



KENYA NATIONAL AUDIT OFFICE

REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF

WIPER DEMOCRATIC MOVEMENT - KENYA

FOR THE YEAR ENDED

30 JUNE 2014



REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-Mail: oag@oagkenya.go.ke
Website: www.kenao.go.ke



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON WIPER DEMOCRATIC MOVEMENT - KENYA FOR THE YEAR ENDED 30 JUNE 2014

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Wiper Democratic Movement - Kenya set out on pages 3 to 9, which comprise the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in reserves and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provision of Article 229 of the Constitution of Kenya, Section 31(3) of the Political Parties Act, 2011. 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.

Management's Responsibility 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.

The management is also responsible for the submission of financial statements to the Auditor-General in accordance with the provisions of Section 31(2) of the Political Parties Act, 2011.

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provision of Section 31(3) of the Political Parties Act, 2011 and submit the audit report in compliance with Article 229(7) of the Constitution of Kenya. The audit was conducted in accordance with International Standards on Auditing. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the party's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of

expressing an opinion on the effectiveness of the Party's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

I believe the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

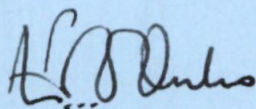
Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Party as at 30 June 2014, and of its financial performance and cash flows for the year then ended, in accordance with International Public Sector Accounting Standards and comply with Political Parties Act, 2011.

Emphasis of matter

I draw your attention to the failure by the Party to deduct and remit statutory deductions i.e. Pay As You Earn (PAYE), National Hospital Insurance Fund (NHIF) and National Social Security Fund (NSSF) which amounted to Kshs.132,642.00 as at 30 June 2014.

My opinion is not qualified in respect to this matter.



Edward R.O. Ouko, CBS
AUDITOR-GENERAL

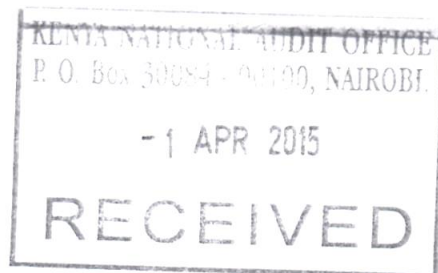
Nairobi

25 June 2015



WIPER DEMOCRATIC MOVEMENT-KENYA
(WDM – KENYA)

FINANCIAL STATEMENTS



FOR THE YEAR ENDED 30 JUNE, 2014



ORANGE DEMOCRATIC MOVEMENT – KENYA

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

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WIPER DEMOCRATIC MOVEMENT – KENYA

PARTY INFORMATION

The Wiper Democratic Movement – Kenya is a fully registered political party as per the provisions of Political Parties Act 2011 and its Registration Number is 012

LIST OF SOME OF THE NATIONAL OFFICIALS OF THE PARTY

PARTY LEADER	-	HON. DR. STEPHEN KALONZO MUSYOKA
NATIONAL CHAIRMAN	-	SEN. DAVID MUSILA
NATIONAL TREASURER	-	HON. SHAKILA ABDALLA
NATIONAL EXECUTIVE DIRECTOR	-	HENRY BK ROBB

CONTACTS & ADDRESS

WIPER HOUSE, TENDE DR. OFF MZIMA SPRINGS, LAVINGTON-NAIROBI

P.O. BOX 403 – 00100

NAIROBI.

TEL: 020-267336/7, 2673514

0720-513513

Email : wiper@wipermovement.com

AUDITORS

AUDITOR GENERAL

KENYA NATIONAL AUDIT OFFICE (KENAO)

ANNIVERSARYTOWERS,

NAIROBI.

PRINCIPAL BANKERS

1. BARCLAYS BANK OF KENYA
LAVINGTON BRANCH,
A/C NO. 1007265
FUNDED BY: MEMBERS CONTRIBUTIONS
 2. CO-OPERATIVE BANK OF KENYA
PARLIAMENT ROAD BRANCH, NAIROBI.
A/C NO 01120199325700/1/2
FUNDED BY: POLITICAL PARTIES FUND
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STATEMENT OF PARTY OFFICIAL'S RESPONSIBILITY

The Political Parties Act, 2011 provides that Party officials to prepare financial statements for each financial year which give true and fair view of the state of affairs of the party as at the end of the financial year and other operating financial activities of the party for the year.

It also requires officials to ensure that the party keeps proper accounting records which disclose with reasonable accuracy at any given time of the financial position of the party. They are also responsible for safeguarding the assets of the party.

The Party Officials accepts responsibility for the financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with the International financial Reporting Standards and in the manner required by the Political Parties Act, 2011.

The party officials are of the opinion that the financial statements give a true and fair view of the state of financial affairs of the party and of its operating results.

The party officials further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements as well as adequate systems of internal financial controls during the year ended 30 June 2014.

Signed on behalf of Wiper Democratic Movement - Kenya


.....
HENRY BK ROBB
Executive Director

Date: 14 April 2015



WIPER DEMOCRATIC MOVEMENT – KENYA

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2014

INCOME	NOTE	2013/2014	2012/2013
Share from Coalition Partner		11,868,174	-
Political Parties Fund		679,245	12,726,084
Members Contributions		9,691,000	3,488,000
Donations		460,000	12,150,000
Nomination Fees		-	27,161,600
Fundraiser		8,143,000	-
Interest Received		274	21,404
Total Income		30,841,693	55,547,088
EXPENDITURE			
Administrative Expenses	3	10,272,498	15,049,787
Party Advocacy	4	5,138,555	16,906,872
Foreign Travel Expenditures	5	581,560	-
Campaign/ Nominations	5	1,053,500	27,910,658
Total Expenditure		17,225,813	59,867,317
Deficit/surplus for the year		13,615,880	(4,320,229)



WIPER DEMOCRATIC MOVEMENT – KENYA

STATEMENT OF FINANCIAL POSITION

As at 30 June 2014

Assets				
Non current assets				
	Note	2013/2014	2012/2013	
Property, Plant & Equipment	2	1,984,074	2,396,669	
Current Assets				
Debtors and Prepayments	6	1,224,900	912,900	
Cash and Cash Equivalents	8	14,870,628	2,160,784	
Total Current Assets		18,079,602	5,255,592	
Current Liabilities				
Creditors & Accruals	7	15,380	1,022,011	
Net Current Assets		18,064,222	1,486,673	
Net Total Assets		18,064,222	4,448,342	
Represented by				
Accumulated fund		18,064,222	4,448,342	

Signed on behalf of Wiper Democratic Movement - Kenya

HENRY BK ROBB
EXECUTIVE DIRECTOR

Date: 1/4/15





WIPER DEMOCRATIC MOVEMENT - KENYA

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2014

Accumulated Fund	2013/2014	2012/2013
Accumulated fund as at 1 July 2013	4,448,342	8,768,571
Deficit/surplus for the year	<u>13,615,880</u>	<u>(4,320,229)</u>
Accumulated fund	<u>18,064,222</u>	<u>4,448,342</u>



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2014

Cash flows from operating activities		2013/2014	2012/2013
Deficit/surplus for the year		13,615,880	(4,320,229)
Adjustment for non-cash movements			
Add. Depreciation		412,595	1,019,957
Operating Deficit/ Surplus before working capital		14,028,475	(3,300,342)
Increase/ decrease in Debtors	6	(312,000)	(700,000)
Decrease in Creditors	7	(1,006,631)	139,925
Net cash flows from operating activities		12,709,844	(4,088,900)
Cash flows from Investing activities			
Purchase of computer equipment	2	0.00	(738,780)
Net change in cash & cash equivalent	8	12,709,844	(4,827,680)
Net cash and cash equivalents at 1 July 2013		2,160,784	6,988,464
Cash and cash equivalents at 30 June 2014		14,870,628	2,160,784



FINANCIAL STATEMENTS

For the year ended 30 June 2014

NOTES TO THE FINANCIAL STATEMENTS

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1) a. Accounting Policies

The financial statements have been prepared in accordance with International Financial Reporting Standards. The principal accounting policies adopted are set out below:

b. Basis of Accounting

The financial statements are prepared on the historical cost basis of accounting.

c. Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation.

Depreciation is calculated on a reducing balance basis to write down the cost of each asset to its residual value over its estimated useful life using the following annual rates:-

Computers & Equipment	-	33%
Office furniture, Fixtures & Fittings	-	12.5%
Motor vehicle	-	25%

2. Property, Plant & Equipment

	Furniture, Fixtures & Fittings	Computers & Equipments	Motor Vehicle,	Total
Cost				
At 1 July 2013	3,105,422	1,725,088	250,000	5,080,510
Additions	0	0	0	0
At 30 June 2014	3,105,422	1,725,088	250,000	5,080,510
Depreciation				
At 1 July 2013	1,276,794	1,200,016	207,031	2,683,841
Charge for the year	228,579	173,274	10,742	412,595
At 30 June 2014	1,505,373	1,373,290	217,773	3,096,436
Net Book Value				
At 30 June 2014	1,600,049	351,798	32,227	1,984,074

3. ADMINISTRATIVE EXPENSES	2013/2014	2012/2013
Salaries, Wages & Allowance	5,939,718	5,275,000
Office Rent	2,490,000	1,650,000
Security Services	551,232	505,296
Operating Costs	806,953	5,841,034
Service/Utility Costs	72,000	1,138,985
Depreciation	412,595	639,472
Total	10,272,498	15,049,787

4. PARTY ADVOCACY	2013/2014	2012/2013
Meetings, Workshops & Conferences	2,617,771	15,786,015
County Offices	275,422	-
Party Policy	146,800	-
Printing & Branding	1,324,850	617,565
Media Relations	953,712	503,292
Total	5,318,555	16,906,872

5. OTHER OPERATING EXPENSES	2013/2014	2012/2013
Campaigns/ Nomination Expenses	1,053,500	27,910,658
Foreign Travels Expenses	581,260	-
Total	1,634,760	27,910,658

6. DEBTORS AND PREPAYMENTS	2013/2014	2012/2013
Outstanding Imprest	912,900	912,900
Prepayments	312,000	-
Total	1,224,900	912,900

7. CREDITORS & ACCRUALS	2013/2014	2012/2013
Salaries	-	417,000
Security Services	-	45,936
Rent Arrears	-	214,375
County Offices	-	-
Personnel Costs	-	-
Newspapers	4,800	-
Electricity Bill	3,620	7,000
Water Bill	-	17,000
Rental Box	6,960	-
Foreign Travel Expenses	-	320,700
Total	15,380	1,022,011

8. CASH & BANK BALANCES	2013/2014	2012/2013
Cash in hand	138,256	5,340
Cash at bank	14,732,372	2,155,444
Total	14,870,628	2,160,784

