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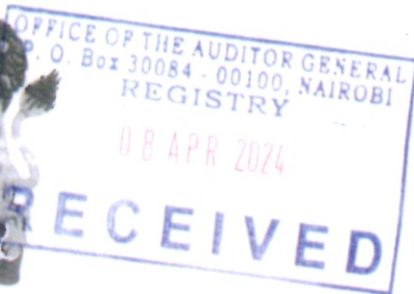
TABLED BY: Hon. Owen Baya, MP
Deputy Majority Party
CLERK AT THE AUDITOR-GENERAL Anlay Muriuki

THE AUDITOR-GENERAL

ON

UBUNTU PEOPLES FORUM PARTY

**FOR THE YEAR ENDED
30 JUNE, 2023**



UBUNTU PEOPLES FORUM PARTY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2023

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

**Ubuntu Peoples Forum Party
Annual Report and Financial Statements
for the year ended June 30, 2023.**

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1. Acronyms, Abbreviations and Glossary of Terms

A: Acronyms and Abbreviations

ED	Executive Director
DG	Director General
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
MD	Managing Director
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
WB	World Bank
VC	Vice Chancellor

B: Glossary of Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the organisation

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

Ubuntu Peoples Forum (UPF) Party was established under the political parties Act, 2011 on 15th February 2022. The party is founded on 'Ubuntu' philosophy - that puts people at the centre of social, economic, and political processes of communities, societies and nations. Our belief enshrines responsibility and accountability for all members of the society irrespective of their positions in life. We stand for a society that functions equality and fairness for all: that 'I can't and should not prosper at the expense of others; and my prosperity is your prosperity'.

(b) Principal Activities

Vision of the Party is 'A just, fair and prosperous Kenya founded on a strong sense of unity and humanity' and its **Mission** is 'Putting all Kenyans at the heart of social, economic and political processes in order to cultivates a sense of belonging and shared destiny that guarantees prosperity, equality and fairness for all Kenyans'.

The **principal activity** of the Party is to ensure the right of everyone to a life of dignity and respect, to ensure livelihood, security and prosperity for all. Our belief enshrines responsibility and accountability for all members of the society irrespective of their positions in life. We stand for a society that functions equality and fairness for all: that I can't and should not prosper at the expense of others; and my prosperity is your prosperity.

The core values and principles of the Party are:

- I. Guarantee welfare of all in our society.
- II. Upholding Integrity, Diligence, Social Justice, the Rule of Law and Constitutionalism.
- III. Establishment of an Equitable and Prosperous society.
- IV. Participation and inclusivity of people in Governance, Equality of all before the Law and Equity in Resource Allocation.
- V. Sustainable use of Environment.
- VI. Positive and mutually beneficial international relations.

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(c) Key Management

UPF Party day-to-day management is under the following key organs:

No.	Designation	Name
1.	Executive Director	Njoroge Gichuhi
2.	Director of Operations	John Mwangi
3.	Director Finance & Administration	Vincent Oyuga
4.	ICT Officer	Charles Njenga
5.	Communication Officer	Elizabeth Wanjiru
6.	Accountant	Prudence Makini
7.	Membership Officer	George Ngugi
8.	Operations and Outreach Officer	Andrew Ngure
9.	Compliance Officer	Adrian Karanja
10.	Store Manager	Solomon Ngwiri
11.	Receptionist	Christian Wanjiku
12.	Office Assistant & Cook	Miriam Wangui
13.	Driver I	Solomon Kamau
14.	Driver II	Eliud Gitaka
15.	Office Assistant & Cleaner	Purity Karimi

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Secretary General	Samuel Kinya
2.	National Treasurer	Sylvester Njihia
3.	National Organizing Secretary	Boniface Ngwiri
4.	Women Leader	Joyce Anyiso
5.	D. Secretary General	Janiffer Wambui Mwangi

Key Entity Information and Management (continued)

(e) Fiduciary Oversight Arrangements

Audit and Finance Committee

The audit and finance committee reviews significant accounting policies and financial systems to ensure that they are adequate and are complied with at all times. It reviews adequacies of internal control systems and monitors implementation of party's activities and propose actions to address issues raised by external auditors.

In FY 2022/23, the committee held two meetings out of four meetings planned during the year. The external auditors were invited and attended one meeting to present audit findings and opinion on audited financial statements. Members of the Audit and Finance Committee were as follows:

No.	Designation	Name
1.	National Rep. MSMEs	Eunice Wambui Mamasoko
2.	National Women Leader	Joyce Anyiso
3.	National Youth Leader	Kenneth Mbaria

(f) Entity Headquarters

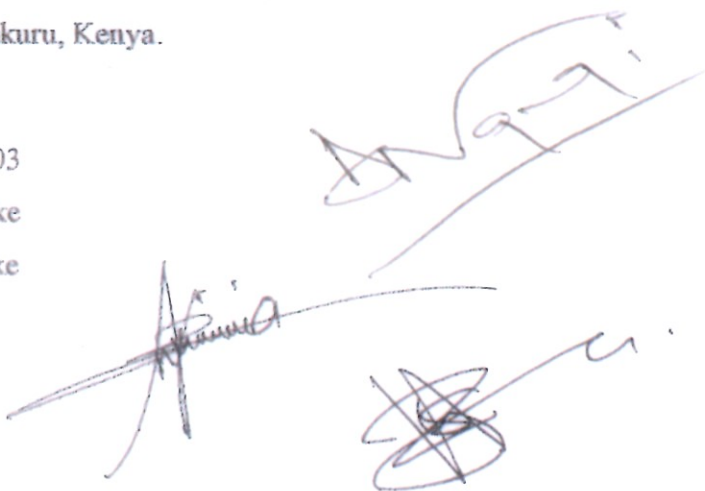
Ubuntu House,
Thingira wa Iregi Road, Nakuru,
Between Sarova Woodlands Hotel and Naivas Supermarket,
P.O Box 13035 – 20100, Nakuru, Kenya.

(g) Entity Contacts

Telephone: (254) 725 970 303
E-mail: info@upfkenya.co.ke
Website: www.upfkenya.co.ke

(h) Entity Bankers

KCB Bank Ltd,
Carter Branch,
P.O. Box 18-20100,
Nakuru, Kenya.



Key Entity Information and Management (continued)

(i) Independent Auditor

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



(j) Principal Legal Adviser

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

(k) List of Lawyers

1. Ombati and Ombati Co, Advocates,
Kanu House, 3rd Floor,
P.O Box 14703 – 20100,
Nakuru.
2. Kinyanjui and Njau Advocates,
Diplomat House, 1st Floor,
Mama Ngina Street,
P.O Box 178 – 20100,
Nakuru.

3. National Executive Council (N.E.C)


Ref	National Officials	Details
1.	 <p data-bbox="368 797 724 904">H.E Lee Maiyani Kinyanjui Party Leader</p>	<p data-bbox="842 439 1481 1104">H.E. Lee Maiyani Kinyanjui is the second Governor for Nakuru County. He worked in the private sector for over 10 years before joining politics and was elected M.P for Nakuru Town Constituency in year 2007. During his tenure as M.P, Hon. Lee Kinyanjui served as an Ass. Minister for Roads in the grand coalition government between 2008 and 2013 and later as the Chairperson of the National Transport and Safety Authority. He holds a Bachelors degree in Literature from Kenyatta University and a Masters degree in Business Administration (MBA) from the University of Nairobi.</p>
2.	 <p data-bbox="421 1541 715 1630">Hon. David Ngugi National Chairperson</p>	<p data-bbox="842 1126 1469 1899">Has over 30 years experience in leadership and management (both private and public sector). He is a career insurance professional having held various leadership roles from GM, MD, Executive Director & Chairman in several companies, Corporate Insurance Co, Association of Kenya Insurers (AKI), Phoenix Assurance etc. He consulted and trained for State University of New York, Canadian Aid & Development Agency, Westminster Foundation for Democracy & approximately half of the counties on leadership, management, governance and devolution. Served as an M.P of Kinangop Constituency 2008-2012 and Member (Chair) Local Government Authorities.</p>







**Mr. Samuel Kinya Rukahu
Secretary General**



Mr. Samuel Kinya Rukahu holds a Bachelor of Commerce degree in Finance of Saint Mary's University, Halifax, Nova Scotia, Canada and a Bachelor of Commerce degree in Business Administration and Management of Daystar University, Nairbi, Kenya. Mr. Kinya is an astute entrepreneur in Kenya. He manages business mainly in the Real Estate, ICT and Beauty Product Industries. He has been serving as the managing Director of Perfume World Limited, Kenya since 2016. He also serves as the Director in Key Homes Limited, Nairobi, Kenya and in Xcite Network Limited, Nakuru, Kenya to date. Mr. Kinya served in diverse management positions in companies both in Kenya, Canada and South Africa as follows: Accounts Executive of Scotia Bank Halifax, Nova Scotia, Canada; Director Investment Investor Agent, Minacs worldwide; Customer Service Representative, Teletech Halifax, Nova Scotia, Canada; Marketing Manager, X-cite Network Limited, Nairobi, Kenya; Account Manager, Africa Online Limited, Nakuru, Kenya; Sales Representative, Dektech Communications, Rivonia South Africa.



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<p>4.</p>	 <p>Mr. Njoroge Gichuhi Executive Director</p>	<p>Mr. Njoroge Gichuhi holds a Bachelor of Education from Kenyatta University, Kenya; a Post Graduate training in Leadership from University of the North (RSA); and a Masters of Arts Degree in Sociology (Project Planning & Management) from Egerton University. Mr. Gichuhi Njoroge is the immediate former Chief of Staff of Nakuru County government (2017-2022). He has progressive senior and executive management experience in Teaching, Administration and Leadership having held Senior Managerial role in various Public Institutions in Kenya. Other positions that he has held include: Nakuru Town East Constituency Manager; Acting Manager for Nakuru Municipality Board; Governor’s Representative in Nakuru County Bursary Fund and Supervisor of various Nakuru County Development Programs.</p>
<p>5.</p>	 <p>Mrs. Joyce Anyiso National Women Leader</p>	<p>Mrs. Joyce Anyiso joined Ubuntu Peoples Forum Party in the year 2021. She holds a Bachelors degree in Information Technology from Mount Kenya University. She was nominated to serve as a Member of County Assembly in Nakuru County. She is an avid community advocate and human rights defender and one of the champions advocating for women empowerment and Special Interest Groups economic support. She is currently UPF Party National Women Representative.</p>



<p>6.</p>	 <p>Mrs. Eunice Wambui Mamasoko National Rep. MSMEs</p>	<p>Mrs. Eunice Wambui Mamasoko is a graduate and holds a Bachelors degree in Leadership Management from St. Paul University. Mamasoko also holds a Diploma in Hotel Management and Catering from the Air Travel College in Nairobi. She also has a Diploma in Business Management from St. Paul University. She has a rich political experience spanning more than 15 years. In 2013, she was elected on a little known party in the name and style of Mazingira Party as a Member of Nakuru County Assembly against a strong political wave of Jubilee Party. She was elected in the speaker's panel serving as 2nd Deputy Speaker for a period of five years. Her name Mamasoko connotes someone who works with and understand the issues affecting the micro economies such as mama mboga, bodaboda etc. She is the current Secretary General of Nakuru County Markets with over 200,000 traders.</p>
<p>7.</p>	 <p>Mr. John T. Osiena National Minority Representative</p>	<p>John Tepelian Oseina was born in the year 1976 in Narok County. He went to Narok Boys High School and later joined Integrity School of Management to pursue a Diploma in Human Resources and Management. He has serves as a Paralegal with MPIDO organization, a Councillor in the defunct Nakuru Municipal Council from 2008-2013; He has also served as a Board Member of Nakuru County government. He is an active human rights defender and for many years he has advocated for the rights of minorities and indigenous peoples rights.</p>

<p>8.</p>	 <p>Mr. Moses R. Esekon National Marginalized Groups Rep</p>	<p>Mr. Moses R. Esekon is a Human Rights Defender advocating for gender equality and equal rights and opportunities for marginalized communities in Kenya. He has conducted several campaigns supporting the inclusion of marginalized communities like the Ogiek and Turkanas in County government affairs and jobs. Mr. Moses has a Bachelors of Arts in History. He has assisted the Party to design program initiatives to support marginalized communities participate in political processes.</p>
<p>9.</p>	 <p>Jeniffer Wambui Mwangi Dep. Secretary General</p>	<p>Mrs. Jeniffer Wambui Mwangi is a certified Social Science Data Analyst and Digital Communication expert. She holds a Bachelor of Arts degree in Community Development from Moi University; a Diploma in Secretariat and Front Office Management from Institute of Commercial Management. She is currently pursuing CPA certification courses. She has extensive community development knowledge having worked for several NGOs in Kenya. She is a youth's rights champion and she has dedicated her career to advocate for youth inclusivity in government affairs and political processes.</p>



10.	 <p>Mr. Peter Mugi Kinyanjui National Rep. of PWDS</p>	<p>Mr. Peter M. Kinyanjui holds a Bachelors of Arts degree in Sociology from Kenyatta University. He has over 20 years experience in disability inclusion. He has delivered various trainings and mentorship programs for several organizations in Kenya. He is the current National Representative of Persons Living With Disabilities for UPF Party. He has been instrumental in designing programs geared towards involving PWDs in political processes and civic duties.</p>
11.	 <p>Mr. Kenneth Kuria Mbaria National Youth Leader</p>	<p>Mr. Kenneth Mbaria is the CEO of Cactus Properties – a real estate company based in Nakuru and Nairobi. Born 36 years ago in Kipipiri Nyandarua County. He has a Diploma in Human Resource and Management from Mount Kenya University. He has previously worked as a Director of Nakuru Rural Water and Sanitation Company Ltd (NARUWASCO) for a period of 3 years from year 2021. He is a role model to many young entrepreneurs in the country and a Youth Leader who is passionate about creating opportunities for young people to grow and expand their horizons to build their capacities and address key issues in their communities and political decision making process.</p>

<p>12.</p>	 <p>Mrs. Sabina Owiti Dep. National Organizing Secretary</p>	<p>Mrs. Sabina Owiti is a Muslim Leader who is passionate about making a positive impact in her community, which led her to become a Councillor in the defunct Nakuru Municipal Council in year 2002 representing Kivumbini Ward. Her interests revolve around empowering women, Youth and PWDs; advocating for environment conservation and addressing the pressing issues of climate change. She has previously served as an accountant in Kenya Farmers Association (K.F.A). She holds a Diploma in Business Management and Administration from Kenya Institute of Management and holds C.P.A III.</p>
<p>13.</p>	 <p>Mrs. Monica Muthoni Mwangi Deputy National Women Leader</p>	<p>Mrs. Monica Muthoni Mwangi was appointed UPF Party Deputy National Leader in the year 2021. She holds a Bachelor of Commerce majoring in Human Resource Management from Kabarak University; a higher Diploma in Human Resources Management; a Diploma in Business Administration from Kenya Institute of Finance and Applied Management and a Certificate in Business Finance from European Business University Luxemburg. She is a compassionate community leader, having been elected as a youth President, with over 15 years of experience in government policies on Gender related issues, human rights, community development and champion of good governance. She has worked in several NGO's and taken lead in social work, research, monitoring and evaluation among others.</p>



4. Key Management Team

	Management	Details
1.	 <p>Mr. Njoroge Gichuhi Executive Director Masters in Business Administration</p>	<p>UPF Party Executive Director Area of Responsibility Managing the Affairs of the Party.</p>
2.	 <p>Mr. John Mwangi Director of Operations Masters in Business Administration</p>	<p>Director of Operations Area of Responsibility Operations and Outreach directorate.</p>

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3.	 <p>Mr. Vincent Oyuga Director of Finance and Administration Bachelor of Business and Information Technology, CPA II</p>	<p>Director of Finance and Administration Area of Responsibility Finance department.</p>
4.	 <p>Mr. George Ngugi Membership Officer Bachelor of Science in Political Science</p>	<p>Membership Officer Area of Responsibility Membership registration & compliance.</p>

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14.	 <p>Ms. Christian Wanjiku Receptionist Certificate in Hospitality Management</p>	<p>Receptionist Area of Responsibility Office admin.</p>
15.	 <p>Ms. Purity Karimi Office Assistant & Cleaner Diploma in</p>	<p>Office Assistant & Cleaner Area of Responsibility Office admin.</p>

5. Chairman's Statement

On behalf of the National Executive Council (N.E.C), I am pleased to present to you Ubuntu Peoples Forum (UPF) Party annual report and operating overview for the year ended 2022/23 prepared under the International Public Sector Accounting Standard (IPSAS). This report provides a detailed scope of activities undertaken by the Party during the period. It highlights Party's achievements, challenges and actionable strategies towards realization of the Party's Vision.

The N.E.C continue to hold comprehensive oversight role and financial controls which includes approval of programs and projects, partnership and resource mobilization; and ensuring that most of the Party's planned activities and projects are implemented as planned. First and above all else, our major activities for the year 2022/23 were to strengthen party structure, build Secretariat capacity, and mobilize citizens to register with the party and educate and encourage Special Interest Groups (SIGs) to participate in political and civic processes in the country.

During this period, the Party worked closely with the Office of the Registrar of Political Parties (ORPP) to ensure compliance with the Political Parties Act (PPA), 2011. With respect to Statutory Party Membership, the party carried out a mass membership registration drive that ensured we meet the minimum 1,000 party members in at least 24 counties. The Party also reconstituted the National Executive Committee (N.E.C) in compliance with the two third gender rule and updated its Website with all the relevant published documents.

On the promotion of SIGs in Parliament and County Assemblies programme funded by the Office of the Registrar of Political Parties (ORPP), the party organized several capacity building training workshops targeting Women, Youth and Persons With Disabilities (PWDs). Educational programs were also propagated through media and consultative forums such as barazas and community meetings. This was with the aim of encouraging citizens to participate in government affairs and political activities in order to hold elected leaders accountable and ensure they get value from their taxes.

The above activities that we successfully carried out are credited to the support we received from our Party Leader, N.E.C Members, UPF Secretariat, elected leaders, individual donors and the Office of the Registrar of Political Parties (ORPP) that provided us with the Political Parties Fund to implement the promotion of Special Interest Groups (SIGs) programme.

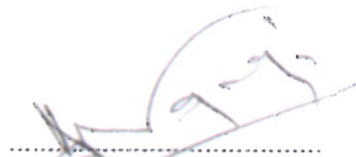
During financial year 2022/23, the party did experience financial difficulties due to the high inflation rates that resulted in reduction of donor support and delayed disbursement of Political

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Parties' Funds (which had also been reduced by over 40%). This adversely affected implementation of some of our annual work plan. To mitigate on these challenges, the party worked closely with members of the UPF Party members, donors and ORPP to ensure smooth running of the party, policies, programmes and operations.

This past year has seen particularly important achievements in the party such as compliance with PPA, 2011, implementation of PPF funded programme and development of different policies such as ICT Policy, Risk Management, Finance, HR and Procurement Policy. It is in this regard that I would wish to thank our Staff, Party Officials, ORPP and Donors for the continued support.

Thank You!



**HON. DAVID NGUGI,
CHAIRMAN**

NATIONAL EXECUTIVE COUNCIL (N.E.C)

6. Report of the Executive Director

On behalf of the management of UPF Party, it gives me great honour to have the opportunity to present to you the annual report and the audited Financial Statements for the year ended 30th June 2022/23.

In FY 2022/23, UPF Party underwent structural adjustments to improve on its systems and processes. The National Executive Council (N.E.C) was reconstituted in line with Article 27(8) of the Kenyan Constitution that states not more than two-thirds of all elective and appointive positions are not of the same gender. To optimize operations of the party, a comprehensive policy on ICT, Human Resources, Finance, Procurement and Risk Management was developed. The successes of the year were made possible by the efforts of the Party National Officials and Staff, Party supporters, donors and partners such as the Office of the Registrar of Political Parties (ORPP).

During the period under review, the Party implemented its annual work plan with support from donations and grants from the government through the Political Parties Fund (PPF). Notably, the party reviewed its Constitution and updated it to comply with the Political Parties Act, 2011 as advised by the ORPP. UPF National Executive Council was also reconstituted to adhere to the two-third gender rule. The N.E.C composition is currently composed of seventeen (17) members. Compliance is a continuous process entailing back and forth between the Party and regulators i.e. I.E.B.C, ORPP and Judiciary.

Additionally, the Party rolled out a mass membership registration drive in targeted counties that included Nyeri, Samburu, Taita Taveta, Tharaka Nithi, Embu, Kitui, Kwale and Turkana. The initiative aimed to register more youths, women and PWDs into the party with a focus of involving them in the political activities of the party and build their capacity to engage in politics and civic affairs in the country. However, it is clear that Special Interest Groups are still adversely affected by a lack of credible and transparent processes, yet they form the largest groups of electorates.

To support SIGs political participation in the country, ORPP through the political parties fund supported UPF Party to implement the project titled "Promotion of representation of SIGs in Parliament and County Assemblies". This was a one year project (2022-2023) designed by ORPP to improve participation and representation of women, youth and Persons With Disabilities (PWDs) in Parliament and County Assemblies affairs.

The project had key outcomes namely:

- i. Promoting representation of Special Interest Groups (SIGs) in Parliament and County Assemblies in Kenya.
- ii. Promoting active participation by citizens in political processes and civic duties.
- iii. Broadcasting policies and shaping public opinions.

The project engaged the SIGs to participate in Parliamentary and County Assemblies affairs by conducting the following activities:

- (i) Organizing capacity building trainings for UPF Party Women, Youth and PWDs Leagues;
- (ii) Produced and disseminated electoral, political education brochures, organized public barazas and forums to educate citizens on civic and political rights and participation;
- (iii) Engaged with media houses and social media platforms to enlighten the general public on UPF Party ideologies, agenda and policies;
- (iv) Providing technical support to UPF members of the Youth, Women and PWDs Leagues to advance their rights by working with various County Assemblies Committees and Members of County Assemblies (M.C.A.s) to advocate for review of discriminatory laws and push for SIGs friendly Finance Bill by County governments by exposing them to Civic and Political Education content.

The Party also supported the National Executive Council (N.E.C) to review the Party Constitution to make it gender sensitive constitution aimed providing a democratic constitution where all party members are involved in the decision making process of the party. The Party also partnered with several media stations to increase media outreaches to address the political inclusion barriers limiting SIGs from participating in electoral and political processes. Accordingly, the Party also adopted the use of Social Media Platforms for one-on-one engagements with Kenyan citizens via Whatsapp being the most popular platform used in the Party followed by Facebook, X (Formerly Twitter) and Youtube.

The project had important achievements as well as challenges that limited the achievement of desired outcomes. These challenges themselves are important contributions to the learning agenda around participation of SIGs in political life and civic duties.

The greatest challenge was lack of time as well as reduced funding to implement the promotion of representation of SIGs in Parliament and County Assemblies programme funded by ORPP. The grant awarded to UPF was very limited in size; this meant that activities had to be greatly reduced in terms of location i.e. confined within Nakuru County. The events themselves were not always easy

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to organize: at the beginning, County Assembly Members were in fact not keen on participating in the forums. However, strong facilitation allowed the forums to remain focused on concrete needs or issues.

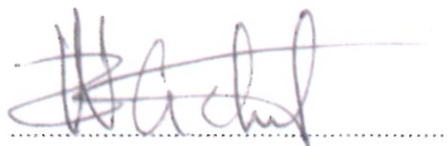
UPF Party managed to realize the following achievements in FY 2022/23:

- Increased representation of Special Interest Groups (SIGs) in UPF Party governance structure.
- UPF Women, Youth and PWDs league members empowered with the right knowledge to spearhead and transform policies and practices of the party.
- Increased public awareness on importance of Women, Youth and PWDs participation in Parliament and County Assemblies affairs.
- Revised UPF Constitution that reflects concerns and priorities of Women, Youth and PWDs.
- UPF Party discriminatory practices and attitudes are transformed to promote Special Interest Groups participation in decision making processes of the party.

Financial Performance

During FY 2022/23, total allocation to UPF Party amounted to K.sh. 1,197,853 Million which represented a decline of K.sh. 800,147. This reduction in Political Parties Funds arose from budget rationalization through supplementary budget. It's important to note that ORPP disbursed the funds in the month of June, 2023. Revenues from other incomes amounted to K.sh. 8,666,428. During the year, the Party expenses amounted to K.sh. 10, 798,834. The Net Financial Position of the party as at 30th June, 2023 was K.sh. 1,133,104.

Finally, let me take this opportunity to sincerely appreciate our National Executive Council (N.E.C), Staff, ORPP and Donors for your continued support in keeping our operations running seamlessly. I remain optimistic about the prospects of UPF Party. We have the right leaders to guide our operations and next face of growth. I can assure you that our members are committed to our purpose and great vision we share as a Party.



Njoroge Gichuhi
Executive Director

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7. Statement of Performance against Predetermined Objectives for FY 2022/2023

UPF Party develops annual work plans and budget to guide its operations. Assessment of the Party performance against its annual work plan is done on a quarterly basis. The Party achieved its performance targets set for FY 2022/2023 period as indicated below:

Objectives	Key Performance Indicator	Activities	Achievements
Review the existing Party Constitution. Reconstitution of UPF Party National Executive Committee.	Revised UPF Party Constitution. Reconstituted list of National Executive Committee members.	Aligning the Constitution with the Political Parties Act, 2011.	UPF Party revised Constitution in line with Political Parties Act, 2011. National Executive Committee reconstituted to comply with the 2/3 gender rule.
Branding & Renovations of Ubuntu House to modern standards.	Aesthetic look of Ubuntu House. Photos.	Fencing, and painting Ubuntu House.	Ubuntu House painted and compound fenced.
To register at least 1000 members in all the 47 Counties.	Integrated Party membership register.	Direct grassroots engagement activities aimed at registering people to UPF Party.	The Party managed to register more than 1,000 members in more than 24 Counties.
Promoting representation of Special Interest Groups in Parliament and County Assemblies.	No. Of legislation developed. No. of workshops, list of participants, photos, training manuals	Conduct capacity strengthening forums for UPF Youth, Women and PWDs	Enhanced Women, Youth and PWD's participation in political life and

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	developed.	Leagues in political processes and governance system.	civic duties.
Promoting active participation by citizens in political life and civic education.	No. of people participating in County governments affairs like budget making processes, list of participants, photos.	Organize public forums to enhance more registration of UPF members. Conduct political and civic education at grassroots levels.	Active participation by citizens in political processes and National and County government affairs.
Broadcasting policies & shaping public opinion.	No. of media sessions, recordings.	Engage with media houses such as community radios and television network to inform and increase the coverage on proposed bills, policies and UPF Party positions.	Deepened societal understanding of policies and participation in political processes.
	No. of manuals, brochures and posters developed. Samples of the brochures.	Development of electoral manuals, training materials, brochures and posters.	Increased citizens' participation in UPF Party electoral processes and activities.

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Institutional development and system strengthening of UPF Party to enhance its capacity to deliver its mandate.	No. of Staff and Officials trained. No. of training.	Training of Staff to address capacity gaps. Development of policies and regulations.	UPF Party Secretariat capacity developed.
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8. Corporate Governance Statement

National Delegates Congress (NDC)

Delegates Congress (NDC) is the highest organ of the Party. NDC reviews, approves all policies, decides on any resolution that may be duly submitted in accordance with the Party's Constitution. The meeting of the NDC includes Ordinary sessions and Special sessions. Ordinary sessions are convened every five years while Special sessions are convened by National Executive Council (N.E.C) upon request in writing by at least one third of the entire delegates at the preceding National Delegates Congress.

National Executive Council (N.E.C)

The National Executive Council (N.E.C) is the second highest decision making organ of the Party. It is the governing organ of the Party and consists of all National Officials, Chairperson of the Party Elections Committee, and Chairperson of Board of Trustees, Chairpersons of Standing Committees and Party Executive Director who is an Ex-Officio Member. The N.E.C acts as the Executive body of the National Delegates Congress and to ensure that all decisions and policies made are duly carried out and implemented by the Party and its Secretariat.

The N.E.C delegates the day-to-day running of the Party to the Executive Director of the Party who is assisted by the members of the Secretariat.

National Executive Council Meetings

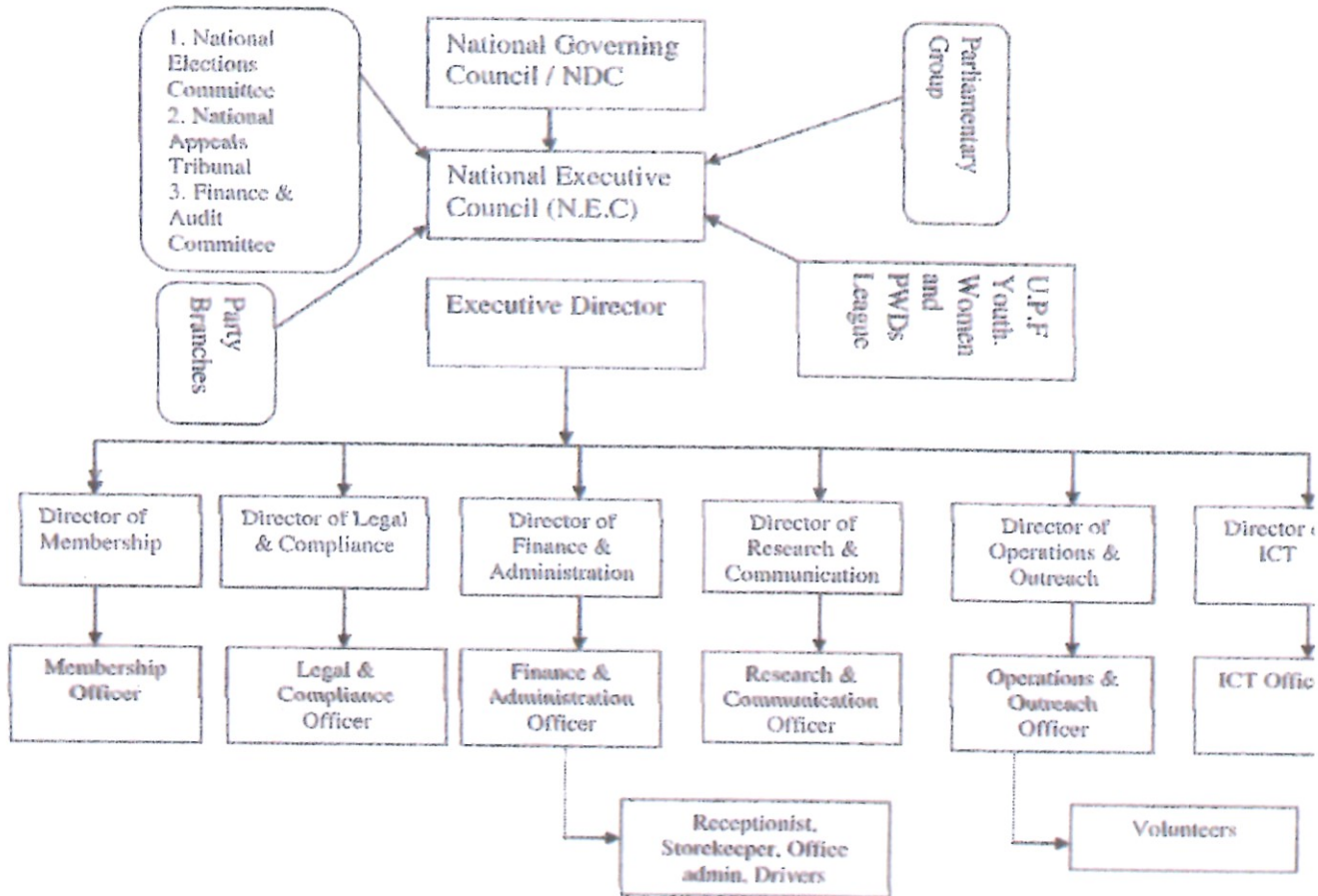
The N.E.C meets quarterly to monitor the implementation of the UPF Party annual work plan. The N.E.C also plays an oversight role over all the financial and operational issues. During the year, the N.E.C held four meetings for the FY 2022/23. The attendance of the meetings is as below:

S/no	Date of the meeting	Venue	Attendance
1.	12 th October 2022	Ubuntu House	9 Persons
2.	23 rd November 2022	Ubuntu House	11 Persons
3.	9 th March 2023	Ubuntu House	11 persons
4.	4 th July 2023	Ubuntu House	13 Persons

The N.E.C is composed of diverse and seasoned professional in various sectors. In addition, the N.E.C has complied with the gender diversity requirement, with a third of the members being one gender.

9. Governance Structure of Ubuntu Peoples Forum (UPF) Party

UBUNTU PEOPLES FORUM (UPF) PARTY STRUCTURE



10. Management Discussion and Analysis

Ubuntu Peoples Forum Party is an entity funded by the National Government and Party members and affiliates. This means its performance therefore depends on funding availed from the Political Funds Kitty administered by the Office of the Registrar of Political Parties (ORPP) and Well Wishers.

a. Financial Performance

The Party budgetary allocation for FY 2022/23 from the Political Parties Fund (PPF) kitty was Kshs. 1,197,000 but the Party received Kshs. 999,302 for the period ended 30th June, 2023 and Kshs. 8,666,428 from donations and contributions from members. The total revenue realized during the year ended 30th June 2023 was Kshs. 9,665,730.

The total expenditure incurred during the year was Kshs. 10,798,104, compared with Kshs. 9,831,304.75 incurred during the FY 2022/23 representing a growth of Kshs. 966,799.25 in expenditure incurred.

b. Operations Performance

During the year, the Party continued to execute its mandate of promotion of Special Interest Groups (SIGs) in political parties and processes, promoting participatory democracy and responsible government in Kenya; attain power through democratic and constitutional means and ensure the rights of each member of the society to participate in decision making in an open and democratic manner among other roles performed by political parties.

During the year, the Party undertook several activities that include:

- Organized capacity building trainings for UPF Party Women, Youth and PWDs League.
- Developed, produced and disseminated civic and political education manuals.
- Organized public barazas and forums to educate citizens on civic and political rights and participation.
- Engaged with media houses to enlighten general public on UPF Party ideologies, agenda and government policies and bills.
- Carried out membership registration drive in selected counties in Kenya.

During the period under review, the Party complied with all the regulatory and legal requirements which affect its operations. Best example is the Political Parties Act, 2011.

The major challenges that faced the Party during the period include:

a. Operations challenges:- these includes various factors that contribute to failures in execution of our operations and may degrade the overall operations of the organization. During the period, the Party faced the following challenges:

- Low political participation by Party Candidates / Aspirants.
- Reduction in party donations to support party activities.
- Low staff.
- Loss of data and information.

The Party mitigated the risks by ensuring periodic risk assessment, monitoring and evaluation at regular intervals and maintaining regular backup and recovery processes.

b. Financial challenges: in the period under review, the Party faced budgetary constraints due to budget cuts by the national government. The Political Funds allocation to the party was reduced by around 40% which affected its activities and programmes. The delayed disbursement of funds by the Office of the Registrar of Political Parties (ORPP) contributed to delay executions of Party planned activities for the period under review.

These risks were mitigated by ensuring that there was value for money for services and products procured, planning terms of finance with suppliers and service providers and seeking support from sister parties and well wishers.

The Party plans to improve the promotion of Special Interest Groups in Party activities and decision making and better include them in UPF Party life:

- i. Adopt a holistic Special Interest Groups (SIGs) strategy for Political Parties.
- ii. Give SIGs prominent roles and provide them adequate resources to participate fully in Party affairs.
- iii. Run capacity building trainings for Special Interest Groups in all counties in Kenya.
- iv. Priorities policies that is relevant to SIGs in Party programmes and in Party election rules and regulations.
- v. Ensure Party policies are based on research and promote them in easy to read, clean and exciting messaging.
- vi. Ensure SIGs presentation in all Party governance structures.

c. Environmental and Sustainability Reporting / Corporate Social Responsibility Statement

Nakuru City just like other cities in Kenya faces serious environmental challenges due to a number of factors that include but not limited to: unsustainable migration of people into the city, poverty, unemployment which results in informal businesses that are not environmentally friendly, poor sanitation due to poor housing models, deforestation and unsustainable agricultural practices. To help address these challenges, UPF Party participated in various environmental conservation activities within Nakuru County as the pilot county.

During the period, UPF Party organized various environmental conservation sensitization forums in schools and helped to organize students who have interest in and concern of the environment into environmental clubs in collaboration with local NGOs. The Party donated a variety of tree seedlings to several public primary and secondary schools. The Party collaborated with a number of locally based community organizations to promote environmental conservation initiatives. Specifically, the Party partnered with a number of schools to:

- Provide students with opportunities to learn more about their surroundings, participate in service projects such as garbage collection at schools and the surrounding community.
- To promote environmental awareness and develop social and life skills.
- To increase student awareness of environment issues and empower them to make a change.
- To provide opportunities for students to become directly involved in a variety of projects relating to environment.
- To support schools with a variety of tree seedlings to plant and grow them in their schools in an effort to increase tree cover in Nakuru County.

UPF Party is committed to the prevention of environmental pollution and is in compliance with relevant environmental laws in the area it operates as a minimum standard and seeks to implement best practices wherever possible. As part of its Corporate Social Responsibility, the Party donated over 5,000 tree seedlings in various schools in collaboration with local NGOS and Community Based Organizations (CBOs) to support them in protecting the environment.

**Ubuntu Peoples Forum Party
Annual Report and Financial Statements
for the year ended June 30, 2023.**

d. Report of the National Executive Committee (N.E.C)

The N.E.C submits their report together with the audited financial statements for the year ended June 30, 2023, which show the state of UPF Party affairs.

i) Principal activities

The principal activity of UPF Party is to ensure the right of everyone to a life of dignity and respect, to ensure livelihood, security and prosperity for all. Our belief enshrines responsibility and accountability for all members of the society irrespective of their positions in life. We stand for a society that functions equality and fairness for all: that I can't and should not prosper at the expense of others; and my prosperity is your prosperity.

ii) Results

The results of the UPF Party for the year ended June 30, 2023, are set out on page 1.


iii) Directors

The members of the Board of Directors who served during the year are shown on page 3.

iv) Auditors

The Auditor-General is responsible for the statutory audit of UPF Party in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 to carry out the audit of UPF Party for the year / period ended 30th June, 2023.

On behalf of the National Executive Council


.....

Samuel Kinya Rukahu
Secretary General

Date: 3rd April 2024

c. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and Article 31 of the Political Parties Act, 2011 require the National Executive Council (N.E.C) to prepare financial statements in respect of that of Ubuntu Peoples Forum (UPF) Party, which gives a true and fair view of the state of affairs of UPF Party at the end of every financial year and the operating results of that particular year. The National Executive Council are also required to ensure that the Party keeps proper accounting records which disclose reasonable accuracy of financial position of the Party. The N.E.C is also responsible for safeguarding the assets of the Party.

The responsibilities of the National Executive Council include:

- i. Preparation and presentation of UPF Party financial statements, which give a true and fair view of the state of affairs of Ubuntu Peoples Forum Party for and as at the end of the financial year ended on 30th June, 2023;
- ii. To receive and estimate budgetary proposals and authorize and oversee the expenditure thereof;
- iii. Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- iv. Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and ensuring they are effective.
- v. Maintaining proper records of the income, expenditure, assets and liabilities which disclose with reasonable accuracy at any time the financial position of UPF Party.
- vi. Safeguarding the assets of UPF Party.
- vii. To develop and implement appropriate policies to guide the operations of the Party.

The National Executive Council accepts responsibility for UPF Party financial statements, which have been prepared using appropriate accounting policies supported by prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012.

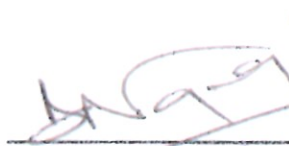
The N.E.C members are of the opinion that UPF Party financial statements give a true and fair view of the state of the Party transactions during financial year ended 30th June, 2023, and UPF Party Financial Position as at that date. The N.E.C further confirms the completeness of the accounting records maintained for UPF party, which have been relied upon to in the preparation of UPF Party financial statements as well as the adequacy of the systems of the internal financial controls.

**Ubuntu Peoples Forum Party
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for the year ended June 30, 2023.**

Nothing has come to the attention of the National Executive Council (N.E.C) to indicate that Ubuntu Peoples Forum Party will not remain solvent for at least the next twelve (12) months from the date of this statement.

Approval of the financial statements

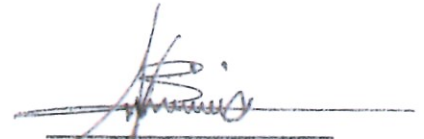
Ubuntu Peoples Forum Party Financial Statements were approved by the N.E.C on July 2023 and signed on its behalf by:



**Hon. David Ngugi
National Chairman**



**Samuel Kinya Rukahu
Secretary General**



**Sylvester Njihia Nyoike
National Treasurer**

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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 UBUNTU PEOPLES FORUM PARTY FOR THE YEAR ENDED 30 JUNE, 2023

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 the 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

Adverse Opinion

I have audited the accompanying financial statements of Ubuntu Peoples Forum Party set out on pages 1 to 32, which comprise of the statement of financial position as at 30 June, 2023, and the statement of financial performance, statement of changes in net

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

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of the Ubuntu Peoples Forum Party as at 30 June, 2023, 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 do not comply with the Public Finance Management Act, 2012 and the Political Parties Act, 2011.

Basis for Adverse Opinion

1. Unconfirmed Opening Revenue and Expenses Balances

The statement of financial performance reflects comparative total revenue and expenses of Kshs.10,100,000 and Kshs.9,831,304, respectively resulting in a surplus of Kshs.268,696. However, the revenue and expenses were not supported with receipt and payment vouchers.

In the circumstances, the accuracy, completeness and validity of the revenue and expenses balances of Kshs.10,100,000 and Kshs.9,831,304, respectively could not be confirmed.

2. Unsupported Revenue from Public Contributions and Donations

The statement of financial performance reflects revenue from public contributions and donations of Kshs.9,665,730. However, documents in support of the revenue disclosed in the statement were not provided for audit. Further, corresponding Note to explain the balance was not disclosed.

In the circumstances, the accuracy and completeness of the revenue of Kshs.9,665,730 could not be ascertained.

3. Unsupported Administration Expenses

The statement of financial performance reflects administration expenses of Kshs.4,624,381 as discloses in Note 4 to the financial statements. The amount includes training and seminar and motor vehicle running expenses of Kshs.505,780 and Kshs.1,296,055 respectively. However, documents in support of the expenditures were not provided for audit.

In the circumstances, the accuracy and completeness of administration expenses of Kshs.4,624,381 could not be ascertained.

4. Unsupported Establishment Expenses

The statement of financial performance reflects establishment expenses of Kshs.4,947,661 as disclosed in Note 3 to the financial statements. The amount includes repair and maintenance and rent and lease expenses of Kshs.106,125 and Kshs.4,646,000 respectively. However, documents in support of the expenditures were not provided for audit.

In the circumstances, the accuracy and completeness of establishment expenses of Kshs.4,947,661 could not be ascertained.

5. Ownership of Motor Vehicles

The statements of financial position and as disclosed in Note 16 of the financial statements reflects property, plant and equipment balance of Kshs.4,051,094. The amount includes two (2) motor vehicles with a net book value of Kshs.3,206,250. The two motor vehicles were donated to the Party and are included in the asset register. However, the log books and transfer documents in respect of the motor vehicles were not provided for audit.

In the circumstances, the ownership, completeness and accuracy of the property, plant and equipment balance of Kshs.4,051,094 could not be confirmed.

6. Unsupported Payables Balance

The statement of financial position reflects payables balance of Kshs.261,643. However, the balance was not supported with any ledger and/or unpaid invoices and aging analysis. Further, corresponding Note to explain the balance was not disclosed.

In the circumstances, the accuracy and completeness of the payables balance of Kshs.261,643 could not be confirmed.

7. Unsupported Capital Reserves Balance

The statement of financial position reflects capital reserve balance of Kshs.5,686,600. However, the balance was not supported by cash book, schedule/ledger on how it had accumulated over the years. Further, corresponding Note to explain the balance was not disclosed.

In the circumstances, the accuracy and completeness of the capital reserve balances of Kshs.5,686,600 could not be ascertained.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Ubuntu Peoples Forum 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 did not obtain sufficient and appropriate audit to provide a basis for my adverse opinion.

Emphasis of Matter

Unaudited Comparative Balances

I draw your attention to the fact that prior to the 2022/2023 financial year, only the financial statements of political parties funded from public funds were being audited pursuant to Article 229(4)(f) of the Constitution of Kenya, which mandates the Auditor-General to audit political parties funded from public funds. Although the financial statements presented for audit reflect comparative balances for the year ended 30 June, 2022, 2022/2023 financial year is considered as the first year of audit hence the audit procedures undertaken did not cover the prior year's balances.

My opinion is not modified in respect of this matter.

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.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Presentation and Disclosure of the Financial Statements

Review of the financial statements presented for audit revealed that the table of contents on Report of the Directors is indicated to be at page xxxiv. However, page xxxiv contains the Report of the National Executive Committee. Further, the statement of financial performance, the statement of changes in net assets and the statement of cashflows were signed but not dated. In addition, the financial statements are not signed by an accountant with an ICPAK membership number.

In the circumstances, the financial statements and annual reports do not comply with the reporting template.

2. Late Submission of Financial Statements

The Ubuntu People's Forum Party annual report and financial statements for the year ended 30 June, 2023 were submitted on 09 November, 2023, more than one month after the statutory deadline contrary to Section 84(3) of the Public Finance Management

Act, 2012 which states that not later than three months after the end of each financial year, the administrator of a National Public Fund shall submit the financial statements prepared under this Section to the Auditor-General.

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

3. Non-Compliance with Law on Establishment of Party Offices

During the year under review, thirty-eight counties (38) were visited in March, 2024 to verify the existence of County offices, However, it was found that the Party has only one office which excludes offices in the nine (9) Counties not visited. This is contrary to Section 7(f)(iii) of the Political Parties Act, 2011 which states that a political party shall be qualified to be fully registered if it has submitted to the Registrar the location and addresses of the branch offices of the political party, which shall be in more than half of the Counties.

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

4. Lack of Procurement Plan

Management did not provide an approved procurement plan and no explanation was given on how the suppliers were identified, what procurement method was used and how the contracts were awarded. This is contrary to Section 53 of the Public Procurement and Asset Disposal Act, 2012 which provides that all procurements must be based on a procurement plan prepared by the entity for each financial year.

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

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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, based on the audit procedures performed, I confirm that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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 processes and systems of internal control, 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 control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error 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 sustain 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 dissolve 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 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 controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 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 control 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 controls 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 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 control.
- 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 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 Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

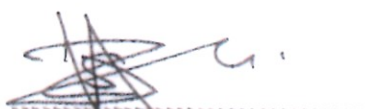
14 June, 2024

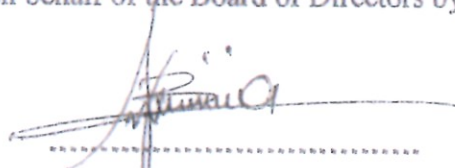
Ubuntu Peoples Forum - Party
Annual Report and Financial Statements
for the year ended June 30, 2023.


g. Statement of Financial Performance for the year ended 30th June 2023

	Notes	2022 - 2023	2021 - 2022
		Kshs	Kshs
Revenue from non-exchange transactions			
Public contributions and donations	7	8,666,428	10,100,000
Transfers from other governments entities	6	999,302	-
Total Revenue		9,665,730	10,100,000
Expenses			
Employee costs	8	2,231,460	2,159,850
Rent Paid		4,646,000	4,646,000
Depreciation and amortization expense	10	1,223,322	1,616,173.75
Repairs and maintenance	11	106,125	120,670
General Expenses	9	786,622	580,631
Training and Seminars		505,780	105,920
Motor Vehicle Running Expense		1,296,055	597,210
Finance costs	12	3,470	4,850
Total expenses		10,798,834	9,831,304.75
Surplus/ (deficit)before tax		(1,133,014)	268,695.25
Taxation		-	-
Surplus/(deficit) for the period/year		(1,133,014)	268,695.25

The transfer from government was utilized in the subsequent FY 2023/2024. The notes set out on pages 8 to 70 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 7 were signed on behalf of the Board of Directors by:


.....
Samuel Kinya Rukahu
Secretary General


.....
Sylvester Njihia Nyoike
National Treasurer


.....
Hon. David Ngugi
National Chairperson

.....
Date

.....
Date

.....
Date

**Ubuntu Peoples Forum - Party
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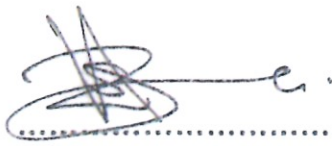
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for the year ended June 30, 2023.

h. Statement of Financial Position as at 30 June 2023

	Notes	2022 - 2023	2021 - 2022
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	13	1,032,740.00	1,050,379.00
Total Current Assets		1,032,740.00	1,050,379.00
Non-Current Assets			
Property, Plant and Equipment	16	4,051,094.25	5,274,416.25
Total Non- Current Assets		4,051,094.25	5,274,416.25
Total Assets		5,083,834.25	6,324,795.25
Liabilities			
Current Liabilities			
Trade and Other Payables	17	(261,643.00)	(359,500.00)
Total Current Liabilities		(261,643.00)	(359,500.00)
Total Liabilities		(261,643.00)	(359,500.00)
Net Assets			
Reserves		5,686,600.00	5,686,600.00
Accumulated Surplus		(864,408.75)	268,695.25
Total Net Assets		4,822,191.25	5,965,295.25
Total Net Assets and Liabilities		4,822,191.25	5,965,295.25

The financial statements set out on pages 1 to 7 were signed on behalf of the Board of Directors by:

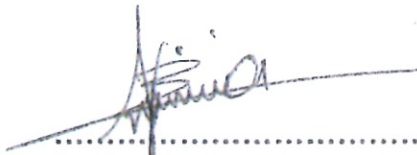
Ubuntu Peoples Forum - Party
Annual Report and Financial Statements
for the year ended June 30, 2023.



Samuel Kinya Rukahu
Secretary General

3rd April 2024

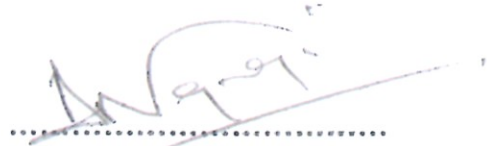
Date



Sylvester Njihia Nyoike
National Treasurer

03-04-24

Date



Hon. David Ngugi
National Chairperson

3rd April 2024

Date

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i. Statement of Changes in Net Assets for the year ended 30 June 2023

Description	Ordinary share capital	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Proposed dividends	Capital/ Development Grants/Fund	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As at July 1, 2021	-	-	-	-	-	-	-
Surplus / Deficit for the year	-	-	-	268,695.25	-	-	268,695.25
As at June 30, 2022	-	-	-	268,695.25	-	-	268,695.25
As at July 1, 2022	-	-	-	268,695.25	-	-	268,695.25
Surplus / Deficit for the year	-	-	-	(1,133,104.00)	-	-	(1,133,104.00)
As at June 30, 2023	-	-	-	(864,408.75)	-	-	(864,408.75)

Note:

- i. There was an outstanding payable totalling to Kshs. 268, 695.25. There was an error in posting the transaction in the ledger.


  

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17. Statement of Cash Flows for the year ended 30 June 2023

	Notes	2022 - 2023	2021 - 2022
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other governments entities	6	999,302.00	-
Public contributions and donations	7	8,666,428.00	10,100,000.00
Total receipts		9,665,730.00	10,100,000.00
Payments			
Employee costs	8	2,231,460.00	2,159,850.00
Rent Paid		4,646,000.00	4,646,000.00
Repairs and maintenance	11	106,125.00	120,670.00
General Expenses	9	786,622.00	580,631.00
Training and Seminars		505,780.00	105,920.00
Motor Vehicle Running Expense		1,296,055.00	597,210.00
Finance costs	12	3,470.00	4,850.00
Total payments		9,575,512.00	8,215,131.00
Net cash flows from/(used in) operating activities		90,218.00	1,884,869.00
Cash flows from investing activities			
Purchase of Property & Equipments		-	-
Proceeds from sale of Assets		-	-
Net cash flows from/(used in) investing activities		-	-
Cash flows from financing activities			
Repayments of payables		107,857.00	834,490.00
Net cash flows from financing Activities		107,857.00	834,490.00
Net increase/(decrease) in cash & Cash equivalents		(17639.00)	1,050,379.00
Cash and cash equivalents at 1 July	14	1,050,379.00	-
Cash and cash equivalents at 30 June	14	1,032,740.00	1,050,379.00

(PSASB has now prescribed the direct method of cash flow presentation for all entities under the IPSAS Accrual basis of accounting).

 The bottom of the page features several handwritten signatures and initials in blue ink. On the left, there is a signature that appears to be 'M. G. G.'. In the center, there is a signature that looks like 'Aminda' with a '6' written below it. On the right, there is a circular stamp or signature that is partially obscured and difficult to decipher.

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18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2023

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs a	Kshs b	Kshs C=(a+b)	Kshs d	Kshs e=(c-d)	f=d/e*100
Revenue						
Transfers from Other Governments entities	1,998,000.00	800,147.00	1,197,853.00	999,302.00	198,551.00	83.42%
Public Contributions and Donations	10,000,000.00	133,572.00	9,000,000.00	8,666,428.00	333,572.00	96.29%
Total Income						
Expenses						
Employee costs	2,250,000.00	20,000.00	2,230,000.00	2,231,460.00	(1,460.00)	100%
Rent Paid	5,000,000.00	300,000.00	4,700,000.00	4,646,000.00	54,000.00	98.85%
Repairs and maintenance	120,000.00	10,000.00	110,000.00	106,125.00	3,875.00	96.48%
General Expenses	780,000.00	20,000.00	800,000.00	786,622.00	13,378.00	98.33%
Training and Seminars	450,000.00	50,000.00	500,000.00	505,780.00	(5,780.00)	101%
Motor Vehicle Running Expense	1,200,000.00	100,000.00	1,250,000.00	1,296,055.00	(46,055)	103%
Total Expenditure	9,800,000.00	500,000.00	9,590,000.00	9,572,042.00	17,958.00	99.81%
Surplus /deficit for the period	200,000.00	(366,428.00)	(590,000.00)	(905,614.00)	315,614.00	
Capital Expenditure	0	0	0	0	0	

Budget notes

1. Promoting the representation of Special Interest Groups project funded by ORPP activities to progress in next FY 2023/2024.

19. Notes to the Financial Statements

1. General Information

Ubuntu Peoples Forum - Party is established by and derives its authority and accountability from Political Parties Act, 2011. The Party is wholly owned by the Government of Kenya and is domiciled in Kenya. UPF Party activity is to ensure the right of everyone to a life of dignity and respect, to ensure livelihood, security and prosperity for all by enabling them to participate in government affairs.

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 UPF's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the UPF Party. This financial statement has been prepared in accordance with the PFM Act, the State Corporations Act and Political Parties Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

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 2023.*

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>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.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • 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; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • 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. <p><i>The amendments did not have an effect on UPF Party Financial Statements.</i></p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the</p>

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Standard	Effective date and impact:
	<p>financial statements and general-purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the Entity.</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</p> <p><i>The amendments did not have an effect on UPF Party Financial Statements.</i></p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>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.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p> <p><i>The amendments did not have an effect on UPF Party Financial Statements.</i></p>
<p>Other improvements to IPSAS</p>	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008). • <i>IPSAS 39: Employee Benefits.</i> Now deletes the term composite social security benefits as it is no longer defined in IPSAS. • IPSAS 29: Financial instruments: Recognition and Measurement. Standard no longer included in the 2023

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Standard	Effective date and impact:
	<p>IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p> <p><i>The amendments did not have an effect on UPF Party Financial Statements.</i></p>

Notes to the Financial Statements (Continued)

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

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>The amendments did not have an effect on UPF Party Financial Statements.</i></p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><i>The amendments did not have an effect on UPF Party Financial Statements.</i></p>

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iii. Early adoption of standards

UPF Party did not early-adopt any new or amended standards in the year 2022/2023.

Notes to the financial statements (continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

The Party recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Entity and the fair value of the asset can be measured reliably.

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Entity and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

The Entity recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to UPF Party.

Interest income

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

b) Budget information

The original budget for the Year 2022/2023 was approved by the National Assembly. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Entity recorded additional appropriations of **Ksh. 999,302** on the 2022/23 budget following the governing body's approval.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Budget information (continued)

UPF Party 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 actual as per the statement of financial performance has been presented under Section VI of these financial statements.

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 Party 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. The Party is funded by the government through the Office of the Registrar of Political Parties through transfers and government grants which is not subject to tax.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Sales tax

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

i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

ii) When receivables and payables are stated with the amount of sales tax included
The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 30 year period.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition.

Transfers are made to or from investment property only when there is a change in use.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

e) 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, UPF Party 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.

Class	Name	Estimated useful life	Rate
1	Motor Vehicles	4 Years	25%
2	Computers	3 Years	30%
2	Furniture & Equipments	8 Years	12.5%

f) Leases

The Party does not have a finance lease. The Party has an operating lease for office space and the lease does not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Party. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight line basis over the lease term.

g) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

h) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. UPF Party does not have any hedge relationships and therefore the new hedge accounting rules have no impact on UPF Party's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

a) Financial assets

Classification of financial assets

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

i) Nature and purpose of reserves

UPF Party creates and maintains reserves in terms of specific requirements.

j) Changes in accounting policies and estimates

The Party recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

k) Employee benefits

Retirement benefit plans

The Party does not provide retirement benefits for its employees and directors. The party is in the process of employing permanent staff to run the operations of the Party. Sufficient plan to pay employees contributions is currently been developed.

l) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

m) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

n) 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 National Executive Council, the Executive Director and Senior Managers.

o) Service concession arrangements

The Party analyses all aspects of service concession arrangements that it enters in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the Party 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.

p) 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 KCB Bank 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.

q) Comparative figures

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

r) 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, 2023.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual value

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the Entity.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

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Notes to the Financial Statements (Continued)

6. Transfers Ministries, Departments and Agencies (MDAs)

Name of MDA transferring the Funds	Date Received	Quarter	Amount recognised to statement of Financial Performance	Total transfers 2022-2023	Prior Years 2021-2022
			KShs	KShs	KShs
Registrar of Political Parties	29.06.2023	1 st	499,651.00	499,651.00	-
Registrar of Political Parties	29.06.2023	2 nd	499,651.00	499,651.00	-
Total			999,302.00	999,302.00	-

7. Public Contributions and Donations

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Other Public Donations (Members contributions, nominations fees, Well-wishers support)	8,666,428.00	10,100,000.00
Total – other public donations	8,666,428.00	10,100,000.00

8. Employees Cost

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Employees wages	2,231,460.00	2,159,850.00
Employees costs	2,231,460.00	2,159,850.00

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9. General Expenses

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
License and Insurance	93,000.00	93,000.00
Electricity & water	102,536.00	99,021.00
Professional fee	50,000.00	50,000.00
Travelling & Accomodation	219,100.00	132,650.00
Printing & Stationeries	26,836.00	25,810.00
Branding	223,150.00	108,650.00
Internet	72,000.00	71,500.00
Total	786,622.00	580,631.00

10. Depreciation and Amortization Expense

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Property, plant and equipment	1,223,322.00	1,616,173.75
Total depreciation and amortization	1,223,322.00	1,616,173.75

11. Repairs and Maintenance

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Ubuntu House repairs and maintence	106,125.00	120,670.00
Total Repairs and Maintenance	106,125.00	120,670.00

12. Finance Costs

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Bank charges / fees	3,470.00	4,850.00
Total finance costs	3,470.00	4,850.00

13. Cash and Cash Equivalents

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Current Account	1,032,740.00	1,050,379.00
Total Cash And Cash Equivalents	1,032,740.00	1,050,379.00

14. Detailed Analysis of Cash and Cash Equivalents

Financial Institution	Account number	2022 - 2023	2021 - 2022
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1294054392	1,032,740.00	1,050,379.00
Total		1,032,740.00	1,050,379.00

15. Receivables from Non-Exchange Transactions

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Other debtors (non-exchange transactions)	999,302.00	-
Total receivables from non- exchange transactions	999,302.00	0

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16. Property, Plant and Equipment

Cost	Land & Building Kshs	Water Dispenser Kshs	Motor vehicles Kshs	Furniture and fittings Kshs	Computers Kshs	Printer Kshs	Tent & Kettle Kshs	Total Kshs
As At 1 July 2021	-	9,495.00	5,700,000.00	548,000.00	242,000.00	280,000.00	111,095.00	6,890,590.00
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-	-	-	-
As at 30 th June 2022	-	9,495.00	5,700,000.00	548,000.00	242,000.00	280,000.00	111,095.00	6,890,590.00
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
As at 30 th June 2023	-	9,495.00	5,700,000.00	548,000.00	242,000.00	280,000.00	111,095.00	6,890,590.00
Depreciation And Impairment								
At 1 July 2022	-	1,186.88	1,425,000.00	68,500.00	72,600.00	35,000.00	13,886.87	1,616,173.75
Depreciation	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfers/ Adjustments	-	-	-	-	-	-	-	-
As At 30 th June 2023	-	1,038.50	1,068,750.00	59,937.50	50,820.00	30,625.00	12,151.00	1,223,322.00
Depreciation	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
As at 30 th June 2023	-	2,225.38	2,493,750.00	128,437.50	123,420.00	65,625.00	26,037.87	2,839,495.75
Net Book Values								
As at 30 th June 2022	-	8,308.12	4,275,000.00	479,500.00	169,400.00	245,000.00	97,208.13	5,274,416.25
As at 30 th June 2023	-	7,269.62	3,206,250.00	419,562.50	118,580.00	214,375.00	85,057.18	4,051,094.25

No Valuations were done as U/PF Party does not own buildings nor land

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16 (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:

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Motor Vehicles	5,700,000.00	2,493,750.00	3,206,250.00
Computers And Related Equipment	251,495.00	125,645.38	125,849.62
Office Equipment, Furniture, And Fittings	939,095.00	142,482.87	718,994.68
Total	6,890,590.00	2,761,878.25	4,051,094.25

17. Trade and Other Payables

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Payables	261,643.00	369,500.00
Total payables	261,643.00	369,500.00

16. Financial Risk Management

The Party's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Party'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 Party's financial risk management objectives and policies are detailed below:

i) Credit risk

The Party has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables,

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estimated by the Entity's management based on prior experience and their assessment of the current economic environment.

Financial Risk Management

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:

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2023				
Receivables from non-exchange transactions	9,665,730.00	9,665,730.00	0.00	0.00
Bank balances	1,032,740.00	1,032,740.00	0.00	0.00
Total	10,698,470.0 0	10,698,470.0 0	0.00	0.00
As at 30 June 2022			0.00	0.00
Receivables from non-exchange transactions	-	-	0.00	0.00
Bank balances	1,050,379.00	1,050,379.00	0.00	0.00
Total	1,050,379.00	1,050,379.00	0.00	0.00

Notes to the Financial Statements (Continued)

Financial Risk Management

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Entity has significant concentration of credit risk on amounts due from Members. The National Executive Council sets the Party's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Party's N.E.C, 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 Party 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.

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2023				
Payables	0.00	0.00	261,643.00	261,643.00
Total	0.00	0.00	261,643.00	261,643.00
As at 30th June 2022				
Payables	0.00	0.00	369,500.00	369,500.00
Total	0.00	0.00	369,500.00	369,500.00

Notes to the Financial Statements (Continued)

Financial Risk Management

iii) Market risk

The Party 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 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. Party'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 Party's exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

The Party has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The Party manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

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Notes to the Financial Statements (Continued)

17. Segment Information

UPF Party operates 24 branch offices in 24 counties which are most funded by Party Aspirants / Candidates in general elections.

18. Contingent Assets and Contingent Liabilities

UPF Party currently does not have contingent Assets and Contingent Liabilities.

19. Events after the Reporting Period

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

20. Ultimate And Holding Entity

The Party is a State Corporation/ or a Semi- Autonomous Government Agency under the Office of the Registrar of Political Parties. Its ultimate parent is the Government of Kenya.

21. Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

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Appendix I: Implementation Status of Auditor-General's Recommendations

Please annexed find the management comments on all issues raised by Auditor General.

