

KENYA NATIONAL CONGRESS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2016

Kenya National Congress
Report and Financial Statements
For the year ended 30th June 2016

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***Kenya National Congress
Report and Financial Statements
For the year ended 30th June 2016***

PARTY'S INFORMATION

NATIONAL EXECUTIVE COUNCIL

Onesmus Mbali

Chairman

Ogembo Masese

National Secretary General

REGISTERED OFFICE:

KENYA NATIONAL CONGRESS,
Arcade House, 1st Flr RM108
P. O Box-76651-00508,
Nairobi.

BANKERS

Equity Bank Limited
Queensway Branch
Nairobi.

Statement of Party Officials Responsibilities

The Political Parties Act 2012 requires the Party Officials to prepare financial statements which give a true and fair view of the state of affairs of the Party as at the end of its operating results for that year. It also requires that Party Officials ensure that the Party maintains proper accounting records which disclose, with reasonable accuracy, the financial position of the Party.

The Party officials accept responsibility for the annual financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, and also in conformity with International Financial Reporting Standards and the requirements of the Political Parties Act 2012. The Party Officials are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the party as at 30th June 2016 and of its operating results for the period then ended.

The Party Officials further accept responsibility for the maintenance of the accounting records which have been relied upon in the preparation of the financial statements as well as on the adequacy of the systems of internal financial controls.

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

This statement is approved by the Party Officials and signed on their behalf by:

Chairman

Secretary General

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STATEMENT OF RECEIPTS AND EXPENDITURE

	NOTES	<u>2016</u> <u>Kshs</u>	<u>2015</u> <u>Kshs</u>
RECEIPTS	7	2,252,886	2,250,061
EXPENDITURE			
Administrative Expenses	8	1,931,120	2,240,000
Party Policy & Advocacy	9	569,651	703,974
Surplus/ (Deficit)/ for the year		<u>(247,885)</u>	<u>(693,913)</u>

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STATEMENT OF ASSETS AND LIABILITIES

	Notes	<u>2016</u> <u>Kshs</u>	<u>2015</u> <u>Kshs</u>
Non Current Assets			
Property Plant and Equipment	2	1,214,734	1,397,698
		<u>1,214,734</u>	<u>1,397,698</u>
Current Assets			
Debtors & Prepayments	3	369,300	369,300
Cash & Bank Balances	4	32,400	47,321
Total Current Assets		<u>401,700</u>	<u>416,621</u>
Current Liabilities			
Creditors & Accruals	5	225,000	175,000
Total Current Liabilities		<u>225,000</u>	<u>175,000</u>
Net Current Assets		<u>176,700</u>	<u>241,621</u>
		<u>1,391,434</u>	<u>1,639,319</u>
FINANCED BY:			
Accumulated Fund	6	1,391,434	1,639,319
		<u>1,391,434</u>	<u>1,639,319</u>

The Financial Statements were approved by the Party Officials onday of
.....20.....and were signed on its behalf by:

Chairman
National Secretary General
Treasurer

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ACCUMULATED FUND STATEMENT

	<u>2016</u> <u>Kshs</u>	<u>2015</u> <u>Kshs</u>
	Accumulated Fund	Accumulated Fund
As At 1st January	1,639,319	2,333,232
Surplus/ (Deficit) for the year	(247,885)	(693,913)
Accumulated Funds as at 30th June	<u>1,391,434</u>	<u>1,639,319</u>

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STATEMENT OF CASH FLOWS

	<u>Note</u>	<u>2016</u> <u>Kshs</u>	<u>2015</u> <u>Kshs</u>
Surplus/ (deficit) for the year		(247,885)	(693,913)
Adjustments for Non Cash Movements			
Add: Depreciation		<u>182,964</u>	<u>213,144</u>
Changes in Working Capital			
Debtors & Prepayments	3	-	490,700
Creditors & Accruals	5	<u>50,000</u>	<u>(290,000)</u>
Net cash flows from operating activities		(14,921)	(280,069)
Cash flows from operating activities			
Property & Equipment	2	<u>-</u>	<u>-</u>
Cash generated from Investing Activities		-	-
Cash Generated from Financing Activities			
Cash flows from Financing Activities		<u>-</u>	<u>-</u>
		-	-
Net Changes in Cash & Cash Equivalents		(14,921)	(280,069)
Cash & Cash Equivalents as at 1st July 2015		47,321	327,390
Cash and Cash equivalents as at 30th June 2016		32,400	47,321

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards.

Basis of Accounting

The financial statements have been prepared under the historical cost convention . The principal accounting policies adopted remain unchanged from the previous year and are set out below:

Currency

The accounts are prepared in Kenya Shillings (Kshs) which is the official currency of the Republic of Kenya

Accounting period

The party prepares its accounts for 12 months period ending 30th June every year.

Fund Recognition

Income represents membership fees from party members and disbursement from the registrar of political parties during the period.

Country of Incorporation and Registered Office

The Political Party is registered in Kenya, under the Political Party's Act and domiciled in Kenya.

Principal Acitivity

The Party deals with recruitment of party members

Translation of Foreign Currencies

Assets and Liabilities at the statement of Financial Position date which are expressed in foreign currencies are translated into Kenya Shillings at rates ruling at that date.

Cash & Cash Equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise of cash in hand and deposits held at call with banks.

ACCOUNTING POLICIES-CONTINUATION

CRITICAL JUDGEMENTS & ESTIMATES

In the process of applying party's accounting policies, the party officials have made estimates and assumptions that affect the reported amounts and of assets and liabilities within the next financial period. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances as disclosed below;

Property and Equivalent

Critical estimates are made by the Party Officials in determining the useful lives and depreciation rates for the property and equipments.

Fair Values

The National Executive Council consider that there is no material difference between the fair value and carrying value of the Party's financial assets and liabilities where fair value details have not been presented.

Depreciation

Fixed assets are stated at cost less accumulated depreciation.

Depreciation is calculated on reducing balance method to write off the cost of the assets over their expected useful lives

Depreciation rates applicable

Furniture & Fittings	12.50%
Computers	30.00%
Office Equipment	12.50%

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NOTES CONTINUED

2. PROPERTY, PLANT & EQUIPMENT	Furniture & Fittings Kshs.	Computers Kshs.	Office Equipment Kshs.	Total Kshs.
YEAR ENDED 30TH JUNE 2015				
COST/VALUATION				
As at 1st July 2014	2,319,873	226,160	314,995	2,861,028
Additions	-	-	-	-
As at 30th June 2015	2,319,873	226,160	314,995	2,861,028
YEAR ENDED 30TH JUNE 2016				
COST/VALUATION				
As at 1st July 2015	2,319,873	226,160	314,995	2,861,028
Additions	-	-	-	-
As at 30th June 2016	2,319,873	226,160	314,995	2,861,028
YEAR ENDED 30.06.2015				
DEPRECIATION				
1st of July 2014	941,748	158,796	149,642	1,250,186
Charge for the year	172,266	20,209	20,669	213,144
	1,114,014	179,005	170,311	1,463,330
YEAR ENDED 30.06.2016				
DEPRECIATION				
1st of July 2015	1,114,014	179,005	170,311	1,463,330
Charge for the year	150,732	14,146	18,085	182,964
	1,264,746	193,152	188,397	1,646,294
NET BOOK VALUE				
As At 30th June 2016	1,055,127	33,008	126,598	1,214,734
As At 30th June 2015	1,205,859	47,155	144,684	1,397,698

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	2016	2015
	Kshs	Kshs
3. Debtors and Prepayments		
Rent Deposit	347,300	347,300
Electricity Deposits	13,000	13,000
Water Deposits	9,000	9,000
	369,300	369,300
4. Cash & Bank Equivalents		
Equity Bank	-	-
Cash in Hand	32,400	47,321
	32,400	47,321
5. Creditors & Accruals		
Accountancy Fees	225,000	175,000
Accrued Rent	-	-
	225,000	175,000
6. Accumulated Fund		
As at 1st of July	1,639,319	2,333,232
Surplus for the year	(247,885)	(693,913)
As at 30th June	1,391,434	1,639,319
7. Income		
Donations/ Membership & Nomination fees	2,252,886	2,250,061
Registra of Societies	-	-
	2,252,886	2,250,061
8. Administrative Expenses		
Rent	624,010	624,010
Salaries	532,010	672,301
Electricity & Water	57,320	63,701
Printing & Stationery	199,720	294,510
Telephone, Postage & Internet	62,101	73,014
Repairs & Maintenance	13,571	57,210
Provision for Accountancy Fees	100,000	100,000
Licences & Permits	8,000	8,000
Bank Charges	7,014	3,410
Provision for Depreciation	182,964	213,144
Cleaning & Sanitation	137,010	127,200
Legal fees	7,400	3,500
	1,931,120	2,240,000

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NOTES CONTINUED

	2016	2015
	Kshs	Kshs
9. Party Policy & Advocacy		
Transport reimbursement	43,170	73,240
Party rebranding & launching	92,700	158,014
Centre for MultiParty Democracy	50,000	50,000
Recruitment Drives	193,240	93,700
Security	178,200	195,300
Mobilization	12,341	133,720
	569,651	703,974