

PEOPLE'S PARTY OF KENYA

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY

20 SEP 2022

RECEIVED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2022



NGIGI & PARTNERS CERTIFIED PUBLIC ACCOUNTANTS (K)

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People's Party of Kenya
Report and financial statements
For the year ended 30th June 2022

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People's Party of Kenya
Report of the boards
For the year ended 30th June 2022

The committee have the pleasure in submitting their report and audited financial statements for the period ended 30th June 2022

Principal Activity:

The principal activity of the party is bringing peoples together.

Results:

The results for the year are set out on page 5.

Domicile

The party is registered and domiciled in Kenya .

Auditors:

Messrs Ngigi and Partners Certified Public Accountants (K) were appointed auditors for the year and have expressed their willingness to continue in office and do so under the provision of section 159(2) of the Companies Act(Cap 486)

By order of committee



Date16-09-2022.....2022



People's Party of Kenya
Statement of the Directors' Responsibilities
For the year ended 30th June 2022

The Political Party's Act requires that the directors to prepare the financial statements for each year which give a true and fair view of the state of affairs of the political party as at the end of the financial year and of its operating results for that year. It also requires the directors to ensure that the political party keeps the proper accounting records, which disclose, with reasonable accuracy, the financial position of the political party. The directors are also responsible for safeguarding the assets of the political party.

The directors accept the responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Accounting Standards and the requirements of the companies Act. The directors are of the opinion that the financial statements give a true and fair view of the state of the political party's affairs and of its operating results.

The directors further accept responsibility for the maintenance of the accounting records, which may be relied upon in the preparation of the financial statements as well as adequate system of internal financial control.

Nothing has come to the attention of the directors to indicate that the political party will not remain a going concern for at least the next twelve months from the date of this statement.

Signed By John Kihiko



Secretary General

Josphat Mbugua



National Treasurer

Dated 16th September 2022



People's Party of Kenya
Report of the independent auditors
For the year ended 30th June 2022

Opinion

We have audited the accounts of political party financial statements of People's Party of Kenya (PPK), set out on pages 4 to 10, which comprise the statement of comprehensive income as at 30th June 2022, the statement of financial position and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accounts of political party financial statements give a true and fair view of the financial transactions of the political party during the year ended 30th June 2022 and of the disposition at that date of its assets and liabilities, in accordance with International Financial Reporting.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report. We are independent of the Political party in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), together with other ethical requirements that are relevant to our audit of the financial statements in Kenya. We have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Board of directors for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the political party's Act, and for such internal controls as the Political party board of directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Political party board of directors are responsible for assessing the Political party's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Political party board of directors either intend to liquidate the Political party or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Political party's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Independent auditors' report
People's Party of Kenya
(Continued)

- Obtain an understanding of internal control relevant to the audit 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 Political party's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Political party board of directors.
- Conclude on the appropriateness of the Political party board of directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Political party's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Political party to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Political party to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Political party's audit. We remain responsible for our audit opinion.

Report on Other Legal Requirements

As required by the Political Party's Act we report to you, based on our audit, that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- In our opinion proper books of account have been kept by the Political party, so far as appears from our examination of those books; and
- The Political party's statement of comprehensive income and statement of financial position are in agreement with the books of account.

Ngigi and Partners
 Certified Public Accountants (Kenya)
 P.O Box
 Nairobi, Kenya.



Dated 19/09/..... 2022.



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People's Party of Kenya
Statement of Financial Position
As at 30 June 2022

<u>ASSETS</u>	<u>Notes</u>	<u>2022</u> <u>Kshs</u>	<u>2021</u> <u>Kshs</u>
<u>Current assets</u>			
Cash & bank	3	33,494	1,863
Fixed asset	2	91,218	121,938
		<u>124,712</u>	<u>123,801</u>
<u>TOTAL ASSETS</u>		<u>124,712</u>	<u>123,801</u>
<u>EQUITY AND LIABILITIES</u>			
<u>Equity</u>			
Party's fund	5	80,000	80,000
Profit and loss account	9	(771,227)	(545,955)
		<u>(691,227)</u>	<u>(465,955)</u>
<u>Current Liabilities</u>			
Creditors	4	815,939	589,756
		<u>815,939</u>	<u>589,756</u>
<u>TOTAL EQUITY & LIABILITIES</u>		<u>124,712</u>	<u>123,801</u>

The financial statements were approved by t(NCC)
signed on its behalf by;


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SECRETARY GENERAL

Date..16-09-.....2022



People's Party of Kenya
Statement of comprehensive income
For the year ended 30th June 2022

		2022 Kshs	2021 Kshs
Income	Notes		
Donations		243,000	470,000
Members contributions		643,000	171,000
Nomination of candidates		510,000	400,000
Sale of party Constitution		-	18,000
sale of membership cards		-	23,000
		<u>1,396,000</u>	<u>1,082,000</u>
 Expenditure			
Operation expenses	7	260,000	380,000
Administration expenses	8	1,328,500	695,000
Financial expenses	9	32,772	43,013
		<u>1,621,272</u>	<u>1,118,013</u>
Net surplus for the year		(225,272)	(36,013)



People's Party of Kenya
Statement of cash flows

For the year ended 30th June 2022

	<u>2022</u> <u>Kshs</u>	<u>2021</u> <u>Kshs</u>
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit before taxation	(225,272)	(36,013)
Adjustment for:		
Depreciation	30,720	42,689
Operating profit before working capital changes	(194,552)	6,676
(Increase)/ decrease in debtors & prepayments	-	-
(Decrease)/ increase in creditors	226,183	(5,066)
Net Changes in working capital	226,183	(5,066)
Net Cash flow generated from operating activities	31,631	1,610
<u>CASH FLOW FROM INVESTMENT ACTIVITIES</u>		
Purchase of assets	-	-
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Party's fund	-	-
NET INCREASE IN CASH & CASH EQUIVALENT	31,631	1,610
CASH & CASH EQUIVALENT AT THE START OF THE YEAR	1,863	253
CASH & CASH EQUIVALENT AT THE END OF THE YEAR	33,494	1,863



People's Party of Kenya
Notes to the financial statement
For the year ended 30th June 2022

1. Accounting Policies

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention.

2. Assets

	Computer and assecories KShs	Furnitures and Fittngs KShs	Total KShs
Cost			
At 01.07.2021	495,000	50,000	545,000
Additional	-	-	-
As at 30.06.2022	<u>495,000</u>	<u>50,000</u>	<u>545,000</u>
Depreciation			
Balance b/forward	406,558	16,504	423,062
Charge for the year	26,533	4,187	30,720
Total depreciation	<u>433,091</u>	<u>20,691</u>	<u>453,782</u>
NBV			
As at 30.06.2022	<u>61,909</u>	<u>29,309</u>	<u>91,218</u>
As at 30.06.2021	<u>88,442 #</u>	<u>33,496 #</u>	<u>121,938</u>
3. <u>Cash and bank balances</u>	<u>33,494</u>	<u>1,863</u>	

4. Creditors

Audit fees	20,000	20,000
Other creditors	795,939	569,756
	<u>815,939</u>	<u>589,756</u>



People's Party of Kenya
Notes to the financial statement
For the year ended 30th June 2022

	2022	2021
	<u>KShs</u>	<u>KShs</u>
5		
Party's fund	<u>80,000</u>	<u>80,000</u>
6		
Operation expenses		
Salaries and wages	240,000	360,000
Audit and accountancy fees	20,000	20,000
	<u>260,000</u>	<u>380,000</u>
7		
Administration expenses		
Office rent	480,000	420,000
Water and electricity	24,200	21,000
Cleaning services	60,000	6,000
Postage and telephone	25,200	36,000
Repairs and maintenance	23,835	-
Internet	72,000	18,000
Subsistences	123,565	-
Office expenses	-	14,000
Advertisements	210,000	-
Printing and stationery	309,700	180,000
	<u>1,328,500</u>	<u>695,000</u>
8		
Financial expenses		
Bank charges	2,052	324
Depreciation	30,720	42,689
	<u>32,772</u>	<u>43,013</u>
9		
Profit and loss account		
Balance b/f	(545,955)	(509,942)
Profit for the year	(225,272)	(36,013)
	<u>(771,227)</u>	<u>(545,955)</u>



