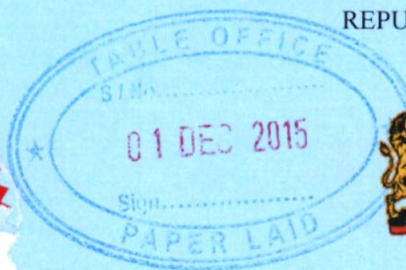
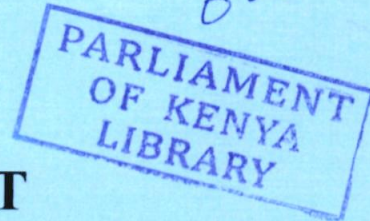


REPUBLIC OF KENYA



*By the Leader of
majority party
Hon. Adam
Dnale*

KENYA NATIONAL AUDIT OFFICE



REPORT

OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
THE NATIONAL ALLIANCE**

**FOR THE YEAR ENDED
30 JUNE 2012**

100

100

100

100

100

100

100

100

100

100



NATIONAL ALLIANCE PARTY OF KENYA

FINANCIAL YEAR; 2011/2012

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE

2012

NATIONAL ALLIANCE PARTY OF KENYA

FINANCIAL STATEMENT FOR THE YEAR 2011/2012

Contents	Pages
Report of the executive members.....	pg 2.
Statement of Financial Performance	pg 3.
Statement of Financial Position	pg 4.
Statement of changes in Equity.....	pg 5
Cash flow Statement.....	pg. 6
Notes forming part of the financial statements.....	pg.7-10.

NATIONAL ALLIANCE PARTY OF KENYA

FINANCIAL STATEMENT FOR THE YEAR 2011/2012

PARTY INFORMATION

1. PRINCIPAL OBJECTIVE

National alliance party of Kenya is a Political Party registered in Kenya with the embodiment of the vision for a better Kenya, and vehicle for its actualization.

2. REGISTERED OFFICE.

NATIONAL ALLIANCE PARTY OF KENYA

P.O. BOX 13913-00800

NAIROBI.

PROMISO SACCO PLAZA, JOGOO ROAD.

3. EXCECUTIVE NATIONAL OFFICIALS

Mr. Johnson Sakaja -National Chairman

Mr. George Onyango Oloo -Secretary General

Ms. Wambui Gichuru -National Treasurer

4. BANKERS

Co-operative Bank of Kenya -Parliament Road, Nairobi

5. INDEPENDENT AUDITORS

Auditor General

Kenya National Audit Office

Anniversary Towers, University Way

P.O. BOX 30084

GPO 00100

Nairobi, Kenya.

NATIONAL ALLIANCE PARTY OF KENYA

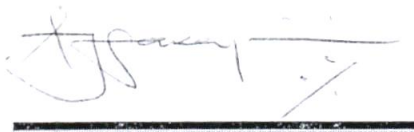
FINANCIAL STATEMENT FOR THE YEAR 2011/2012

The Executive Members are required to prepare financial statement for each financial year which give a true and fair view of the state of affairs of the Party as at the end of the financial year and the result of its operations for the year ended. In preparing those financial statements the Executive members are required to:

- Select suitable accounting policies and then apply them consistently
- Make adjustments and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the Party will continue in operation.

The Executive Members are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Party and enable them to ensure that the financial statements comply with international Financial Reporting Standards and Political Party's Act. It is responsible for the safeguarding of the assets of the Party and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Executive Members accept responsibility for the annual financial statements set out on this booklet which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments, and estimates, in conformity with International Financial Reporting Standards and comply with the Political party's Act.



CHAIRMAN
JOHNSON SAKAJA



SECRETARY GENERAL
ONYANGO OLOO



OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON THE NATIONAL ALLIANCE FOR THE YEAR ENDED 30 JUNE 2012

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of The National Alliance set out on pages 4 to 11, which comprise the statement of financial position as at 30 June 2012, and the statement of financial performance, statement of changes in equity and statement of cash flows 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 31 (3) of the Political Parties Act, 2011.

Management's Responsibility for the Financial Statements

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as the management determine 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 the 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 provisions of Section 31(3) of 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 entity'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.

Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, I am not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

1. Expenditure

The statement of Financial Performance reflects total expenditure of Kshs.5,203,007 for the year ended 30 June 2012. However, the expenditure has not been supported by any documentary evidence.

In the absence of supporting documents, the propriety and accuracy of the expenditure could not be ascertained as at 30 June 2012.

2. Disclosure of Income

The statement of financial performance reflects a total income of kshs.5,010,000. However, the Party has not taken into account an amount of Kshs.1,080,902.40 received from the Political Parties Fund. Further, the Party did not declare its sources of funds as required by the Political Parties Act, 2011.

Consequently, the completeness and accuracy of the income received by the Party during 2011/2012 as reflected in the financial statements could not be ascertained as at 30 June 2012.

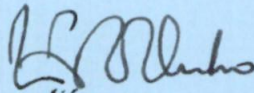
3. Unsupported Receivables and Payables

The statement of financial position as at 30 June 2012 reflects balances of Kshs.5,753,906 and Kshs.6,305,477 as receivables and payables respectively. However, no analysis or supporting documents were provided for audit review. Further, the receivables balance as shown in note 2 of Kshs.4,113,690 differs with Kshs.5,753,906 with an unexplained difference of Kshs.1,640,216.

In the circumstances, the propriety and accuracy of the receivables and payables balances could not be confirmed as at 30 June 2012.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion Paragraph, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.



Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

01 October 2015

NATIONAL ALLIANCE PARTY OF KENYA

FINANCIAL STATEMENT FOR THE YEAR 2011/2012

NATIONAL ALLIANCE PARTY OF KENYA

FINANCIAL STATEMENT

For the year ended 30 June 2012

STATEMENT OF FINANCIAL PERFORMANCE

	NOTES	2012 30-Jun shs	2011 30-Jun shs
income			
Membership fees	6	510,000	200,000
Contribution From Members	6	1,500,000	2,544,000
Donation from well wishers	6	3,000,000	2,540,000
GROSS INCOME		5,010,000	5,284,000
Administrative costs	7	1,637,800	1,387,000
Operating Cost	8	2,943,350	3,140,320
Finance cost	9	8,050	12,051
Staff Cost	10	500,000	690,000
Depreciation	3	113,807	53,173
TOTAL EXPENDITURE		5,203,007	5,282,544
SURPLUS/ DEFICIT		(193,007)	1,456
NET SURPLUS/ DEFICIT		(193,007)	1,456

Notes attached hereto form part of these accounts

NATIONAL ALLIANCE PARTY OF KENYA

NATIONAL ALLIANCE PARTY OF KENYA

FINANCIAL STATEMENT FOR THE YEAR 2011/2012

FINANCIAL STATEMENTS

For the year ended 30 June 2012

Statement of Financial Position	NOTES	2012 30-Jun shs	2011 30-Jun shs
ASSETS			
Non-current assets			
Property, plant and equipment	3	559,221	213,028
Current Assets			
Receivables	2	5,753,906	1,640,216
Cash and bank balances	4	53,000	(113,371)
Total Assets		6,366,127	1,739,872
CAPITAL EMPLOYED			
Capital and Reserves			
Equity			
Accumulated Funds	7	60,650	253,656
Current Liabilities			
Payables	5	6,305,477	1,486,216
Non-current Liabilities			
			-
Total reserves and liabilities		6,366,127	1,739,872

Notes attached hereto form part of these accounts

These accounts were approved on 21-01-2015 by:

Chairman- Johnson Sakaja.....

Secretary General- George Onyango Oloo.....

NATIONAL ALLIANCE PARTY OF KENYA

FINANCIAL STATEMENT FOR THE YEAR 2011/2012

NATIONAL ALLIANCE PARTY OF KENYA

FINANCIAL STATEMENTS

For the year ended 30 June 2012

Statement of Changes in Equity	accumulated fund 2012 30-Jun shs	accumulated fund 2011 30-Jun shs
Balance at 01.07.2011	253,656	252,200
surplus/ Deficit	(193,007)	1,456
Additional During The year		
Balance at 30.6.2012	<u>60,649</u>	<u>253,656</u>

NATIONAL ALLIANCE PARTY OF KENYA

FINANCIAL STATEMENT FOR THE YEAR 2011/2012

NATIONAL ALLIANCE PARTY OF KENYA

FINANCIAL STATEMENT

For the year ended 30 June 2012

	2012 30-Jun Amount shs	2011 30-Jun Amount sh
CASHFLOW STATEMENT		
Cash generated from operating activities		
Profit before capital expenditure	(193,007)	1,456
Add depreciation	113,800	53,173
Adjusted Profit before changes in working capital	(79,200)	54,629
Changes in working capital		
Increase in accounts receivable	-	-
Increase in accounts payable	705,571	-
Net cash from operating activities	626,371	54,629
investing activities		
Acquisition of capital assets	(460,000)	(171,000)
Net cash from used in investing activities	(460,000)	(171,000)
Financing activities		
Net Cash used in investing	-	-
Increase(decrease) in cash and cash equivalent	166,371	(116,371)
Balance at 01-07-2011	(113,371)	3,000
Balance at 30-06-2012	53,000	(113,371)

NATIONAL ALLIANCE PARTY OF KENYA

FINANCIAL STATEMENT FOR THE YEAR 2011/2012

NOTES TO THE FINANCIAL STATEMENT.

1. PRINCIPAL ACCOUNTING POLICIES.

a) Basis of preparation

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

b) Accounting period.

The party prepared its accounts for the period of twelve months ending 30th June 2012.

c) Statement of compliance

The financial statements have been prepared in accordance with the policies and guidelines of National Alliance Party of Kenya.

d) Receipt recognition

Receipts are recognized in the period of receipt by reference to completion of the specific transaction involved.

e) Expenditure.

Expenditure is recognized and recorded on an accrual basis and analyzed according to budget lines.

f) Property, Plant and equipment is stated at historical cost less accumulated depreciation.

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

Computer and accessories	30%
Furniture and Fittings	12.5%
Equipment	12.5%

g) Other disclosures

In pursuant to section 30,31,32,33 and 34 of the Political Parties Act 2007, the Party has complied with the local laws and regulations as stipulated in the Act.

NATIONAL ALLIANCE PARTY OF KENYA

FINANCIAL STATEMENT FOR THE YEAR 2011/2012

	2012 shs	2011 shs	2010 shs
2 ACCOUNTS RECEIVABLE			
POLITICAL PARTIES FUND			
Distribution to political parties 15% schedule	797,872.30	638,297.90	638,297.90
Distribution to political parties 80% schedule	3,315,818.10	245,651.95	117,967.75
	<u>4,113,690.40</u>	<u>883,949.85</u>	<u>756,265.65</u>

	Computer and accessories shs	Furniture, Fittings & Equipment shs	Equipment shs	Total shs
3. Property, plant and equipment				
At 01-07-2011	132,000	150,000	10,000	292,000
Additions during the year	90,000	250,000	120,000	460,000
Disposal during the year				-
Total at 30-06-2012	<u>222,000</u>	<u>400,000</u>	<u>130,000</u>	<u>752,000</u>
Depreciation				
At 01-07-2011	52,410	24,219	2,344	78,973
Charge for the year	50,877	46,973	15,957	113,807
Depreciation on disposal				-
Total at 30-06-2012	<u>103,287</u>	<u>71,192</u>	<u>18,301</u>	<u>192,780</u>
Net book value				
At 30-06-2012	<u>118,713</u>	<u>328,808</u>	<u>111,699</u>	<u>559,220</u>

NATIONAL ALLIANCE PARTY OF KENYA

FINANCIAL STATEMENT FOR THE YEAR 2011/2012

	2012 30-Jun	2011 30-Jun
4 CASH BANK BALANCE		
Cash at Hand	53,000.00	-
Cash at Bank	0	-113371.00
	<u>53,000.00</u>	<u>(113,371.00)</u>
5 PAYABLES		
Accounting fees	100,000.00	100,000.00
Rent (Headquarters/ Branch)	1,599,450.00	59,000.00
Suppliers and Reimbursements	4,606,027.00	1,327,216.00
	<u>6,305,477.00</u>	<u>1,486,216.00</u>
6 Income		
Membership Fee	510,000.00	200,000.00
Contributions From Members	1,500,000.00	2,544,000.00
Nomination Fees	-	-
Donations from Well - Wishers	3,000,000.00	2,540,000.00
	<u>5,010,000.00</u>	<u>5,284,000.00</u>
7 Administration costs		
Electricity and Water	60,000.00	150,000.00
Telephone, postage and Internet	48,000.00	18,000.00
Security Expenses	60,000.00	54,000.00
Rent and Rates	724,800.00	750,000.00
Accountancy Expenses	150,000.00	200,000.00
Office General Expenses	450,000.00	120,000.00
Licence and Permits		

NATIONAL ALLIANCE PARTY OF KENYA

FINANCIAL STATEMENT FOR THE YEAR 2011/2012

	95,000.00	45,000.00
Subscription CMD	<u>50,000.00</u>	<u>50,000.00</u>
	<u>1,637,800.00</u>	<u>1,387,000.00</u>
8 Operating Costs		
Advertisements	200,000.00	250,000.00
Printing and Reproductions	100,000.00	50,000.00
Counties and National Forum Expenses	567,000.00	1,000,000.00
Traveling and Meeting Expenses	520,000.00	420,000.00
Delegate Conference Expenses	545,000.00	500,000.00
Mobilization and Logistics Expenses	200,000.00	300,320.00
Repair and Maintenance	120,900.00	120,000.00
Training Expenses	<u>690,450.00</u>	<u>500,000.00</u>
	<u>2,943,350.00</u>	<u>3,140,320.00</u>
9 Financial Costs	<u>8,050.00</u>	<u>12,051.00</u>
Bank Charges and Interests	<u>8,050.00</u>	<u>12,051.00</u>
10 Staff costs		
Salaries , Wages and Allowances	360,000.00	450,000.00
Staff Welfare	<u>140,000.00</u>	<u>240,000.00</u>
	<u>500,000.00</u>	<u>690,000.00</u>