

REPUBLIC OF KENYA



**REPORT**

THE NATIONAL ASSEMBLY

DATE: 12 OCT 2022 DAY: Wednesday

TABLED BY:	LOM
OF	Minam
GENERAL THE-TABLE:	Modo

**THE AUDITOR-GENERAL**

**ON**

**JUBILEE PARTY**

**FOR THE YEAR ENDED  
30 JUNE, 2021**





OFFICE OF THE AUDITOR  
P. O. Box 30084 - 00100, NAIROBI  
REGISTRY  
03 AUG 2022  
**RECEIVED**

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**JUBILEE PARTY**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>TH</sup> JUNE 2021**

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



# JUBILEE PARTY

Annual Reports and Financial Statements  
For the year ended June 30, 2021.

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# JUBILEE PARTY

Annual Reports and Financial Statements  
For the year ended June 30, 2021.

## 1. KEY ENTITY INFORMATION AND MANAGEMENT

### (a) Background information

The Jubilee Party is a political party registered under the office of the Registrar of Political Parties on September 9<sup>th</sup> 2016. Our commitment to the national values and principles of governance enshrined in the constitution of Kenya.

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

### (b) Principal Activities

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

### (c) Key Management

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

- Secretary General
- Executive Director
- Deputy Executive Director & Director Legal Affairs
- Director Finance & Administration
- Director Membership
- Director Elections
- Director Communications
- Director Programmes – Special Interest Groups
- Director Logistics and Events

### (d) Fiduciary Management

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2021 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Chairman	Nelson Dzuya
2.	Secretary General	Hon. Jeremiah Kioni
3.	Treasurer	Alfred Mutai
4.	National Executive Director	Ms Wambui Gichuru





# **JUBILEE PARTY**

## **Annual Reports and Financial Statements For the year ended June 30, 2021.**

### **(e) Fiduciary Oversight Arrangements**

- National Executive Committee
- Budget Committee activities
- Procurement Committee
- Audit Committee
- Technical Committee
- National Elections Board
- National Treasury
- Tender Committee
- Parliamentary Group
- National Governing Council
- Office of The Registrar of Political Parties
- Auditor General

### **(f) Entity Headquarters**

P.O. Box 37544 - 00100  
Jubilee House  
Pangani Interchange, Exit 3, Thika Road  
Nairobi, KENYA

### **(g) Entity Contacts**

Telephone: (254) 0709 175 111  
E-mail: [info@jubileepamoja.co.ke](mailto:info@jubileepamoja.co.ke)  
Website: [www.jubileepamoja.co.ke](http://www.jubileepamoja.co.ke)

### **(h) Entity Bankers**

Equity Bank Ltd  
Tel: 2744000  
P.O. Box 75104-00200  
Community Corporate Branch  
Nairobi, Kenya.

### **(i) Independent Auditors**

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



**JUBILEE PARTY**  
**Annual Reports and Financial Statements**  
**For the year ended June 30, 2021.**

**(j) Principal Legal Adviser**

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

**(k) List of Lawyers**

1. MBUGWA, ATUDO & MACHARIA, ADVOCATES  
JADALA PLACE, 2 ND FLOOR  
NGONG LANE, OFF NGONG ROAD  
P.O. BOX 10409-00100  
NAIROBI  
Tel: 0722822865
2. SINGOEI MURKOMEN & SIGEI ADVOCATES,  
REGENT COURT APARTMENTS,  
BOCK B, SUITE B8, 3 RD FLOOR,  
ARGWINGS KODHEK ROAD,  
P.O. BOX 37330-00100 GPO,  
NAIROBI.  
Tel: 0720832373



**JUBILEE PARTY**  
**Annual Reports and Financial Statements**  
**For the year ended June 30, 2021.**

**1. NATIONAL EXECUTIVE COMMITTEE**

NAME	DESIGNATION
1. Nelson Dzuya	Chairman
2. Veronica Maina	Deputy Chairperson
3. Hon. Jeremiah Kioni	Secretary General
4. Hon Caleb Kositany	Deputy Secretary General
5. Alfred Mutai	Treasurer
6. Abdul Haji	Organizing Secretary
7. Ms Wambui Gichuru	Ag. Executive Director, Ex-officio



**JUBILEE FAKI Y****Annual Reports and Financial Statements  
For the year ended June 30, 2021.****2. MANAGEMENT TEAM**

<b>MANAGEMENT TEAM</b>	<b>NAME</b>	<b>Responsibility</b>
1. Ag. Executive Director	Ms Wambui Gichuru	Chief Executive and Secretary to National Executive Committee
2. Deputy Executive Director, Director Legal Affairs & Compliance	Ms MaryKaren Kigen Sorobit	Deputizes E.D and in charge of legal
3. Director Finance & Administration	Ms Wambui Gichuru	In charge of Finance & Accounting, Human Resources Management, General Administration, Chief of Operations and ICT services.
4. Director Communications & Programs	Mr. Albert Memusi	In charge of Publicity and Publications and Media Services
5. Director Political Affairs, Strategy & Elections	Mr Peter Kahara	In charge of Nominations, By-elections & Elections
6. Director Programmes – Special Interest Groups	Ms Gloria Ndekei	In charge of Programmes – Special Interest Groups (Youth, Gender, PWD)
7. Director Membership	Mr Nicodemus Bore	In charge of Programmes & Head of Field Services
8. Director Logistics and Events	Mr. Godfrey Lemiso	In charge of Campaigns and Events





**JUBILEE PARTY**  
**Annual Reports and Financial Statements**  
**For the year ended June 30, 2021.**

**3. REPORT OF THE CHAIRMAN**

As per the Political Parties' Act 2011, the party is required to prepare Financial Statements for each Financial Year, which gives a true and fair view of the state of the financial affairs of a Party as at the end of the Financial Year and that of its operating results for the year.

Prepared using appropriate Accounting Policies in conformity with of the Financial State of the Party and that of its operating results.

The party further confirms the completeness of the accounting records maintained for the party which has been relied upon in preparation of the Party's Financial Statements.

Attached herewith the Party Financial Statement, which gives a true and fair view of the state of affairs of the Party for the year ended June 30, 2021.

Yours faithfully,



Nelson Dzuya  
CHAIRMAN

Date: ..... 01/08/2022 .....



**JUBILEE PARTY**  
**Annual Reports and Financial Statements**  
**For the year ended June 30, 2021.**

**4. REPORT OF THE EXECUTIVE DIRECTOR**

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

The party commends the party Leadership, NEC and the Secretariat for their personal commitment to the mandate of the party as demonstrated by their personal participation and timely advisory role as and when required. In addition, the party has enjoyed and continues enjoy the support of stakeholders, other likeminded parties and members, general supporters and Kenyans at large.

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

Yours faithfully,



.....  
Ms Wambui Gichuru  
Ag. Executive Director.

DATE: ..... 01/08/2022 .....



**JUBILEE PARTY**  
**Annual Reports and Financial Statements**  
**For the year ended June 30, 2021.**

**5. REPORT OF THE DIRECTORS**

The Directors submit their annual report together with the audited financial statements for the year ended June 30, 2021 which show the state of the Party's affairs.

**Principal activities**

The principal activities of the Party, derived from the Political Parties' Act, 2011, is to promote active political participation by citizens with general view of assuring national values and principles of governance enshrined in the Constitution of Kenya.

**Results**

The results of the entity for the year ended June 30, 2021 are set out on page 8.

**Directors**

The members of the National Executive Committee (NEC) who served during the year are shown on page 4.

**i) Auditors**

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

By Order of the NEC



Hon. Jeremiah Kioni  
Secretary General  
Nairobi  
Date: 01/08/2022





## JUBILEE PARTY

### Annual Reports and Financial Statements

For the year ended June 30, 2021.

#### 1. STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

The Fiduciary Management Team are responsible for the preparation and presentation of the Party's financial statements, which give a true and fair view of the state of affairs of the Party for and as at the end of the financial year ended on June 30, 2021. This responsibility includes:

- (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Party;
- (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) safeguarding the assets of the Party;
- (v) selecting and applying appropriate accounting policies; and
- (vi) making accounting estimates that are reasonable in the circumstances.

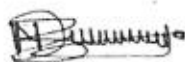
The Fiduciary Management Team accept responsibility for the Party's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012.

The Fiduciary Management Team are of the opinion that the Party's financial statements give a true and fair view of the state of Party's transactions during the financial year ended June 30, 2021, and of the Party's financial position as at that date. The Fiduciary Management Team further confirm the completeness of the accounting records maintained for the Party, which have been relied upon in the preparation of the Party's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Fiduciary Management Team to indicate that the 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

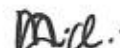
The Party's financial statements were approved by the NEC on 28 July 2021 and signed on its behalf by:



Chairman



Secretary General



Ag. Executive Director





# REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



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

## REPORT OF THE AUDITOR-GENERAL ON JUBILEE PARTY FOR THE YEAR ENDED 30 JUNE, 2021

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### PREAMBLE

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

- A. Report on the 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 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 Government achieves value for money and that such funds are applied for intended purpose.
- 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, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of the Jubilee Party set out on pages 1 to 31, which comprise of the statement of financial position as at 30 June, 2021,



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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Jubilee Party as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Unsupported Revenue**

The statement of financial performance reflects public contributions and donations amount of Kshs.96,732,000 as disclosed in Note 7 to the financial statements. However, the revenue was not supported with records indicating a break down and analysis of contributors and source of contributions

In the circumstances, the accuracy and completeness of the revenue from public contributions and donations amounting to Kshs.96,732,000 could not be confirmed.

#### **2. Unsupported Employees' Costs**

The statement of financial performance reflects employees' costs of Kshs.166,371,103 as disclosed in Note 9 to the financial statements. However, expenditure amounting to Kshs.83,583,222 was not supported by payment vouchers.

In the circumstances, the accuracy and completeness of employees' costs of Kshs.83,583,222 could not be confirmed.

#### **3. Use of Goods and Services**

The statement of financial performance reflects an amount of Kshs.447,583,954 under use of goods and services and as disclosed in Note 10 to the financial statements. However, the following anomalies were noted:

##### **3.1 Inaccuracies in Legal Expenses**

The expenditure includes legal expenses of Kshs.16,532,824. However, the ledger and supporting schedules provided for audit reflected legal expenses amounting to Kshs.17,316,545 resulting in an unexplained variance of Kshs.783,721.

In the circumstances, the accuracy and completeness of the legal expenses of Kshs.16,532,824 could not be confirmed.



### **3.2 Inaccuracies in Grassroots and Field Programs**

The expenditure includes grassroots and field programs amounting to Kshs.115,393,171. However, payment vouchers provided amounted to Kshs.185,579,331, resulting in an unexplained variance of Kshs.70,186,160. Further, cash withdrawals amounting to Kshs.168,771,568 for various grassroots and field programs were not supported.

In the circumstances, the accuracy and completeness of the expenditure relating to grassroots and field programs amounting to Kshs.115,393,171 could not be confirmed.

### **3.3 Unsupported Campaign and Election Expenses**

The expenditure includes an amount of Kshs.176,819,918 relating to campaign and election expenses. However, payment vouchers were not supported with relevant documents and, payments were made through cash.

In the circumstances, accuracy and completeness of the campaign and election expenses of Kshs.176,819,918 could not be confirmed.

### **3.4 Unsupported Security Costs**

The expenditure includes security costs amounting to Kshs.6,577,510. However, expenses amounting to Kshs.5,065,510 were not supported by contract agreements.

In the circumstances, the accuracy and completeness of the expenditure of Kshs.5,065,510 incurred on security services could not be confirmed.

### **3.5 Unsupported Office Rental Expenses**

The expenditure includes amount of Kshs.111,070,500 in respect of office rental. However, rental expenses amounting to Kshs.22,714,500 were not supported by lease agreements. Further, payment vouchers for expenditure amounting to Kshs.106,414,500 were not provided for audit verification.

In addition, as previously reported, Management has not registered the headquarters and county offices leases with the Ministry of Lands and Physical Planning contrary to Section 54 of the Land Registration Act, 2012.

In the circumstances, the accuracy, completeness and regularity of the office rental expenses of Kshs.111,070,500 could not be confirmed.

### **3.6 Anomaly in the General Ledger**

Expenditure amounting to Kshs.89,000,000 was captured on the payment vouchers under field programs while the same was captured in the general ledger under elections and materials. No explanation was provided for this anomaly.

In the circumstances, the accuracy, completeness and regularity of the of Kshs.89,000,000 could not be confirmed.

### **3.7 Unapproved Expenditure**

Payment vouchers totalling Kshs.298,778,346 were not approved by relevant authority and lacked authorizing signatures of the Accounting Officer and the AIE holder.

In the circumstances, the accuracy, completeness and regularity of use of goods and services expenditure of Kshs.447,583,954 could not be confirmed.

### **4. Cash and Cash Equivalents**

The statement of financial position reflects cash and cash equivalents balance of Kshs.67,946,650 as disclosed in Notes 14 and 15 to the financial statements. The following unsatisfactory matters were noted:

#### **4.1 Unsupported Bank Balances**

Included in the balance is an amount of Kshs.10,082,059 held in Commercial Bank accounts inherited from the defunct The National Alliance (TNA) and United Republican Party (URP). However, bank statements and bank balances confirmation certificates for the bank accounts were not provided for audit verification.

#### **4.2 Inaccuracies in Cash and Cash Equivalents**

The balance includes an amount of Kshs.1,807,364. However, bank reconciliation statements provided reflected an adjusted cash book balance of Kshs.1,899,016 leading to an unexplained variance of Kshs.91,652. Further, the bank reconciliation statement includes debits and credits totalling Kshs.2,561,449 which were not explained.

In addition, the cash flow statement reflects net increase in cash and cash equivalents of Kshs.246,810,738 which differs with the net cash used in financing activities amount of Kshs.247,135,382 resulting in an unexplained difference of Kshs.324,644.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.67,946,650 could not be confirmed.

#### **4.3 Unsupported Cash in Hand**

The balance includes cash in hand balance of Kshs.1,499,034. However, cash survey form provided for audit did not indicate details of cash books and respective balances of cash in hand.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.67,946,650 could not be confirmed.

### **5. Unsupported Receivables from Non - Exchange Transactions**

The statement of financial position reflects accounts receivables from non-exchange transactions totalling Kshs.127,743,900 as disclosed in Note 17 to the financial statements. This amount comprises outstanding contributions from members including

governors, elected and nominated members of National Assembly, Senate and County Assemblies Members registered under Jubilee Party. However, a register of members and amount demanded and due from each member were not provided for audit verification.

Further, the receivables include a balance of Kshs.97,954,134 brought forward from previous year which has been outstanding for over one year and whose recoverability remains doubtful. However, Management did not make any provision for doubtful debts.

In the circumstances, the accuracy and completeness of the accounts receivables from non-exchange transactions of Kshs.127,743,900 could not be confirmed.

## **6. Unsupported Property, Plant and Equipment**

The statement of financial position reflects net book value for property, plant and equipment balance of Kshs.192,267,525 as disclosed in Note 18(a) and (b) to the financial statements. The balance includes an amount of Kshs.206,334,813 in respect of additions during the year but relating to payments made on 30 June, 2021 for partitioning of Party Headquarters which was completed in 2016. However, apart from a letter dated 23 June, 2021, there were no other documents including contract agreement, bills of quantities, completion certificate and invoices in support of the expenditure.

Further, the balance includes an amount of Kshs.1,956,544 relating to motor vehicles whose log books were not provided for audit verification.

In the circumstances, the regularity, accuracy and completeness of property, plant and equipment balance of Kshs.192,267,525 could not be confirmed.

## **7. Unsupported Trade and Other Payables from Exchange Transactions**

The statement of financial position reflects trade and other payables balance of Kshs.159,512,397 as disclosed in Note 19 to the financial statements. However, the amount was not supported by creditors' ledger. Further, the payables schedule provided for audit did not indicate the dates when the debts were incurred, payee details and invoice numbers.

Further, the statement reflects trade and other payables from exchange transactions comparative balance of Kshs.171,770,224. However, during the current financial year, Management paid an amount of Kshs.206,334,813 for partitions done in 2016 but the amount was not included in the trade and other payables balance of Kshs.171,770,224 as at 30 June, 2020.

In the circumstances, the accuracy and completeness of the trade and other payables balance of Kshs.159,512,397 could not be confirmed.

## **8. Inaccuracies in the Statement of Financial Position**

The statement of financial position reflects total assets of Kshs.390,725,924, total liabilities of Kshs.159,512,397 and total net assets of Kshs.230,888,884 instead of Kshs.231,213,527, resulting in an unexplained variance of Kshs.324,643.



Further, the statement reflects total liabilities of Kshs.159,512,397 and total net assets of Kshs.230,888,884 but reflects, at the bottom, total net assets and liabilities of Kshs.390,401,281.

In the circumstances, the accuracy, completeness and disclosure of the statement of financial position could not be confirmed.

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

### **Key Audit Matters**

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

### **Other Matter**

### **Unresolved Prior Year Matters**

In the audit report of the previous year, a number of paragraphs were raised under the Report on Financial Statements. However, Management has not resolved the issues nor disclosed all the prior year matter as provided by the Public Sector Accounting Standards Board templates.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in 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**

#### **Unapproved Expenditure**

The statement of comparative budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.495,220,000 and Kshs.619,199,422 respectively, resulting in an overfunding of Kshs.123,979,422 or 25% of the budget. Similarly, the Party expended an amount of Kshs.852,320,401 against an approved

budget of Kshs.495,220,000 resulting to an over-expenditure of Kshs.357,100,401 or 72% of the budget which was not supported.

In the circumstances, the regularity of the over expenditure could not be confirmed.

The audit was conducted in accordance with ISSAI 4000. The standard requires 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 are in compliance, 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 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 matters 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 overall governance were not effective.

### Basis for Conclusion

#### 1. Poor Maintenance of Accounting Records

During the year under review, the cash book was not updated with transactions relating to the Party activities on a daily basis. Further, bank reconciliation was not regularly done and no imprest register was maintained.

In the circumstances, the Party lacked an effective system for recording, controlling and accounting for its finances.

#### 2. Lack of Human Resource Records

The Management did not provide for audit review human resource documents including; approved policy, procedures manual, organizational structure, staff establishment, salary structure, scheme of service and staff personal files.

Further, during the year under review, Management recruited four (4) members of staff who were not issued with appointment letters. In addition, services of five (5) members of staff were terminated. However, documentation relating to reasons for termination or copies of dismissal letters were not provided for audit review.

In the circumstances, the existence of effective human resources mechanisms could not be confirmed.

### **3. Lack of an Internal Audit Function and an Audit Committee**

The Party has not established an Internal Audit Function and an Audit Committee. This is contrary to Section 155 of the Public Finance Management Act, 2012 which provides for the establishment of the internal audit function and an Audit Committee. As such the Party did not benefit from the assurance and advisory services from the internal audit function as well as oversight from the Audit Committee.

In the circumstances, existence of effective internal controls and governance could not be confirmed.

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

#### **Responsibilities of Management and those Charged with Governance**

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

In preparing the financial statements, Management is responsible for assessing the Party's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Party or 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 are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

## **Auditor-General's Responsibilities for the Audit**

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal controls components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from



fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Party's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Party to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Party to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
CPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**09 September, 2022**

# JUBILEE PARTY

## Annual Reports and Financial Statements

For the year ended June 30, 2021.

### 8. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2021

+	Notes	2020-2021	2019-2020
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from other governments – gifts and services-in-kind	6	514,980,477	758,437,686
Public contributions and donations	7	96,732,000	103,878,658
Under-stated bank balances in prior periods (TNA accounts)	8	7,486,944	-
<b>Total revenue</b>		<b>619,199,421</b>	<b>862,316,344</b>
Expenses			
Employee costs	9	166,371,103	166,647,564
Use of Goods and services	10	447,583,954	359,159,682
Depreciation and amortization expense	11	28,033,191	2,271,882
Repairs and maintenance	12	0	113,600
Finance costs	13	3,997,340	6,394,516
<b>Total expenses</b>		<b>645,985,588</b>	<b>534,597,244</b>
Other gains/(losses)			
Surplus before tax		(26,786,167)	327,719,100
<b>Surplus/(deficit) for the period/year</b>		<b>(26,786,167)</b>	<b>327,719,100</b>

The notes set out on pages 6 to 28 form an integral part of these Financial Statements.

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:



Secretary General

Name: Hon. J. Kioni



Finance & Admin Director

Name: Ms Wambui Gichuru






**JUBILEE PARTY**  
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**9 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021**

	Notes	2020-2021	2019-2020
		Kshs	Kshs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	14 & 15	67,946,650	314,757,388
Receivables from exchange transactions	16	2,767,849	2,767,849
Receivables from non-exchange transactions	17	127,743,900	97,954,134
		<b>198,458,399</b>	<b>415,479,371</b>
<b>Non-current assets</b>			
Property, plant and equipment	18 (a) & (b)	192,267,525	13,965,903
<b>Total assets</b>		<b>390,725,924</b>	<b>429,445,274</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions	19	159,512,397	171,770,224
<b>Non-current liabilities</b>			
<b>Total liabilities</b>		<b>159,512,397</b>	<b>171,770,224</b>
<b>Net assets</b>			
Reserves		0.00	0.00
Accumulated surplus		230,888,884	257,675,050
Capital Fund		0.00	0.00
<b>Total net assets</b>		<b>230,888,884</b>	<b>257,675,050</b>
<b>Total net assets and liabilities</b>		<b>390,401,281</b>	<b>429,445,274</b>

The Financial Statements set out on pages 12 to 16 were signed on behalf of the Board of Directors by:



Secretary General

Name: Hon. J. Kioni

Date: 01/08/2022



Finance & Admin Director

Name: Ms Wambui Gichuru

Date: 01/08/2022



**JUBILEE PARKY**  
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**10 STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	Ordinary share capital	Revaluation reserve	Accumulated Funds	Net Surplus / deficit	Capital/ Development Grants/Fund	Total
<b>At July 1, 2017</b>	-	-	-	(150,649,396)	-	(150,649,396)
Revaluation gain						
Total comprehensive income	-	-	-	102,645,141	-	102,645,141
<b>At June 30, 2018</b>	-	-	-	(48,004,255)	-	(48,004,255)
<b>At July 1, 2018</b>	-	-	-	(48,004,255)	-	(48,004,255)
Revaluation gain	-	-	-	-	-	-
Total comprehensive income	-	-	-	(22,039,795)	-	(22,039,795)
<b>At June 30, 2019</b>	-	-	-	(70,044,050)	-	(70,044,050)
<b>At July 1, 2019</b>				(70,044,050)		(70,044,050)
Revaluation gain				327,719,100		327,719,100
Total comprehensive income				257,675,050		257,675,050
<b>At June 30, 2020</b>				257,675,050		257,675,050
<b>At July 1, 2020</b>				257,675,050		257,675,050
Total comprehensive income				(26,786,166)		(27,786,166)
<b>At June 30, 2021</b>				230,888,884		230,888,884



# JUBILEE PARTY

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## 11. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

		2020-2021	2019-2020
		Kshs	Kshs
<b>Cash flows from operating activities</b>	Notes		
Net surplus for the year		(26,786,167)	327,719,101
Adjusted for:			
Gain/ loss on disposal written back		0	0
Depreciation written back	11	28,033,191	2,271,881
		<b>1,247,024</b>	<b>329,990,982</b>
<b>Working capital changes</b>			
(Increase) Decrease in receivables	16 & 17	(29,789,766)	(31,609,065)
Increase (Decrease) in payables	19	(12,257,827)	(1,916,781)
<b>cash generated from operations</b>	20	(42,047,593)	(33,525,846)
<b>Net cash flow from operating activities</b>		<b>(40,800,569)</b>	<b>296,465,136</b>
<b>Cash flow from investing activities</b>			
Purchase of property and equipment	18	(206,334,813)	-
Proceeds from sale of assets		-	-
<b>Net cash used in investing activities</b>		<b>(206,334,813)</b>	<b>-</b>
<b>Cash flow from financing activities</b>		-	-
Increase in deposits		-	-
<b>Net cash used in financing activities</b>		<b>(247,135,382)</b>	<b>296,465,136</b>
<b>Net increase / (decrease) in cash and cash equivalent in the year</b>		<b>246,810,738</b>	<b>296,465,136</b>
<b>Cash and cash equivalent at 1st July 2020</b>		<b>314,757,388</b>	<b>18,292,252</b>
<b>Cash and cash equivalent at 30th June 2021</b>		<b>67,946,650</b>	<b>314,757,388</b>





## JUBILEE PARTY

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### 12. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2021

	Original budget		Adjustments		Final budget		Actual on comparable basis		Performance difference		Performance difference-%
	2020-2021	Kshs	2020-2021	Kshs	2020-2021	Kshs	2020-2021	Kshs	2020-2021	%	
Revenue											
Political Parties Fund	371,200,000		0		371,200,000		514,980,477		143,780,477		39% (a)
Public contributions and donations	124,020,000		0		124,020,000		96,732,000		-27,288,000		(22%) (b)
Bank balances understated	0		0		0		7,486,944.36		-7,486,944.36		∞% (c)
<b>Total income</b>	<b>495,220,000.00</b>		<b>0.00</b>		<b>495,220,000.00</b>		<b>619,199,421.56</b>		<b>109,005,533</b>		<b>22%</b>
<b>Expenses</b>											
Compensation of employees	356,400,000		0		356,400,000		166,371,103		190,028,897		53% (d)
Use of goods and services	152,400,000		0		152,400,000		447,583,954		-295,183,954		194%(e)
Finance cost	360,000		0		360,000		3,997,340		-3,637,340		(1010%) (f)
Depreciation	0		0		0		28,033,191		-28,033,191		∞% (g)
Capital expenditure	3,620,000		0		3,620,000		206,334,813		-202,714,813		(5,600%) (h)
<b>Total expenditure</b>	<b>512,780,000</b>		<b>0</b>		<b>512,780,000</b>		<b>852,320,401</b>		<b>-339,540,401</b>		<b>66%</b>
<b>Surplus for the period</b>	<b>-17,560,000.00</b>		<b>0.00</b>		<b>-17,560,000.00</b>		<b>-233,120,979.44</b>		<b>448,545,934</b>		<b>2554%</b>





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**Budget variance notes:**

- (a) We could not predict accurately the amount to be remitted by RPP.
- (b) We anticipated donations from well-wishers that did not materialize. Further, some members did not honour their expected subscriptions.
- (c) These were bank balances from the defunct TNA party that had not been factored in the previous accounts but were now recognized.
- (d) We overbudgeted on this item but we undertake to have a more realistic budget figure going forward.
- (e) The variance in use of goods and services was due to unexpected increased political activity in addition to unbudgeted by-elections.
- (f) Due to increased political activity that resulted in more cash transactions that were not envisaged.
- (g) This was a result of an omission of the depreciation expense in the budget. The omission is highly regretted.
- (h) The variance was due to payment for office partitions & furniture in the year 2016/2017 that was not factored in previous financial statements.

**13. NOTES TO THE FINANCIAL STATEMENTS**

**1. General Information**

Jubilee Party is established by and derives its authority and accountability from Political Parties' Act 2016. The Party is domiciled in Kenya. The entity's principal activity is to promote active political participation by citizens with general view of ensuring national values and principles of governance enshrined in the Constitution of 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 Party'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 5 of these financial statements.



## **JUBILEE PARTY**

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The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Jubilee Party.

The financial statements have been prepared in accordance with the PFM Act, International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.



## JUBILEE PARTY

### Annual Reports and Financial Statements

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

##### 3. Adoption of New and Revised Standards

- i. *New and amended standards and interpretations in issue effective in the year ended 30 June 2021.*

Standard	Impact
Other Improvements to IPSAS	<p><b>Applicable: 1<sup>st</sup> January 2021:</b></p> <p>a) Amendments to IPSAS 13, to include the appropriate references to IPSAS on impairment, in place of the current references to other international and/or national accounting frameworks.</p> <p>b) IPSAS 13, Leases and IPSAS 17, Property, Plant, and Equipment. Amendments to remove transitional provisions which should have been deleted when IPSAS 33, First Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs) was approved.</p> <p>c) IPSAS 21, Impairment of Non-Cash-Generating Assets and IPSAS 26, Impairment of Cash Generating Assets. Amendments to ensure consistency of impairment guidance to account for revalued assets in the scope of IPSAS 17, Property, Plant, and Equipment and IPSAS 31, Intangible Assets.</p> <p>d) IPSAS 33, First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs). Amendments to the implementation guidance on deemed cost in IPSAS 33 to make it consistent with the core principles in the Standard.</p>



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The above a) to d) have not had an impact on Jubilee Party's Financial Statements.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### Adoption of New and Revised Standards (Continued)

- ii. *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2021.*

Standard	Effective date and impact:
<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 the asset's cash flows and the objective for which the asset is held;</li><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>
<b>IPSAS 42:</b> Social Benefits	<b>Applicable: 1<sup>st</sup> January 2023</b> 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: <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></ul>





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Standard	Effective date and impact:
	(c) The impact of such social benefits provided on the entity's financial performance, financial position and cash flows.
	<b>Applicable: 1st January 2023:</b> 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. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.  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.

#### iii. Early adoption of standards

The entity did not adopt any new or amended standards in year 2020/2021.

#### 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



## **JUBILEE PARTY**

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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

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

#### **a) Revenue recognition (Continued)**

reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

#### **b) Budget information**

The original budget for FY 2020-2021 was approved by the National Executive Committee on 12<sup>th</sup> June 2020. Subsequent revisions or additional appropriations were not made to the approved budget.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 17 of these financial statements.



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

**Summary of Significant Accounting Policies (Continued)**

**c) 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.

**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.





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

**Summary of Significant Accounting Policies (Continued)**

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.

**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.



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

**g) Research and development costs**

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

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

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





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

**Summary of Significant Accounting Policies (Continued)**

**h) 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.

**i) 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.



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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**Summary of Significant Accounting Policies (Continued)**

**j) 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.

**k) 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.

**l) Nature and purpose of reserves**

Jubilee Party has not created or maintained reserves for specific requirements.

**m) 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.

**n) Employee benefits**

**Retirement benefit plans**

The Entity does not provide retirement benefits for its employees and directors.

**o) Foreign currency transactions**

Jubilee Party does not transact in foreign currency.



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

**Summary of Significant Accounting Policies (Continued)**

**p) Related parties**

The Party 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 Executive Director, Secretary General and senior managers.

**q) Service concession arrangements**

The Entity analyses all aspects of service concession arrangements that it enters into 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.

**r) 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.

**s) Comparative figures**

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





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

#### **Summary of Significant Accounting Policies (Continued)**

##### **t) 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, 2021.

##### **5. 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: e.g

##### **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 values**

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



## JUBILEE PARTY

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### NOTES TO THE FINANCIAL STATEMENTS (Continued)

#### 6. Transfers from Ministries, Departments and Agencies (MDAs)

Name of the MDA/Donor Transferring the funds	Date received	Quarter	Amount recognized to Statement of Financial performance KShs	Prior year 2019/2020 KShs
Registrar of Political Parties	27/08/2020	1 <sup>st</sup>	161,124,054	
Registrar of Political Parties	25/11/2020	2nd	192,732,370	
Registrar of Political Parties	03/05/2021	3rd	161,124,054	758,437,686
<b>Total</b>			<b>514,980,478</b>	<b>758,437,686</b>

#### 7. Public Contributions and Donations

Description	2020-2021 KShs	2019-2020 KShs
Other public donations (Members' contribution)	96,732,000.00	103,878,658
<b>Total -Other public donations</b>	<b>96,732,000.00</b>	<b>103,878,658</b>

#### 8 Under-stated bank balances in prior periods

Prior to the Financial year 2020/2021 the bank balances for the defunct TNA party accounts were under reported due to non-availability of signatories to facilitate request for bank statements. The variances are as per the below narration:

Account No.	Prior year balances KShs	Current Balances KShs	Over/(under) stated KShs
01120200784601	33,269	12,794	(20,475)
01120200784600	84,402	7,591,821	7,507,419
<b>Total Under-stated amount</b>			<b>7,486,944</b>



## JUBILEE PARTY

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

##### 9. Employee Costs

	2020-2021	2019-2020
	KShs	KShs
Salaries and wages, consultants	142,043,217	139,510,297
Employer contribution to health insurance schemes	1,033,950	1,050,000
Employer contribution to pension schemes (NSSF)	1,644,408	1,658,886
Other employee related costs- Welfare	0	10,000
PAYE	17,714,665	20,507,731
5% WHT	3,934,863	3,910,650
<b>Employee costs</b>	<b>166,371,103.00</b>	<b>166,647,564</b>

##### 10. Use of Goods and Services

Description	2020-2021	2019-2020
	KShs	KShs
Electricity	4,144,083	
Water	548,000	5,246,198
Subscriptions	70,000	101,000
Advertising	4,266,900	147,000
Grassroots & Field programs	115,393,171	113,607,290
Audit fees	348,000	0
Campaign & Election Expenses	176,819,918	83,788,710
Fuel and oil	461,500	4,285,990
Legal expenses	16,532,824	47,005,288
Cleaning & Landscaping	4,092,329	3,690,000
Office Rental	111,070,500	87,470,000
Security costs	6,577,510	4,894,064
Telecommunication	1,448,800	1,565,450
Travel, meeting, accommodation, subsistence and other allowances	5,681,436	5,312,500
Other general expenses/Office Expenses	128,983	2,046,192
<b>TOTAL</b>	<b>447,583,954</b>	<b>359,159,682</b>

##### 11. Depreciation and Amortization Expense

Description	2020-2021	2019-2020
	KShs	KShs
Property, plant and equipment	28,033,191	2,271,881
<b>Total depreciation and amortization</b>	<b>28,033,191</b>	<b>2,271,881</b>



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

**12. Repairs and Maintenance**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KShs</b>	<b>KShs</b>
Others	0	113,600
<b>Total repairs and maintenance</b>	<b>0</b>	<b>113,600</b>

**13. Finance Costs**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KShs</b>	<b>KShs</b>
Bank Charges/Fees	3,997,340	6,394,516
<b>Total finance costs</b>	<b>3,997,340</b>	<b>6,394,516</b>

**14. Cash and Cash Equivalents**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KShs</b>	<b>KShs</b>
Current account	66,447,616	313,698,987
Others – Petty Cash Fund	1,499,034	1,058,401
<b>Total cash and cash equivalents</b>	<b>67,946,650</b>	<b>314,757,388</b>





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

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

		<b>2020-2021</b>	<b>2019-2020</b>
<b>Financial institution</b>	<b>Account number</b>	<b>KShs</b>	<b>KShs</b>
<b>a) Current account</b>			
Equity Bank	18270840009	158,100	158,100
Equity Bank	18270840079	3,548,332	1,287,332
Equity Bank	18270840141	48,016,436	6,406,315
Equity Bank	18270840269	526,271	526,271
Equity Bank	18270840309	2,309,053	2,309,053
Equity Bank	18270840949	1,807,364	300,416,800
Cooperative Bank 1 TNA	01120200784601	12,794	33,269
Cooperative Bank 2	01120200784600	7,591,821	84,402
Equity Bank		54,945	54,945
Cooperative Bank 1 URP		316,034	316,034
Transnational Bank		2,106,465	2,106,465
<b>Sub- total</b>		<b>66,447,616</b>	<b>313,698,986</b>
<b>b) Others</b>			
cash in hand		1,499,034	1,058,401
<b>Sub- total</b>		<b>1,499,034</b>	<b>1,058,401</b>
<b>Grand total</b>		<b>67,946,650</b>	<b>314,757,387</b>

**16 Receivables from Exchange Transactions**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KShs</b>	<b>KShs</b>
<b>Current receivables</b>		
Service, water and electricity debtors	41,500	41,200
Rent deposit	2,621,369	2,621,369
Safaricom Internet deposit	104,980	104,980
<b>Total current receivables</b>	<b>2,767,849</b>	<b>2,767,849</b>



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

**17 Receivables from Non-Exchange Transactions**

Description	2020-2021	2019-2020
	KShs	KShs
Other debtors (non-exchange transactions)	127,743,900	97,954,134
<b>Total current receivables</b>	<b>127,743,900</b>	<b>97,954,134</b>

**18 (a) Property, Plant and Equipment**

	Motor vehicles	Furniture and fittings	Computers	Total
<b>DEPRECIATION RATES</b>	25%	12.5%	30%	
<b>Cost</b>	<b>Shs</b>	<b>Shs</b>	<b>Shs</b>	<b>Shs</b>
As at 1 July 2019	18,850,000	23,622,771	8,605,089	51,077,860
<b>As at 30<sup>th</sup> June 2020</b>	<b>18,850,000</b>	<b>23,622,771</b>	<b>8,605,089</b>	<b>51,077,860</b>
Additions	0	206,334,813	0	206,334,813
<b>As at 30<sup>th</sup> June 2021</b>	<b>18,850,000</b>	<b>229,957,584</b>	<b>8,605,089</b>	<b>257,412,673</b>
<b>Depreciation and impairment</b>				
At 1 July 2019	15,868,599	11,750,149	7,221,326	34,840,074
Depreciation	372,675	1,484,078	415,129	2,271,882
<b>As at 30 June 2020</b>	<b>16,241,274</b>	<b>13,234,227</b>	<b>7,636,455</b>	<b>37,111,956</b>
Depreciation	652,181	27,090,420	290,590	28,033,191
<b>As at 30<sup>th</sup> June 2021</b>	<b>16,893,455</b>	<b>40,324,647</b>	<b>7,927,045</b>	<b>65,145,147</b>
<b>Net book values</b>				
<b>As at 30<sup>th</sup> June 2021</b>	<b>1,956,545</b>	<b>189,632,937</b>	<b>678,044</b>	<b>192,267,526</b>
<b>As at 30<sup>th</sup> June 2020</b>	<b>2,608,726</b>	<b>10,388,544</b>	<b>968,634</b>	<b>13,965,904</b>

**Valuation**

No valuations were done as the Jubilee Party does not own buildings nor land.



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

**18 (b) Property, Plant and Equipment at Cost**

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

	<b>Cost</b>	<b>Accumulated Depreciation</b>	<b>NBV</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Motor vehicles, including motorcycles	18,850,000	16,893,456	1,956,544
Computers and related equipment	8,605,088	7,927,045	678,043
Office equipment, furniture, and fittings	229,957,584	40,324,646	189,632,938
	<b>257,412,672</b>	<b>65,145,147</b>	<b>192,267,525</b>

**19 Trade and Other Payables**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KShs</b>	<b>KShs</b>
Trade payables	159,164,397	156,518,973
Employee payables	0	13,896,069
Other payables- audit fees	348,000	1,355,182
<b>Total trade and other payables</b>	<b>159,512,397</b>	<b>171,770,224</b>

**20 Cash Generated from Operations**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KShs</b>	<b>KShs</b>
<b>Surplus for the year before tax</b>	<b>(26,786,167)</b>	<b>327,719,100</b>
<b>Adjusted for:</b>		
Depreciation	28,033,191	2,271,882
<b>Working Capital adjustments</b>		
Increase in inventory	0	0
Increase in receivables	(29,789,766)	(31,609,065)
Increase in deferred income	0	0
Increase in payables	(12,257,827)	(1,916,781)
Increase in payments received in advance	0	0
<b>Net cash flow from operating activities</b>	<b>(40,800,569)</b>	<b>296,465,136</b>





## JUBILEE PARTY

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### NOTES TO THE FINANCIAL STATEMENTS (Continued)

#### 21 Financial Risk Management

The entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The entity's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The entity does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The entity's financial risk management objectives and policies are detailed below:

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

	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>As at 30 June 2021</b>				
Receivables from exchange transactions	2,767,849	2,767,849	0.00	0.00
Receivables from non- exchange transactions	127,743,900	127,743,900	0.00	0.00
Bank balances	66,447,617	66,447,617	0.00	0.00
<b>Total</b>	<b>196,959,366</b>	<b>196,959,366</b>	<b>0.00</b>	<b>0.00</b>
<b>As at 30 June 2020</b>				
Receivables from exchange transactions	2,767,849	2,767,849	0.00	0.00
Receivables from non- exchange transactions	97,954,134	97,954,134	0.00	0.00
Bank balances	313,698,987	313,698,987	0.00	0.00
<b>Total</b>	<b>414,420,970</b>	<b>414,420,970</b>	<b>0.00</b>	<b>0.00</b>

The Party has significant concentration of credit risk on amounts due from members' contributions.



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

**i) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the entity's directors, who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the entity under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>As at 30 June 2021</b>				
Trade payables	0.00	0.00	159,164,397	159,164,397
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>159,164,397</b>	<b>159,164,397</b>
<b>As at 30 June 2020</b>				
Trade payables	0.00	0.00	171,770,224	171,770,224
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>171,770,224</b>	<b>171,770,224</b>

**ii) Market risk**

The entity has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its



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

**Financial Risk Management (Continued)**

holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The entity's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

**a) Foreign currency risk**

The entity has no transactional currency exposures.

**i) Capital Risk Management**

The objective of the entity's capital risk management is to safeguard the entity's ability to continue as a going concern. The entity capital structure comprises of the following funds:

	2020-2021	2019-2020
	Kshs	Kshs
Retained earnings	231,561,527	257,675,050
<b>Total funds</b>	<b>231,561,527</b>	<b>257,675,051</b>
Total borrowings	0	0
Less: cash and bank balances	67,946,650	314,757,388
Net debt/(excess cash and cash equivalents)	(67,946,650)	(314,757,388)

**22 Related Party Disclosures**

**Nature of related party relationships**

The Party 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 Executive Director, Secretary General and senior managers.



## **JUBILEE PARTY**

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

#### **23 Segment Information**

We operate branch offices in 24 counties. Same are funded from Headquarters on a need basis.

#### **25 Contingent Assets and Contingent Liabilities**

We have several cases in court against the Jubilee Party but currently we are not able to estimate the contingent liabilities in respect of the same.

#### **26 Surplus Remission**

As per the Political Parties Act the remission of surplus to the National Government is not applicable.

#### **27 Taxation**

Not applicable.

#### **28 Deferred Tax Liability**

Not applicable.

#### **29 Events after the Reporting Period**

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

#### **30 Ultimate And Holding Entity**

The entity is a Political Party registered under the Office of the Registrar of Political Parties.

#### **31 Currency**

The financial statements are presented in Kenya Shillings (Kshs).





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**APPENDIX**

**APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Focal Point person to resolve the issue (Name and designation)</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
4.1	Unavailed Trial Balance	TB to be provided after the exit meeting	P. Mbogo	Resolved	
4.2	Finance costs of Kshs. 6,394,515.74	Reduced by about 50% in 2020/2021 FY. We do not have much control over the bank charges. Most the charges are due to the set bank charges per entry considering that we have a large payroll and each individual RTGS is charged at Kshs 600 per entry. We are monitoring the charges closely to ensure they are under control.	F&A Manager	Resolved	
4.3	Lack of an approved Procurement plan	To ensure future plans are presented to N.E.C. for approval. Currently we use our annual work plan and a procurement plan is in place for the period.	Logistics Manager	Resolved	
4.4	Incorrect bank balances reported in the statement of financial position as at 30 <sup>th</sup> June 2020 (defunct TNA party)	The same were rectified in the 2020/2021 statement of financial position.	P. Mbogo	Resolved	
4.5	Lack of	We are endeavouring	F&A Director	Not	2021/2022 FY



# JUBILEE PARTY

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	ownership documents for motor vehicle.	to obtain the document from NTSA.		resolved	



Secretary General

Date... 01/08/2022 .....



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**APPENDIX II: INTER-ENTITY TRANSFERS**

<b>ENTITY NAME:</b>		<b>JUBILEE PARTY</b>		
<b>Breakdown of Transfers from the Registrar of Political Parties.</b>				
<b>FY 2020/2021</b>				
<b>a.</b>	<b>Recurrent Grants</b>			
		<b><u>Bank Statement Date</u></b>	<b><u>Amount (KShs)</u></b>	<b><u>Indicate the FY to which the amounts relate</u></b>
			0	N/A
		<b>Total</b>	<b>0</b>	
<b>b.</b>	<b>Development Grants</b>			
		<b><u>Bank Statement Date</u></b>	<b><u>Amount (KShs)</u></b>	<b><u>Indicate the FY to which the amounts relate</u></b>
			0	N/A
		<b>Total</b>	<b>0</b>	
<b>c.</b>	<b>Direct Payments</b>			
		<b><u>Bank Statement Date</u></b>	<b><u>Amount (KShs)</u></b>	<b><u>Indicate the FY to which the amounts relate</u></b>
		27/08/2020	161,124,054	2020/2021
		25/11/2020	192,732,370	2020/2021
		03/05/2021	161,124,054	2020/2021
		<b>Total</b>	<b>514,980,478</b>	
<b>d.</b>	<b>Donor Receipts</b>			
		<b><u>Bank Statement Date</u></b>	<b><u>Amount (KShs)</u></b>	<b><u>Indicate the FY to which the amounts relate</u></b>
			0	N/A
		<b>Total</b>	<b>0</b>	

The above amounts have been communicated to and reconciled with the RPP.

Finance & Admin Director  
 Jubilee Party

Sign  -----

Head of Accounting Unit  
 RPP

Sign-----

