation, and exercising its mandate under the GTAP constitution, the National Executive Committee approve the work plan and annual budget for the financial year under the review within the framework of the strategic plan. Accordingly, we have submitted the report and accounts for the year **June 30,2024** to the Auditor General. We have also published in the local newspapers the applicable income section of the accounts of year ended in accordance with Section 29(1) of the parties Act 2011.



**JAMES OTIENO OKETCH**

**NATIONAL CHAIRMAN**

GREEN THINKING ACTION  
PARTY (GTAP)  
P. O. Box 9164 - 00200  
NAIROBI

**GREEN THINKING ACTION PARTY**  
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**for the year ended June 30, 2024**

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**REPORT FROM THE SECRETARY GENERAL**

We wish to present the financial report for the year ended June 30<sup>th</sup> 2024 in accordance with the International Public Sector Accounting Standard. During the year our key responsibility included:

1. Developing strategies for and realizing financial resources mobilization for the party
2. Ensuring that the books of the party are audited
3. Continue a develop principal of stewardship, financial discipline, ethic and best practices to guide the Party matters of Fiscal planning and management.

In accordance to Section 35 of Public Audit Act 2015 requirements and the Political Act 2011, we managed to accomplish the following

- Develop a work plan and budgets with reference to the Party's strategic plan for the current financial year.
- Ensured the books of Accounts of the year ended June 30<sup>th</sup> 2024 are prepared in time and presented to the Auditor General and relevant income section of the same extracted and published in the local newspapers in accordance to section 29. (1) which states that 'A political party shall, within three months of its financial year, publish the sources of fund stating: -
  - 1) The amount of money received from political parties Funds
  - 2) The amount of money received from members and supporters
  - 3) The amount and resources of donations given to the party



**LONE FELIX**

**SECRETARY GENERAL**

GREEN THINKING ACTION  
PARTY (GTAP)  
P. O. Box 9164 - 00200  
NAIROBI

**GREEN THINKING ACTION PARTY**  
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**CORPORATE GOVERNANCE STATEMENT**

Green Thinking Action Party is committed to operating in accordance with best practice in political party integrity and ethics and maintenance the highest standards of financial reporting and corporate governance. The National Executive Committee is delighted to report that the party has throughout the year, complied with the provisions set out in the Code on corporate Governance and equally the main principals of code

Corporate governance for Green Thinking Action Party has gone a long way to define how the party conducts its affairs in line with the objects for which it was founded. It has given the party its structure, which contains all set of rules that governs the ethnical operation procedure and processes of the party by ensuring that we conform to Kenyan Statutory requirements and the best practices in line the Political Parties Act 2011 in all political activities. Responsibility for corporate governance is vested with the National Executive Committee of Green Thinking Action Party.



**SECRETARY GENERAL**

GREEN THINKING ACTION  
PARTY (GTAP)  
P. O. Box 9164 - 00200  
NAIROBI

**GREEN THINKING ACTION PARTY**  
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**4. REPORT OF THE NATIONAL EXECUTIVE COUNCIL**

The National Executive Council submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the Green Thinking Action Party affairs

**i) Principal activities**

The Party's Principal activity is to strive to establish a government committed to the democratic ideals of rule of law, fairness, social justice, gender equity and equality, affirmative action, voluntary participation, respect for human rights and freedoms, unity of purpose in diversity as well as the national values and principles of governance enshrined in the Country's Constitution.

**ii) Results**

The results of the Entity for the year ended June 30, 2024, are set out on page 1-30

**iii) Directors**

The National Executive Council who served during the year are shown on page (vi).

**iv) Auditors**

Beemkay & Company Certified Public Accountants were nominated by the Auditor General to carry out the audit of Green Thinking Action Party for the year/period ended June 30, 2023, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By order of the National Executive Committee



.....  
**LONE FELIX**  
**SECRETARY GENERAL**

GREEN THINKING ACTION  
PARTY (GTAP)  
P. O. Box 9164 - 00200  
NAIROBI

## 5. STATEMENT OF NATIONAL EXECUTIVE COMMITTEE RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and require the National Executive Committee to prepare financial statements in respect of that *Green Thinking Action Party* which give a true and fair view of the state of affairs of the *Green Thinking Action Party* at the end of the financial year/period and the operating results of the *Green Thinking Action Party* for that year/period. The National Executive Committee are also required to ensure that the *Green Thinking Action Party* keeps proper accounting records which disclose with reasonable accuracy the financial position of the *Green Thinking Action Party* The National Executive Committee are also responsible for safeguarding the assets of the *Green Thinking Action Party*

The National Executive Committee are responsible for the preparation and presentation of the *Green Thinking Action Party* financial statements, which give a true and fair view of the state of affairs of the *Entity* for and as at the end of the financial year (period) ended on June 30, 2023. 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 *Entity*; (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 *Green Thinking Action Party*; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The National Executive Committee accept responsibility for the *Green Thinking Action Party* financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (the State Corporations Act) The National Executive Committee are of the opinion that the *Green Thinking Action Party* financial statements give a true and fair view of the state of *Green Thinking Action Party* transactions during the financial year ended June 30, 2024, and of the *Green Thinking Action Party* financial position as at that date. The National Executive Committee further confirms the completeness of the accounting records maintained for the *Green Thinking Action Party*, which have been relied upon in the preparation of the *Green Thinking Action Party* financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the National Executive Committee to indicate that the *Green Thinking Action Party* 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 *Green Thinking Action Party's* financial statements were approved by the National Executive Committee on 31<sup>st</sup> December 2024 and signed on its behalf by:

  
**SECRETARY GENERAL**

  
**CHAIRMAN**

  
**TREASURER**

**GREEN THINKING ACTION PARTY**  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2024**

**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2023-2024	2022-2023
		Kshs	Kshs
<b>Revenue from non-exchange transactions</b>			
Membership Fees	5	-	11,600
Nomination Fees	6	-	50,000
Public contributions and donations	7	1,349,996	4,129,400
Political Party Fund	8	319,051	349,069
		<b>1,669,047</b>	<b>4,540,069</b>
<b>Revenue from exchange transactions</b>			
Other income		-	-
<b>Total revenue</b>		<b>1,669,047</b>	<b>4,540,069</b>
<b>Expenses</b>			
Administration Expenses	9	50,000	64,580
Election expenses	10	-	969,588
Promotional Materials	11	-	1,658,480
Depreciation and amortization expense	12	60,103	72,169
Rent Paid	13	1,736,400	1,705,460
Party Programs	14	-	190,000
Audit fees	15	58,000	58,000
Transport & Travel	16	-	33,000
Finance costs	17	33,000	31,092
Accountancy	18	60,000	-
<b>Total expenses</b>		<b>1,997,503</b>	<b>4,782,369</b>
<b>Other gains/(losses)</b>			
<b>Surplus/ (deficit) before tax</b>			
Taxation		-	-
<b>(deficit) for the period/year</b>		<b>(328,456)</b>	<b>(242,300)</b>
<b>Net Surplus for the year</b>			
Attributable to:		-	-
Surplus/(deficit) attributable to minority interest		-	-
Surplus attributable to owners of the controlling Entity			
		<b>(328,456)</b>	<b>(242,300)</b>

The notes set out on this page form an integral part of these Financial Statements.

  
**SECRETARY GENERAL**

# REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

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

## REPORT OF THE AUDITOR-GENERAL ON GREEN THINKING ACTION PARTY FOR THE YEAR ENDED 30 JUNE, 2024

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### 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.

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

The three parts of the report aim to address the Auditor-General's statutory roles and responsibilities as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of Green Thinking Action Party set out on pages 1 to 30 which comprise the statement of financial position as at 30 June, 2024, and the statement of financial performance, statement of changes in net assets,

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

In my opinion, except for the effects of the matter described in the Basis of Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Green Thinking Action Party as at 30 June, 2024, and of its financial performance and its cash flows for the year then ended, in accordance International Public Sector Accounting Standards (Accrual Basis) and comply with the Political Parties Act, 2011 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the Financial Statements**

The statement of financial position reflects total net assets and liabilities of Kshs.136,330 and Kshs.547,770 for the year under review and 2022/2023 which differ from recomputed amounts of Kshs.543,730 and Kshs.605,770, resulting in unexplained variances of Kshs.407,400 and Kshs.58,000 respectively. Further, the statement of cash flows reflects total receipts of Kshs.4,540,069 and total payments of Kshs.242,300 for comparative year 2022/2023. The balances also differ from the recomputed amounts of Kshs.4,528,469 and Kshs.253,900, resulting in an unreconciled variance of Kshs.11,600.

In addition, the statement of cashflows reflects comparative year's net cashflows from operating activities as Kshs.169,930, which differs from the recomputed amount of Kshs.181,530, resulting in an unreconciled variance of Kshs.11,600.

In the circumstances, the accuracy and completeness of the financial statements for the year ended 30 June, 2024 could not be confirmed.

#### **2. Unsupported Cash and Cash Equivalents**

The statement of financial position reflects cash and cash equivalents balance of Kshs.100,908 as disclosed in Note 19 to the financial statements. The balance includes amounts of Kshs.91,355 and Kshs.9,553 held in two bank accounts at Ecobank which were not supported by bank reconciliation statements.

In the circumstances, the accuracy, completeness, existence of bank balance of Kshs.100,908 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Green Thinking Action Party 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 audit of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the matter described in the

Basis for Qualified Opinion section of my report, I have determined that there are no other matters to communicate in my report.

### **Other Matter**

#### **Unresolved Prior Year Matters**

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the issues had not been resolved as at 30 June, 2024, and were not disclosed in the financial statements. Further, Management did not give any explanation for failure to resolve the issues or for the failure to adhere to the provisions of the Public Sector Accounting Standards Board reporting templates.

### **Other Information**

Management is responsible for the other information set out on page ii to xi which comprise of Key Entity Information and Management, Chairman's Statement, Report of the Secretary General, Corporate Governance Statement, Report of the National Executive Committee and Statement of National Executive Committee's 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.

## **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. Late Submission of Financial Statements for Audit**

During the year under review, Management submitted the financial statements to the Auditor-General on 9 October, 2024 instead of the statutory deadline of 30 September 2024. This was contrary to Section 68(2) (k) of the Public Finance Management Act, 2012 which requires Accounting Officers to prepare and submit the financial statements for each financial year to the Auditor-General within three (3) months after the end of the financial year to which the accounts relate.

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

### **2. Failure to Establish Party Offices in at Least 24 Counties**

As previously reported, the Party has only eleven (11) functional offices. This was contrary to Section 7(f)(iii) of the Political Parties Act, 2011 which requires a political party to be fully registered if it has submitted to the Registrar of Political Parties the locations and addresses of the branch offices of the Party, in more than half of the Counties.

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

### **3. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements**

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) since the statement of comparison of budget and actual amounts does not reflect data on original budget, adjustments and final budget as required.

In the circumstances, the financial statements did not comply with the Public Sector Accounting Standards Board reporting templates.

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, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

## **Basis for Conclusion**

### **Lack of Internal Audit Function**

During the year under review, the Party had not constituted an internal audit unit. This is contrary to Section 73(1) (a) of the Public Finance Management Act, 2012 which requires every National Government entity to maintain internal auditing arrangements according to the guidelines of the Public Sector Accounting Standards Board.

In the circumstances, the Party did not benefit from the oversight role and advice from the internal audit function.

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

### **Responsibilities of Management and those Charge 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 charge 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, CBS  
AUDITOR-GENERAL

Nairobi

10 January, 2024

**GREEN THINKING ACTION PARTY**  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2024**

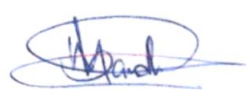
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2024**

	<b>Note</b>	<b>2023-2024</b>	<b>2022-2023</b>
	<b>s</b>	<b>Kshs</b>	<b>Kshs</b>
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash equivalents	19	100,908	123,990
Receivables from Non-Exchange Transactions	20	78,944	57,799
<b>Total Current Assets</b>		<b>179,852</b>	<b>181,789</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	21	363,878	423,981
<b>Total Non- Current Assets</b>		<b>363,878</b>	<b>423,981</b>
<b>Total Assets</b>		<b>543,730</b>	<b>605,770</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	22	407,400	58,000
<b>Total Current Liabilities</b>		<b>407,400</b>	<b>58,000</b>
<b>Non-Current Liabilities</b>			
<b>Total Liabilities</b>		<b>407,400</b>	<b>58,000</b>
<b>Net Assets</b>		<b>136,330</b>	<b>547,770</b>
Reserves		-	-
Accumulated Surplus		(570,756)	(242,300)
Capital Fund		707,086	790,070
Total Net Assets		136,330	547,770
<b>Total Net Assets and Liabilities</b>		<b>136,330</b>	<b>547,770</b>

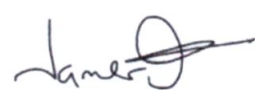
The financial statements set out on these pages were signed on behalf of the National Executive Committee by:



.....  
**Secretary General**



.....  
**National Treasurer**



.....  
**National Chairman**

**Date 31/12/2024**

**GREEN THINKING ACTION PARTY**  
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**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED 30 JUNE 2024**

Description	Ordinary share capital	Reserves	Fair value adjustment reserve	Retained earnings	Capital Fund (Founder Members)	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As at July 1, 2022	-	-	-	-	-	-
Revaluation gain	-	-	-	-	-	-
Founder Member contributions	--	-	-	-	790,070	790,070
deficit for the year	-	-	-	(242,300)	-	(242,300)
<b>As at June 30, 2023</b>	-	-	-	<b>(242,300)</b>	<b>790,070</b>	<b>547,770</b>
As at July 1, 2023	-	-	-	(242,300)	790,070	547,770
Revaluation gain	-	-	-	-	-	-
Founder Member contributions	-	-	-	-	(82,984)	(82,984)
(Deficit) for the year	-	-	-	(328,456)	-	(328,456)
<b>As at June 30, 2024</b>	-	-	-	<b>(570,756)</b>	<b>707,086</b>	<b>136,330</b>



**SECRETARY GENERAL**

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 NAIROBI

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2024**

		2023-2024	2022-2023
	Notes	Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Membership fees		-	11,600
Nomination Fees		-	50,000
Political Party Fund		319,051	349,069
Donations/ Contributions		1,349,996	4,129,400
Other income		-	-
<b>Total receipts</b>		<b>1,669,047</b>	<b>4,540,069</b>
<b>Payments</b>			
Administration expenses		50,000	64,580
Election expenses		-	969,588
Promotional materials		-	1,658,480
Rent paid		1,736,400	1,705,460
Party Programs		-	190,000
Transport & Travel		-	33,000
Finance costs		33,000	31,092
Accountancy		60,000	-
Depreciation		60,103	72,169
Audit Fees		58,000	58,000
<b>Total payments</b>		<b>1,997,503</b>	<b>4,782,369</b>
<b>Cash flows from operating activities</b>		<b>(328,456)</b>	<b>(242,300)</b>
Depreciation		60,103	72,169
Increase in Payables		349,400	58,000
Decrease in Receivables		(21,145)	(57,799)
<b>Net cashflow from operating activities</b>		<b>59,902</b>	<b>(169,930)</b>
<b>Cashflow from Investing activities</b>			
Purchase of Furniture, Fittings and Computers		-	(496,150)
<b>Net cashflow from investing activities</b>		<b>-</b>	<b>(496,150)</b>
<b>Cash flows from financing activities</b>			
Member contributions in Kind		(82,984)	<b>790,070</b>
<b>Net cash flows from financing Activities</b>		<b>(82,984)</b>	<b>790,070</b>
<b>Net increase/(decrease) in cash &amp; Cash equivalents</b>		<b>(23,082)</b>	<b>123,990</b>
Cash and cash equivalents at 1 July		123,990	-
<b>Cash and cash equivalents at 30 June</b>		<b>100,908</b>	<b>123,990</b>

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**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2024**

	Original budget	Adjustments	Final budget	Actual on Comparable basis	Performance Difference	Over / Under
	2023-2024	2023-2024	2023-2024	2023-2024	2023-2024	
	Kshs	Kshs	Kshs	Kshs	Kshs	%
<b>Revenue</b>						
Membership Fees	-	-	-	-	-	-
Nomination Fees	-	-	-	-	-	-
Contributions	-	-	-	1,349,996	(1,349,996)	-
Political Parties Fund	-	-	-	319,051	(319,051)	-
<b>Total Income</b>	-	-	-	<b>1,669,047</b>	<b>(1,669,047)</b>	-
<b>Expenses</b>						
Administrative and General expenses	-	-	-	50,000	(50,000)	-
Election Expenditure	-	-	-	-	-	-
Promotional Materials	-	-	-	-	-	-
Rent	-	-	-	1,736,400	(1,736,400)	-
Transport / Travel	-	-	-	-	-	-
Party Programs	-	-	-	-	-	-
Audit fees	-	-	-	58,000	(58,000)	-
Accountancy	-	-	-	60,000	(60,000)	-
Depreciation	-	-	-	60,103	(60,103)	-
Finance costs	-	-	-	33,000	(33,000)	-
<b>Total Expenditure</b>	-	-	-	<b>1,997,503</b>	<b>(1,997,503)</b>	-
<b>Surplus for the period</b>	-	-	-	<b>(328,456)</b>	<b>(328,456)</b>	-

**GREEN THINKING ACTION PARTY**  
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**Notes to the Financial Statements**

**1. GENERAL INFORMATION**

Green Thinking Action Party Entity was formed by and derives its authority and accountability from Political Parties Act. The Entity is wholly domiciled in Kenya.

**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 judgement in the process of applying the *Entity's* accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note pages.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *Green Thinking Action Party*. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act (*include any other applicable legislation*), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

**3. ADOPTION OF NEW AND REVISED STANDARDS**

- i. *New and amended standards and interpretations in issue effective in the year ended 30 June 2023.*

<b>Standard</b>	<b>Effective date and impact:</b>
<b>IPSAS 41:</b> Financial Instruments	<b>Applicable: 1<sup>st</sup> January 2023:</b> The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by: <ul style="list-style-type: none"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of</li> </ul>

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Standard	Effective date and impact:
	<p>the asset's cash flows and the objective for which the asset is held;</p> <ul style="list-style-type: none"> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul>
<p><b>IPSAS 42: Social Benefits</b></p>	<p><b>Applicable: 1<sup>st</sup> January 2023</b></p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> <li>(a) The nature of such social benefits provided by the Entity.</li> <li>(b) The key features of the operation of those social benefit schemes; and</li> <li>(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</li> </ul>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p><b>Applicable: 1st January 2023:</b></p> <ul style="list-style-type: none"> <li>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</li> <li>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</li> </ul>

**GREEN THINKING ACTION PARTY**

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Standard	Effective date and impact:
	<p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>
Other improvements to IPSAS	<p><b><i>Applicable 1<sup>st</sup> January 2023</i></b></p> <ul style="list-style-type: none"> <li>• <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008).</li> <li>• <i>IPSAS 39: Employee Benefits.</i> Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</li> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement.</b> Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1<sup>st</sup> January 2023.</li> </ul>

**Notes to the Financial Statements (Continued)**

ii. *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.*

Standard	Effective date and impact:
IPSAS 43	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></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</p>

**GREEN THINKING ACTION PARTY**

**Annual Reports and Financial Statements  
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Standard	Effective date and impact:
	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	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> 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.

*iii. Early adoption of standards*

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

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## **NOTES TO THE FINANCIAL STATEMENTS**

### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **a) Revenue recognition**

##### **i) Revenue from non-exchange transactions**

###### **Fees, taxes and fines**

The *Entity* recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. 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.

###### **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. 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 over the useful life of the assets that has been acquired using such funds.

##### **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.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 *Entity*.

**Interest income**

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

**Dividends**

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

**Rental income**

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

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**4.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**b) Taxes**

**Current income tax**

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the *Entity* operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable *Entity* and the same taxation authority.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Sales tax***

Expenses and assets are recognized net of the amount of sales tax, except:

- i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii) When receivables and payables are stated with the amount of sales tax included  
The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

**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 a 30-year period

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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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 in Note pages.

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

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

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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) Social Benefits**

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

**l) 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.

**m) 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.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**n) Nature and purpose of reserves**

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

**o) 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.

**p) 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

**q) 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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**r) 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.

**s) Related parties**

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

**t) Service concession arrangements**

The *Entity* analyses all aspects of service concession arrangements that it enters in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the *Entity* recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the *Entity* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**u) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**v) Comparative figures**

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

**w) 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, 2024

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Significant Judgments and Sources of Estimation Uncertainty**

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

**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)**

**5. MEMBERSHIP FEES**

Description	2023-2024	2022-2023
	KShs	KShs
<b>Membership Fees</b>		
Ordinary Membership Fees	-	600
Bronze Membership Fees	-	1,000
Gold Membership Fees	-	10,000
<b>Total Membership Fees</b>	<b>-</b>	<b>11,600</b>

**6. NOMINATION FEES**

Description	2023-2024	2022-2023
	KShs	KShs
<b>Nomination Fees</b>		
Elgeyo Marakwet By-election Nomination fees	-	50,000
<b>Total Nomination Fees</b>	<b>-</b>	<b>50,000</b>

**7. PUBLIC CONTRIBUTIONS AND DONATIONS**

Description	2023-2024	2022-2023
	KShs	KShs
<b>Public Contributions and donations</b>		
Party leader donations	-	800,000
Founding Members contributions	1,349,996	2,724,100
National Executive Council Contribution	-	300,000
Other donations	-	305,300
<b>Total Contributions &amp; Donations</b>	<b>1,349,996</b>	<b>4,129,400</b>

**8. POLITICAL PARTY FUND (GOVERNMENT)**

Description	2023-2024	2022-2023
	KShs	KShs
<b>Political Party Fund</b>		
Government Political Fund received	240,107	291,270
Owing from Government As at 30.06.2024	78,944	57,799
<b>Total Political Party Fund</b>	<b>319,051</b>	<b>349,069</b>

**GREEN THINKING ACTION PARTY**  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**9. ADMINISTRATION EXPENSES**

Description	2023-2024	2022-2023
	Kshs	Kshs
Mobile transaction charges	7,045	28,500
Phone Airtime	25,450	36,080
Utilities	17,505	-
<b>Total Administration expenses</b>	<b>50,000</b>	<b>64,580</b>

**10. ELECTIONS EXPENSES**

Description	2023-2024	2022-2023
	Kshs	Kshs
Sound system hire	-	170,000
Purchase of helmets	-	54,288
Agent Fees	-	500,000
Secretariat Meals & Accommodation	-	53,300
Nomination Fee Refund	-	50,000
County Representative Airtime	-	72,000
Nairobi Road Show	-	60,000
<b>Total Election cost</b>	<b>-</b>	<b>969,588</b>

**11. PROMOTIONAL MATERIALS**

Description	2023-2024	2022-2023
	Kshs	Kshs
Payment for Reflectors	-	602,040
Payment of Aprons	-	290,000
Payment for Flyers	-	256,000
Advertisement	-	500,000
Gazette notice	-	10,440
<b>Total</b>	<b>-</b>	<b>1,658,480</b>

**12. DEPRECIATION & AMORTIZATION EXPENSES**

Description	2023-2024	2022-2023
	Kshs	Kshs
Property, plant & Equipment	60,103	72,169
<b>Total Depreciation &amp; Amortization</b>	<b>60,103</b>	<b>72,169</b>

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**13. RENT PAID**

Description	2023-2024	2022-2023
	Kshs	Kshs
July 2023- June 2024	1,736,400	1,705,460
<b>Total Rent Expense</b>	<b>1,736,400</b>	<b>1,705,460</b>

**14. PARTY PROGRAMS**

Description	2023-2024	2022-2023
	Kshs	Kshs
Purchases of Lessos & Aprons	-	72,000
Tree seedlings	-	50,000
Preparation of Holes	-	20,000
Venue & refreshments	-	38,000
Secretariat fuel	-	10,000
<b>Total Party program expenses</b>	<b>-</b>	<b>190,000</b>

**15. AUDIT FEES**

Description	2023-2024	2022-2023
	Kshs	Kshs
Audit fees	58,000	58,000
<b>Total Audit Fees</b>	<b>58,000</b>	<b>58,000</b>

**16. TRANSPORT & TRAVEL**

Description	2023-2024	2022-2023
	Kshs	Kshs
Hire of Landcruiser	-	30,000
Car Fuel	-	3,000
<b>Total Transport &amp; Travel</b>	<b>-</b>	<b>33,000</b>

**17. FINANCE COSTS**

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank charges	33,000	31,092
<b>Total Finance Costs</b>	<b>33,000</b>	<b>31,092</b>

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**18. ACCOUNTANCY**

Description	2023-2024	2022-2023
	Kshs	Kshs
Accountancy	60,000	-
<b>Total Accountancy</b>	<b>60,000</b>	<b>-</b>

**19. CASH AND CASH EQUIVALENTS**

Description	2023-2024	2022-2023
	Kshs	Kshs
Ecobank -66700030004	91,355	123,990
Ecobank -66700025277	9,553	-
Cash in Hand	-	-
<b>Total Cash and Cash Equivalents</b>	<b>100,908</b>	<b>123,990</b>

**Detailed Analysis of the Cash and Cash Equivalents**

Financial Institution	Account number	2023-2024	2022-2023
		Kshs	Kshs
<b>a) Current Account</b>			
Ecobank	66700030004	91,355	123,990
Ecobank	66700025277	9,553	-
<b>Grand Total</b>		<b>100,908</b>	<b>123,990</b>

**20. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS**

Description	2023-2024	2022-2023
	Kshs	Kshs
<b>Receivables</b>		
Accrued Transfers from Government	78,944	57,799
<b>Total Current Receivables</b>	<b>78,944</b>	<b>57,799</b>

The party was owed Kshs 78,944 as at 30.06.2024, receivable from the Political Parties Fund through the Registrar of Parties.

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**21. PROPERTY, PLANT AND EQUIPMENT**

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>As At July 1 2022</b>	-	-	-	-	-	-
Additions	-	-	-	438,150	58,000	496,150
Disposals	-	-	-	-	-	-
<b>As at 30th June 2023</b>				<b>438,150</b>	<b>58,000</b>	<b>496,150</b>
<b>As at 30<sup>th</sup> June 2024</b>	-	-	-	<b>383,381</b>	<b>40,600</b>	<b>423,981</b>
<b>Depreciation And Impairment</b>						
<b>At 1 July 2023</b>	-	-	-	54,769	17,400	72,169
Depreciation	-	-	-	47,923	12,180	60,103
<b>As At 30<sup>th</sup> June 2024</b>	-	-	-	<b>102,692</b>	<b>29,580</b>	<b>132,272</b>
<b>Net Book Values</b>						
<b>As at 30<sup>th</sup> June 2024</b>	-	-	-	<b>335,458</b>	<b>28,420</b>	<b>363,878</b>
<b>As at 30<sup>th</sup> June 2023</b>	-	-	-	<b>383,381</b>	<b>40,600</b>	<b>423,981</b>

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**22. TRADE PAYABLES & ACCRUALS**

Description	2023-2024	2022-2023
	Kshs	Kshs
Audit Fees	58,000	58,000
Accountancy Fees	60,000	-
Rent	289,400	-
<b>Trade Payables &amp; Accruals</b>	<b>407,400</b>	<b>58,000</b>

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