


REPUBLIC OF KENYA



Enhancing Accountability

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REPORT	
DATE: 19 SEP 2024	
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CLERK-AT THE-TABLE:	VIVIAN WAMBUI

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THE AUDITOR-GENERAL

ON

THE SERVICE PARTY

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

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

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Revised 14th March, 2024



THE SERVICE PARTY (TSP)

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)**

**Annual Report and Financial Statements
for the year ended June 30, 2023**

Table of Contents	Page
1. Acronyms, Abbreviations and Glossary of Terms.....	iii
2. Key TSP Information and Management.....	iv
3. The National Governing Council (NGC).....	x
4. Key Management Team.....	xiii
5. Chairman's Statement.....	xiv
6. Report of the Chief Executive Officer/Director, Internal Affairs.....	xv
7. Statement of Performance against Predetermined Objectives for FY 2022/2023.....	xvii
8. Corporate Governance Statement.....	xx
9. Management Discussion and Analysis.....	xx
10. Corporate Social Responsibility, Environmental and Sustainability Reporting.....	xxii
11. Report of the National Governing Council.....	xxiii
12. Statement of NGC's Responsibilities.....	xxv
13. Report of the Independent Auditor for the Financial Statements of The Service Party.....	xxvii
14. Statement of Financial Performance for the year ended 30 June 2023.....	1
15. Statement of Financial Position as at 30 June 2023.....	2
16. Statement of Changes in Net Assets for the year ended 30 June 2023.....	3
17. Statement of Cash Flows for the year ended 30 June 2023.....	4
18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2023.....	5
19. Notes to the Financial Statements.....	6

**Annual Report and Financial Statements
for the year ended June 30, 2023**

1. Acronyms, Abbreviations and Glossary of Terms

A: Acronyms and Abbreviations

CMD- Centre for Multiparty Democracy
NCW – National Working Committee
NEC – National Executive Council
NGC – National Governing Council
ORPP – Office of the Registrar of Political Parties
PPF – Political Parties Fund
SG – Secretary General
TSP – The Service Party

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.

**Annual Report and Financial Statements
for the year ended June 30, 2023**

(a) Background information

The Service Party was fully established under the Political Parties Act, 2011 on June 20th 2020 after meeting the full requirements of the constitutive Act under the Office of Registrar of Political Parties (ORPP).

The National Governing Council (NGC) is responsible for the general policy and strategic direction of the Party.

Principal Activities

The principal activity of The Service Party is to endeavour to win Kenya’s general elections democratically in order to establish government or be a strong player in government in support of multipartyism and the rule of law.

As stated in our constitution, our founders, and indeed members reiterated several critical founding principles guiding principles.

DEEPLY INSPIRED by the enormous sacrifices that the freedom fighters and forefathers made to attain the independence of the Republic of Kenya;

Recognizing that on such hard-won freedom lies the foundation of a just and democratic government, deriving its powers from the consent and general consensus of the people;

AWARE of the tremendous burden borne daily by the ordinary Kenyan, in supporting national and devolved governance of this nation, in order for us all to attain the status of a developed country;

COMMITTED to support devolution to foster democratic and accountable exercise of power for national unity by recognizing diversity through provision of alternative leadership opportunities;

ENSURING the achievement of equality of all Kenyans and recognizing the need for equitable opportunities for all citizens;

BELIEVING in the self-manifest truth that unity is an important ingredient for the attainment of a happy and prosperous society;

INTENT on striving towards a national state where the welfare of each one of us is the concern of all of us and striving to improve the state of all citizens and the unique place of women, persons living with disabilities and all other special interest groups and minorities;

**Annual Report and Financial Statements
for the year ended June 30, 2023**

CONVINCED of the importance of agriculture, intellectual property rights, manufacturing and sustainable development in creating employment and wealth for the people of Kenya.

COMMITTED to the cause of gender equality, which is critical for social inclusion and women empowerment;

DEDICATED to the promotion of the youth agenda on education, talent development, employment, enterprise and leadership;

COGNIZANT of the need for participation of the people in the national agenda and policy formulation;

DRIVEN by the urge to serve the people of Kenya;

RESOLVED TO FORM and solemnly embrace **THE SERVICE PARTY** as a grassroots national political party to promote and actualize the ideals and aspirations of the people of Kenya of unity, equity, social justice, gender parity, wealth creation, democracy, good governance, accountability, devolution and sustainable development.

Vision

The Party's vision is 'a Kenya that respects the national values and principles of governance; is food secure; industrialized and prosperous.

The Party's mission is to mobilize and organize the people of Kenya towards the realization of good governance, devolution, food security, prosperity, constitutionalism and rule of law as we deliver sustainable development to all.

1. Promoting national unity in diversity;
2. Strengthening and supporting devolution of public resources and services;
3. Promotion and support of equity, reliable social welfare services and social justice by the needs of vulnerable groups within society, including women, older members of society, persons with disabilities, children, youth, members of minority or marginalised communities, and members of particular ethnic, religious or cultural communities;
4. Promoting and supporting gender equality;
5. Prioritizing medical research, technology, and manufacturing to achieve universal and affordable healthcare;
6. Prioritizing agriculture as the basis for all transformation in Kenya by allocating significant resources to support farmers, focus on agri-technology, intellectual property rights, agribusinesses using value-chain approach;
7. Equipping the population with market driven education, knowledge, skills, and technology;
8. Providing clean, safe, affordable, and adequate domestic and irrigation water; and reasonable standards of sanitation;

**Annual Report and Financial Statements
for the year ended June 30, 2023**

9. Promoting sustainable development and clean environment to mitigate against adverse effects of climate change; and
10. Identifying and pursuing national interests and peaceful co-existence with other nations.

(b) Key Management

TSP's day-to-day management is under the following key organs:

The *Service Party's management* is under the following key organs:

- National Governing Council (NGC)
- National Executive Council (NEC) and
- National Working Committee (NWC)

(c) Fiduciary Management

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

1.	Secretary General	Dr. Mwenda Makathimo
2.	National Chairman	Mr. Brown Munyoroku Kariuki
3.	National Treasurer	Ms Naum Tororey
4.	Director, Internal Affairs/CEO	Ms Wambui Kimathi

**Annual Report and Financial Statements
for the year ended June 30, 2023**

(d) Fiduciary Oversight Arrangements

- **Management Committee**

An experienced certified public accountant is contracted to support the National Working Committee as the Management with corporate governance advisory services. The management is itself an accomplished team made up of individuals with extensive management experience and practice. This team has ensured that the Party operates in a sustainable way and is cognizant of the relevant fiduciary responsibility of publicly funded body.

- **Regulatory and Legal Requirements** of the relevant laws governing political parties and the Code of Conduct of the Party provide the necessary guidance for ensuring compliance at all levels of the party's operations.

- **Risk Management Policy**

The Party has continued to emphasize the responsibility that all party members and especially those in leadership positions bear in ensuring that the operations of the party are carried out in an environment that respects sustainability.

As a political party, TSP operates in an environment where there are risks that can affect our ability to serve our members and clients and maintain/protect our assets and property sustainably.

Managing these risks to ensure that the Party remains healthy is therefore a necessary imperative. Providing a working space that meets the necessary standards of order and safety to the benefit of volunteers, members, partners, and service providers is a commitment that the Management has continued to prioritize.

Further, the necessary controls including making well considered decisions that are inclusive and respectful is a practice that the Management bears and reminds its constituents to volunteer information that may be inimical to such practices that may expose the Party to operational risks.

We strive to live by our founding motto – **'We Care'** by being people-centred in our decisions demanding reciprocity from volunteers, members, and partners.

Purpose

**Annual Report and Financial Statements
for the year ended June 30, 2023**

The purpose of these set of practices is to ensure that the risks to The Service Party are identified, analysed, and managed to prevent them from escalating to unmanageable risks.

- **Other oversight arrangements**

The National Executive Committee (NEC) is also available to review reports and offer the necessary oversight to the NGC and NWC.

(e) TSP Headquarters

P.O. Box 776-00618
Daphton Court,
Riverside Drive, Apt No. C10
NAIROBI, KENYA

TSP Contacts

Telephone: (254) 700 179 179 798-002 002
E-mail: info@tsp.co.ke or theserviceparty@gmail.com
X:@THESERVICEPARTY
Website: www.tsp.co.ke

(f) TSP Bankers (all banks)

EQUITY BANK
CORPORATE BRANCH
FOURWAY TOWERS
BOX 75104-00200
NAIROBI, KENYA

(g) Principal Legal Adviser

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

**Annual Report and Financial Statements
for the year ended June 30, 2023**

(h) Independent Auditor

Auditor-General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

(i) Principal Legal Adviser

The Attorney General

State Law Office and Department of Justice






Harambee Avenue

P.O. Box 40112





City Square 00200

Nairobi, Kenya


**Annual Report and Financial Statements
for the year ended June 30, 2023**

		academy that will nurture young talent into paying careers.
5.		<p>Ms. Emma Mwhaki Kibiro Deputy Chairperson (Operations)</p> <p>She is a Research Scientist with vast experience in the field. Holds a Master of Science Degree in Mycology (Univ of Eldoret), a Bachelor of Science Degree in Microbiology (Moi Univ) and a Bachelor of Laws from Mount Kenya University. Currently pursuing a PhD in Plant Pathology.</p> <p>Has previously worked as Research Officer at Nyandarua County Assembly, and Expert Reviewer at Vick Agricare and as a Research Scientist at the National Museums of Kenya.</p>
6.		<p>Mr. Shadrack Saibulu Wenger National Deputy Chairperson (Programs)</p> <p>Holds a Bachelor's Degree in Education (Kenyatta University). Has over seven years of working experience.</p>
7.		<p>Ms. Fatuma Rashid National Women's League Leader</p> <p>She has extensive experience in community work. She has previously been a Nominated MCA in Kwale County (2013-2017). She is currently in private business.</p> <p>She holds a Diploma in County Governance and Management from KCA University.</p>
8.		<p>Mr. John Gitonga Director of Elections</p> <p>He has extensive experience at leadership and directorship levels of public and corporate bodies. He has been a Marketing Director in various companies including Skylark Africa Insurance Brokers, General Manager, TaTa Division, Marshalls East Africa and is currently Chair and CEO Global Destination Tours and Travel.</p> <p>He holds a Bachelor of Science in International Business Administration (USIU).</p>
9.		<p>Ms. Naum Tororei National Treasurer</p> <p>She holds CPA II and ACCA I certifications from Kabete and Jeffrey College respectively.</p> <p>Over the last 16 years, Naum has acquired vast knowledge and experience in the marine business becoming a notable authority</p>

**Annual Report and Financial Statements
for the year ended June 30, 2023**

Ref	Directors	Details
1.		<p>Hon Mwangi Kiunjuri, EGH, MGH Founding Member and Party Leader. Currently a Member of the National Assembly for Laikipia East serving his 4th term having served as MP from 1997-2002, 2003-2007 & 2008-2012.</p> <p>He has also been an Assistant Minister and a Cabinet Secretary. He has interest in manufacturing and real estate.</p> <p>Holds an Executive MBA (USIU) and a Bachelors Degree in Education (Maseno University).</p>
2.		<p>Hon Susan Ngugi Mwindu Deputy Party Leader (Strategy). Currently the County MP for Tharaka Nthi County. She has previously served as an elected Member of the County Assembly, Tharaka Nthi – 2017-2022 representing Marimanti Ward.</p> <p>Significant Expertise and Skills In Community Development, Project Management, Social Analysis and Action, and Rehabilitative Medicine.</p> <p>Holds a Master’s Degree in Sociology (Egerton University) and a Bachelors Degree in Psychology and Sociology (Kenyatta University). Has worked as Child Officer in Ministry of Gender, Children and Social Services.</p>
3.		<p>Dr. Mwenda Makathimo Secretary General. He is a renowned land expert, who hails from Central Imenti, Meru County, and brings a world of experience in leadership.</p> <p>He has a wide experience on issues relating to environmental management, policy development, land management and administration, land and urban economics, governance, assets and property valuation, real estate management boundary delimitation and mapping.</p> <p>Holds a Bachelor of Arts degree in Land Economics, a Masters of Arts in Valuation and property Management and a Doctorate in Environmental Policy from the University of Nairobi.</p>
4.		<p>Mr. Brown Munyoroku Kariuki National Chairman and Founding member</p> <p>As an entrepreneur, Brown has a wealth of experience in leadership with investments Events Management, General supplies, and Transport.</p> <p>He plays an active role in support of children’s homes, persons with disability, and the elderly. His vision is to develop a talent</p>

**Annual Report and Financial Statements
for the year ended June 30, 2023**

		in an industry few women have dared to venture into.
10.		<p>Ms. Wambui Kimathi CEO/Director, Internal Affairs Has over 33 years of experience in busy, top leadership-level, high-pressure job offices including an advisor at a Cabinet Secretary's Office, a County Secretary, a Commissioner at a National Human Rights Institution, a Consultant Advisor in Business & Human Rights, a Senior Programs Coordinator and Deputy Director in busy Non-Governmental Organizations handling national level assignments.</p> <p>Strong public policy experience, organizational and tasks prioritizing abilities invaluable while working in multi-institutional, multi-disciplinary and multi-stakeholder environments.</p> <p>Post Graduate Fellowship in Public Policy – Hubert Humphrey Fellow – American University, Washington, DC - School of International Service ACCA Diploma in Financial Management - June 2002 Postgraduate Diploma in Mass Communication – University of Nairobi, School of Journalism, and a Bachelor of Art – University of Nairobi.</p> <p>She has undertaken extensive executive skills development including in Development Evaluation, Programs Management and Leadership.</p>

**Annual Report and Financial Statements
for the year ended June 30, 2023**

	Management	Details
	Dr. Mwenda Makathimo	Secretary General Overall Accounting Officer
	Mr. Brown Kariuki Munyoroku	National Chairman Support and direction for day to day running of the Party
	Ms. Wambui Kimathi	Chief Executive/Director, Internal Affairs – Overall management of the Party and Coordination of party organs activities.

**Annual Report and Financial Statements
for the year ended June 30, 2023**

The amendments to the Political Parties Act in the lead up to the General Elections of 2022 breathed a new life to political parties. From funding of only three political parties to 48 post the 2022 elections. I am delighted that as a new entrant, our Party was able to join this group of parties that attained the threshold of accessing Political Parties Fund.

It is because of these amendments that on behalf of TSP I am pleased to present our Annual Financial Report for the year ending June 30, 2023.

As a party, we believe in our **10 Points Plus Agenda 2022 & Beyond** which seeks to build structures that will hasten and fully support sustainable social and economic development of our people. This will continuously improve the well-being, equity, and equality across society with a particular concern for the most disadvantaged and vulnerable persons.

As a growing political party, we participated for the first time, in Kenya's General Elections 2022 where we got Two National Assembly seats and 10 County Assembly seats. We take pride in our active membership and are determined to continue building strong frameworks to provide diverse opportunities to our members and supporters.

The year ending June 30, 2023, has been an extremely difficult economically. Major budget cuts for political parties necessitating scaling down of our intended activities. As a country, we are experiencing tough economic times with a high cost of living. This is making political engagement with members and supporters very difficult.

However, TSP remains exuberant that the times ahead will be more bearable and that as we forge ahead the Party will grow stronger and attractive to Kenyans. We invite our members and well-wishers to support the Party to give it the necessary force to position itself more strategically.



Brown Munyoroku Kariuki

NATIONAL CHAIRMAN

Annual Report and Financial Statements for the year ended June 30, 2023

Having been registered as a political party in June 2020, only two years ahead of the 2022 General Elections, we are delighted that following our first participation in a general election, we performed well enough to qualify for public funding.

We are therefore presenting our first financial report as a publicly funded party For Year Ended June 30th, 2023 with some measure of satisfaction and pride in pursuance to the requirements of the International Public Sector Accounting Standards. This process has been didactic and full of lessons for managing a strong, sustainable political party.

During the year, the Party has among other things been involved in the following:

1. Moving the Party Headquarters from Upper Hill Nairobi to its current premises on Riverside Drive, Nairobi. This shifting of offices has enabled us to manage costs to accord with the available budget.
2. Development of compliance and procedures and policies including the Party's **Diversity and Inclusion Strategy, TSP 10 Points Plus Agenda for 2022 and Beyond, and Guidelines and Notes for Internal Services Management.**
3. Preparation of books of accounts to meet the standards required for audit purposes.
4. Keeping the Party engaged in activities and meetings of partners such as the Office of the Registrar of Political Parties, the Centre for Multiparty Democracy (CMD) to which the party became a member by virtue of having elected members to County and National Assemblies and the party's own organs meetings including those with volunteers, the National Governing Council, the National Working Committee (NWC), and National Executive Council (NEC).
5. Post-election party positioning
6. Legislative support for research and development of a think-piece on "Towards A More Representative Electoral System for Kenya"

As a nascent political party, we marshalled our effort and ensured that we met the compliances required by the various statutes in accomplishing the following tasks:

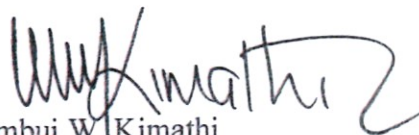
- Development and submission of acceptable Work Plan and budget FY ending June 2023 for purposes of accessing Political Parties Funding (PPF). Under this work through legislative work by our Party Leader, we began the implementation of our 10 Plus Points Agenda No 5 – Equality of the Vote.

**Annual Report and Financial Statements
for the year ended June 30, 2023**

While the party desired to accomplish more programs related to the workplan and 10 Points Plus Agenda, we were constrained by severe budget cuts. In the first communication from the ORPP about our funding from Political Parties Fund, we had been allocated the amount of KES 10.6M. This was cut by 40.05% to KES 6,323,230 necessitating a significant downsizing of the budgeted activities. It is worth noting that whereas the law requires that at least 0.3% of the national revenue be appropriated for the Political Parties Fund, this has not happened over the years undermining the stability of political parties.

We are grateful to those of our founding and sustaining members that have on occasions come through for the party contributing approximately KES 3.4M during the year under review. We expect that they will continue supporting the Party going forward. Further, we expect contributions from our elected members in the coming financial year.

It is my hope that the Party will continue growing strong in readiness for its second cycle of electoral competition. Finally, I would like to assure Kenyans, TSP members and supporters that we remain committed to our clarion call of '**Built to Last.**'



Wambui W. Kimathi

CEO/DIRECTOR, INTERNAL AFFAIRS

Annual Report and Financial Statements for the year ended June 30, 2023

Introduction

In the lead up to the 2022 General Elections, TSP developed what it presented to Kenyans as its Development Agenda dubbed ‘TSP 10 PLUS POINTSAGENDA’ that condensed the key issues the party would pursue and support whether in government of as a distinct party. (See www.tsp.co.ke – downloads).

It is from this Agenda that TSP anchors the key party activities including deriving its annual workplans from for implementation to ensure that it remains accountable to its promises.

However, because of the challenge of resources, the party membership contributions are insignificant while funding from PPF has become unreliable due to the huge budgetary cuts experienced during the year in review. (FY 2022-2023 we experienced a budget cut from the PPF of close to 40%), after we had developed workplans in expectation of the full amount.

Our commitment as a Party is to do what we can with what is available by being strategic about how we engage partners on whom we can piggyback. During the year in review, we have accomplished a number of objectives by implementing with and through other partner organizations such as the our elected members, Centre for Multiparty Democracy, and other organizations of goodwill.

Our expectation is that the National Treasury will at some point honour the law that requires that 0.3% of national revenue (audited) be allocated to political parties. Recognizing that the health of our democracy is as good as that of the political institutions that mobilize, and shape political discourses and choices is a challenge that our government must face and resolve.

These challenges notwithstanding, the table below represents the progress of the 2022-2023 Work Plan.

**Annual Report and Financial Statements
for the year ended June 30, 2023**

Initiative	Strategic Objective	Outcome	Indicator	Performance	Comments
Fully established and competitive political party	Participate and attain credible performance in the 2022 General Elections	Well-resourced political party with elected leaders able to articulate and drive the party agenda	No. of members recruited, candidates elected and sustained legal compliance	Presented over 260 candidates drawn from counties across the country in the 2022 General Elections and qualified for public funding.	As the party grows, we expect to attract greater funding for to enable us to undertake more implantation of our 10 Points Plus Agenda.
Increase the involvement of Special Interest Groups both at the Party and in the country's politics.	Develop an approach to enable the party to engage and involve SIGs in its activities and political work	Contribute to greater elevation of issues of representation by ensuring greater diversity and inclusion of SIGs	Existence of a roadmap for diversity and inclusion	Developed and adopted and published a TSP Diversity and Inclusion Strategy	
Continuous capacity building of the party leadership	Convene the party leadership to assess post-2022 performance and draw a plan for the way forward	Enhance team spirit and create cohesion in the leadership team	No. of convenings and reports thereof.	Convened the key party organs and drew a way forward on various issues for the short-term	Two convenings are pending for training on corporate governance
Position and maintain the	Engage in key public	Active engageme	Evidence of Participatio	Research of the key issues	

**Annual Report and Financial Statements
for the year ended June 30, 2023**

Initiative	Strategic Objective	Outcome	Indicator	Performance	Comments
party presence in national and county affairs	affairs to drive the party TSP 10 Plus Points Agenda	nt of elected members	n in political parties' events Maintaining our party brand Availability of branded materials	of equal representation Presented a Bill to amend IEBC Act to enhance issues of representation . Party Memorandum to the Bi-Partisan Committee (Bomas) Participated and in several forums (CMD, ORPP)	

Annual Report and Financial Statements for the year ended June 30, 2023

Our Party recognizes that its wholesome wellbeing as a going concern is predicated on the good management of its various organs through known systems and processes. Our ambition is to grow the TSP to occupy impactful space in Kenya's political terrain. We therefore keep reminding ourselves of the key tenets that we must keep in our leadership sight – our members, volunteers, voters, our mission, processes, and performance that is people-centred.

As a nascent political party (three years old since becoming fully registered in June 2020), TSP is committed to growing its corporate governance structures to be able to meet its commitment to grow into an effective and accountable political party and in compliance with the provisions of the Code on Corporate Governance.

The Chief Executive Office/Director, Internal Affairs is responsible for the effective and efficient operations of the TSP Secretariat. The CEO therefore manages the upstream and downstream organizational issues by ensuring there are consultations with the governance bodies cited above. In the year under review, they met two times physically and more than four times virtually. In this regard we thank the NGC members for their commitment as we always attained the necessary quorum for the scheduled meetings.

As the senior manager, the CEO/Director Internal Affairs, acts as the liaison office between the Office of the Registrar of Political Parties, (ORPP) ensuring that meets the legal obligations relating to the Political Parties Act, 2022 and other management requirements by the ORPP. Further, the CEO coordinates the party's governing organs ensuring that the bodies and individuals are briefed adequately to make governance decisions they must make for implementation by the Secretariat.

As a political party, officials are not always available for consultations. In recognition of this, TSP provided in its constitution Article 20 provided for a National Working Committee (NWC) with the role acting on behalf of NGC and NEC matters where the two bodies cannot be convened quickly enough to undertake such urgent decisions and convening short notice executive meetings to execute the mandate of NEC or such other as may be delegated by the NGC. This way, the effectiveness of the party is assured.

At this nascent stage, we have undertaken to strengthen, through corporate governance training members of our governing organs and we have occasionally sent them to training forums organized by the ORPP.

We recognize that good corporate governance requires continuous growth and nurturing which TSP is committed

**Annual Report and Financial Statements
for the year ended June 30, 2023**

As a party intent on playing an impactful role in the governance of Kenya, our commitment is to invest in systems and practices that assure our members and Kenyans at large of our reliability, sustainability, and good political leadership.

We have therefore ensured that despite the major financial constraints, we have been responsible enough to comply with both financial and statutory obligations. We have taken the deliberate decision to operate a lean volunteer base to run the coordinating office (the Party Headquarter) and have no pending bills or outstanding legal cases.

Our operational and financial performance has therefore been satisfactory as evidenced by our subsequent financial statements.

Annual Report and Financial Statements for the year ended June 30, 2023

Our commitment to be a socially responsible member of society is anchored on our twin campaign tenets of **'We Care'** and **'Built to Last'**. Operationalizing these two tenets has meant that we act responsibility towards our internal and external stakeholders by acting respectfully, avoiding the pitfalls of political violence and recognizing our civic duty as a Party.

As we grow institutionally, we expect to undertake projects and activities NOT for their political correctness, but for the meaningful impact they expected to bear on the citizens of Kenya. This way, our we believe we shall deliver on our social responsibility.

On environmental and sustainable development, The Service Party appreciates the place of sustainable environment and identifies itself with Kenya's commitment to climate action commitments. On its part therefore a shared understanding that its activities must never be harmful to our environment and sustainable development exists.

As stated in its founding statement on our philosophy, TSP is established as a **national grassroots party (one that organizes people in a particular ward, sector, community, or region as the basis of its political work)** to provide political leadership and harness influence that is exercised for the **common good** and attainment of **social justice and inclusivity**.

TSP believes that good, committed and vision-led leadership can make a difference in and for our communities. At the heart of our commitment to Kenyans is the pursuit of social justice and human dignity for all.

This commitment to the wellness of communities is in our view a strong anchor in the pursuit of good environmental and sustainable development practices.

Annual Report and Financial Statements for the year ended June 30, 2023

Four years since our Party became fully registered in June 2020 as a political party in Kenya, we are pleased that we have made appreciable progress in ensuring compliance with the constitutive Act and now with the accounting standards required by the International Public Sector Accounting Standards.

It is our ambition and commitment to keep growing Party that is institutionally sustainable and politically viable. We are in a good place.

The Service Party (TSP) was established as a **national grassroots party (one that organizes people in a particular ward, sector, community or region as the basis of its political work)** to provide political leadership and harness influence that is exercised for the **common good** and the attainment of **social justice** and **inclusivity**.

We believe that good, committed and vision-led leadership can make a difference in and for our communities. At the heart of our commitment to Kenyans is therefore the continuous pursuit of social justice and human dignity for all.

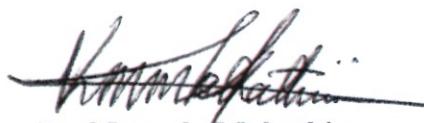
We further believe that **government has responsibility to provide a range of social and economic services that continuously improve well-being, equity and equality across society with particular concern for the most disadvantaged and vulnerable persons**; In between elections, our commitment is to deploy our best effort to ensure that this responsibility is progressively met to ensure that those most disadvantaged are not left behind in the development agenda.

In this regard, during the year in review, we developed our ‘Diversity and Inclusion Strategy’ to guide the Party in ensuring that we grow into a political platform that **represents, articulates, and serves** the interests of Kenyans who often feel disillusioned with big man/party politics that are often about established political players’ interests.

As a growing political party, we have the patience, the determination and commitment to think big even as we act local. We take pride in that participating for the first time as a political party in Kenya’s 2022 General Elections which has been billed as most competitive yet, TSP joined 48 out of 82 other fully registered parties that earned seats in Parliament and/or County Assemblies. With two Members of National Assembly, 10 County Assembly Members, and its active membership, TSP is determined to continue building strong frameworks to provide diverse opportunities to its members and supporters.

Our expectation is that the Government will honor the budgetary allocations to parties as stipulated by law to assure the stable political parties.

Finally, I call on our members to continue supporting the party assure them, our supporters, and Kenyans that TSP’s commitment to effective representation and pursuit of sustainable development remains steadfast.



Dr. Mwenda Makathimo
Secretary General

**Annual Report and Financial Statements
for the year ended June 30, 2023**

i) Principal activities

The principal activities of TSP to continue popularizing the Party with a view to participating in Kenya's by-elections and General Elections to become a strong party both at the national and county level and eventually becoming the governing party.

ii) Results

The results of TSP for the year ended June 30, 2023, are set out on page 30

iii) Directors.

The members of the NGC who served during the year are shown on **pages xi, xii-xiii**. During the year 2022/23 no director retired.

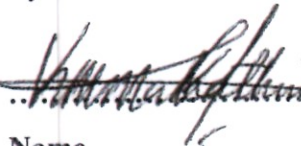
iv) Surplus remission *Not Applicable to TSP*

In accordance with Regulation 219 (2) of the Public Financial Management (National Government) Regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year.

v) Auditors

The Auditor-General is responsible for the statutory audit of The Service Party in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 and carried out the audit of for the year/period ended June 30, 2023, in accordance with section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the NGC


.....

Name

SECRETARY GENERAL

**Annual Report and Financial Statements
for the year ended June 30, 2023**

Section 81 of the Public Finance Management Act, 2012 and the Political Parties Act, 2022 require the Directors to prepare financial statements in respect of TSP which give a true and fair view of the state of affairs of the Party at the end of the financial year/period and the operating results of the Party for that year/period. The Directors are also required to ensure that the Party keeps proper accounting records which disclose with reasonable accuracy the financial position of the Party. The Directors are also responsible for safeguarding the assets of the Party.

The Directors are responsible for the preparation and presentation of the financial statements, which give a true and fair view of the state of affairs of TSP for and as at the end of the financial year (period) ended on June 30, 2023. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Party; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the Party; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the Political Parties Act, 2022. The Directors are of the opinion that the Party's financial statements give a true and fair view of the state of its transactions during the financial year ended June 30, 2023, and of the Party's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for TSP, which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

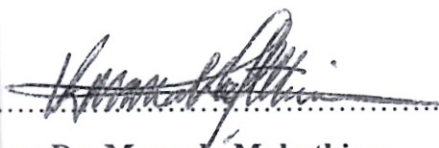
In preparing the financial statements, the Directors have assessed the Party's ability to continue as a going concern.

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

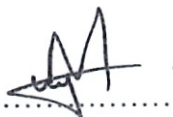
**Annual Report and Financial Statements
for the year ended June 30, 2023**

Approval of the financial statements

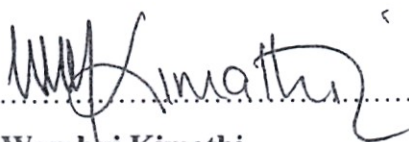
The Service Party financial statements were approved by the NGC on **12th February, 2024** and signed on its behalf by:



Name: Dr. Mwenda Makathimo
Secretary General (Accounting Officer)



Name: Brown Munyoroku Kariuki
National Chairman



Name: Wambui Kimathi
CEO/Director, Internal Affairs

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 THE SERVICE 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

Opinion

I have audited the accompanying financial statements of The Service Party set out on pages 1 to 34, 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 amount 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, the financial statements present fairly, in all material respects, the financial position of The Service 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 comply with the Public Finance Management Act, 2012.

Basis for Opinion

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

Emphasis of Matter

Unaudited Comparative Balances

I draw your attention to the fact that prior to 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 reflects 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 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 and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources, I confirm that nothing else has come to my

attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Failure to Open Branch Offices

Physical inspection in 38 Counties revealed that the Party had only nine (9) County offices. This was 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.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (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 and based on the audit procedures performed, I confirm that nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal 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 continue 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 terminate the Party or to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and 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 control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of 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 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 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 control that are identified during the audit.

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

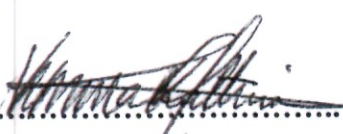

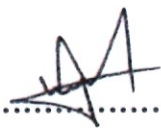
Nairobi

26 June, 2024

**Annual Report and Financial Statements
for the year ended June 30, 2023.**

	Notes	2022/2023 Kshs	2021/2022 Kshs
Revenue from non-exchange transactions			
Transfers from other governments entities	6	6,323,230.00	-
Public contributions and donations	7	113,740.00	3,492,705.00
		6,436,970.00	3,492,705.00
Revenue from exchange transactions			
Other Income	8	-	6,260,600.00
Total revenue		6,436,970.00	9,753,305.00
Expenses			
Use of goods and services	9	4,110,850.00	9,534,745.00
Depreciation and amortization expense	10	491,215.00	420,203.00
Total expenses		4,602,065.00	9,954,948.00
Net Surplus for the year		1,834,905.00	(201,643.00)
Attributable to:			
		1,834,905.00	(201,643.00)

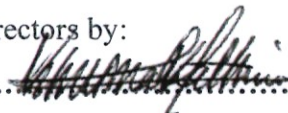
The notes set out on pages 1 to 32 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 6 were signed on behalf of the Board of Directors by:

		
.....
Dr. Mwenda Makathimo Secretary-General (Accounting Officer)	Edwin Wachira Accountant ICPAK M/No: 11303	Brown M. Kariuki National Chairman
Date 15/3/24	Date 15/3/24	Date 14/3/24

**Annual Report and Financial Statements
for the year ended June 30, 2023.**


	Notes	2022/2023 Kshs	2021/2022 Kshs
Assets			
Current Assets			
Cash and Cash equivalents	11	2,549,225.00	1,294,145.00
Receivables from Non-Exchange Transactions	12	89,500.00	336,500.00
Total Current Assets		2,638,725.00	1,630,645.00
Non-Current Assets			
Property, Plant and Equipment	13	1,906,031.00	2,273,899.00
Intangible Assets	14	108,672.00	-
Total Non- Current Assets		2,014,703.00	2,273,899.00
Total Assets		4,653,428.00	3,904,544.00
Liabilities			
Current Liabilities			
Trade and Other Payables	15	-	1,249,020.00
Total Current Liabilities		-	1,249,020.00
Total Liabilities		-	1,249,020.00
Net Assets			
Accumulated Surplus		1,753,075.00	(81,829.00)
Capital Fund		2,900,353.00	2,737,353.00
Total Net Assets		4,653,428.00	2,655,524.00
Total Net Assets and Liabilities		4,653,428.00	3,904,544.00

The financial statements set out on pages (ONE) 1 to (SIX) 6 were signed on behalf of the Board of Directors by:

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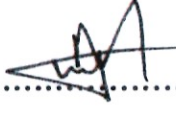
Dr. Mwenda Makathimo
Secretary General (Accounting Officer)

Date 15/3/24

.....


CPA Edwin Wachira
Accountant
ICPAK Member Number 11303

Date 14/3/24

.....


Brown M. Kariuki
National Chairman

Date 14th March 2024.

**Annual Report and Financial Statements
for the year ended June 30, 2023.**

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

	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As at July 1, 2021	-	-	119,815.00	-	892,276.00	1,012,091.00
Surplus/ deficit for the year	-	-	(201,644.00)	-	-	(201,644.00)
Capital/development grants received during the year	-	-	-	-	1,797,029.00	1,797,029.00
As at June 30, 2022	-	-	(81,829.00)	-	2,737,353.00	2,655,524.00
As at July 1, 2022	-	-	(81,829.00)	-	2,737,353.00	2,655,524.00
Surplus/ (deficit) for the year	-	-	1,834,905.00	-	-	1,834,905.00
Capital/development grants received during the year	-	-	-	-	163,000.000	163,000.00
As at June 30, 2023	-	-	1,753,075.00	-	2,900,353.00	4,653,428.00

**Annual Report and Financial Statements
for the year ended June 30, 2023.**

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

	Notes	2022/2023	2021/2021
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other governments entities	6	6,323,230.00	-
Public contributions and donations	7	113,740.00	3,492,705.00
Other Income		-	6,260,600.00
Total receipts		6,436,970.00	9,753,305.00
Payments			
Use of goods and services	9	4,110,850.00	9,534,745.00
Total payments		4,110,850.00	9,534,745.00
Net cash flows from/(used in) operating activities		2,326,120.00	218,560.00
Cash flows from investing activities			
Purchase of PPE and Intangible assets	13	(69,020.00)	(2,101,553.00)
Net cash flows from/(used in) investing activities		(69,020.00)	(2,101,553.00)
Cash flows from financing activities			
Decrease in Receivables	12	247,000.00	1,821,053.00
Decrease in Payables	15	(1,249,020.00)	1,214,020.00
Net cash flows from financing Activities		(1,002,020.00)	3,035,073.00
Net increase/(decrease) in cash & Cash equivalents		1,255,080	1,152,080.00
Cash and cash equivalents at 1 July 2022		1,294,145.00	142,065.00
Cash and cash equivalents at 30 June 2023	11	2,549,225.00	1,294,145.00

**Annual Report and Financial Statements
for the year ended June 30, 2023.**

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	A	B	C=(a+b)	D	e=(c-d)	f=d/c*100
Revenue						
Transfers from Other Governments entities	10,554,051.00	(4,230,821.00)	6,323,230.00	6,323,230.00	-	100
Public Contributions and Donations	113,740.00	-	113,740.00	113,740.00	-	100
Total Income	10,667,791.00	(4,230,821.00)	6,436,970.00	6,436,970.00	-	100
Expenses						
Use of Goods and Services	10,667,991.00		4,110,850.00	4,110,850.00	-	100
Total Expenditure	10,667,991.00	-	4,110,850.00	4,110,850.00	-	100
Surplus for the period	-	-	2,326,120.00	2,326,120.00	-	100
Capital Expenditure	-	-	-	-	-	-

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

1. General Information

The Service Party is established by and derives its authority and accountability from Political Parties Act and is domiciled in Kenya. Its principal activity relates to being a political party.

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 Service Party's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of Party. *The* financial statements have been prepared in accordance with the PFM Act, the State Corporations Act (*include any other applicable legislation*), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Notes to the Financial Statements (Continued)

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 TSP'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 TSP's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
<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 TSP provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the TSP.</p> <p>(b) The key features of the operation of those social benefit schemes; and</p>

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Standard	Effective date and impact:
	(c) The impact of such social benefits provided on the TSP's financial performance, financial position and cash flows.
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<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>
Other improvements to IPSAS	<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 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

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

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 cashflows of an TSP.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<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>

iii. ***Early adoption of standards***

The TSP did not early – adopt any new or amended standards in the financial year. On revised statements it did adopt the standards as reflected in the attached statements.

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

The Service 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 Party 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 Service Party 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 Service Party 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.

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

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 The Service 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.

Dividends (Not Applicable)

Dividends or similar distributions must be recognized when the shareholder's or the TSP's right to receive payments is established.

Rental income (Not Applicable)

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information (Not Applicable)

The original budget for the Current FY was approved by the National Assembly on xxx. 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 TSP upon receiving the respective approvals in order to conclude the final budget. Accordingly, the TSP recorded additional appropriations of xxx on the 20xx budget following the governing body's approval.

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Summary of Significant Accounting Policies (Continued)

Budget information (continued)

The Service Party's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under **section 18** 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 Service 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.

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Summary of Significant Accounting Policies (Continued)

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable The Service Party and the same taxation authority.

THE SERVICE PARTY (TSP)

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

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 (thirty) year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit. 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.

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

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, the 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.

Depreciation and amortization is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the reducing balance method. The following annual rates are used for the depreciation of property, plant and equipment:

Furniture and fittings	30%
Office Equipment	12.5%
Intangible Assets	33.3%

f) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to Party. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Service Party also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Party will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to The Service 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.

h) Research and development costs

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

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

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

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Summary of Significant Accounting Policies (Continued)

i) 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. The Service Party *does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Party's financial statements*. A financial instrument is any contract that gives rise to a financial asset of one TSP and a financial liability or equity instrument of another TSP. At initial recognition, the TSP 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

The 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 Party'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 cashflows 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 it has been made irrevocable election at initial recognition for particular investments in equity instruments.

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Summary of Significant Accounting Policies (Continued)

Subsequent measurement

Based on the business model and the cash flow characteristics, the TSP classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Summary of Significant Accounting Policies (Continued)

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/equity are measured at fair value through surplus or deficit. A business model where the TSP manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Impairment

TSP assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The TSP recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL).

b) Financial liabilities

Classification

The TSP classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

j) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method.
- ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of Party.

k) Provisions

Provisions are recognized when The Service Party has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where The Service Party expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

l) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The TSP recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the TSP will incur in fulfilling the present obligations represented by the liability.

m)Contingent liabilities

The TSP does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

n) Contingent assets

The TSP does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the TSP in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Summary of Significant Accounting Policies (Continued)

o) Nature and purpose of reserves (Not Applicable to TSP)

The Service Party does not create and maintain reserves in terms of specific requirements.

p) Changes in accounting policies and estimates

The Service 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.

q) Employee benefits

Retirement benefit plans (Not Applicable to TSP)

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

r) 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.

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Summary of Significant Accounting Policies (Continued)

s) 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.

t) Related parties

The Service Party regards a related party as a person or an TSP with the ability to exert control individually or jointly, or to exercise significant influence over the Party, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers.

u) Service concession arrangements

The Service 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 Service 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 Service Party also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Summary of Significant Accounting Policies (Continued)

v) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

w) Comparative figures

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

x) 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.

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Summary of Significant Accounting Policies (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of The Service 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 Party 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 TSP. 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:

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 40. 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.

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

6. Transfers from Other Government entities

Description	2023/2023	2021/2022
	KShs	KShs
Conditional Grants amortised/ transferred to revenue		
Funding from Office of the Registrar of Political parties	6,323,230.00	-
Total Government Grants And Subsidies	6,323,230.00	-

The Purpose of this fund is provided for in Section 26 of the Political Parties Act, 2022 and includes:

- (a) promoting the representation in Parliament and in the county assemblies of women, persons with disabilities, youth, ethnic and other minorities and marginalised communities;
- (b) promoting active participation by individual citizens in political life;
- (c) covering the election expenses of the political party and the broadcasting of the policies of the political party;
- (d) the organisation by the political party of civic education in democracy and other electoral processes;
- (e) bringing the political party's influence to bear on the shaping of public opinion; and
- (f) administrative and staff expenses of the political party which shall not be more than thirty per cent of the moneys allocated to the political party:

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Summary of Significant Accounting Policies (Continued)

7. Public Contributions and Donations

Description	2023/2022	2021/2022
	Kshs	Kshs
Other Public Donations (Specify) Founder Party Members contributions	113,740.00	3,492,705.00
Total	113,740.00	3,492,705.00

Founder members support the party through occasional contributions.

8. Revenue from Exchange Transactions – Other Income

Description	2023/2022	2021/2022
	Kshs	Kshs
Candidates Nomination Fees	-	6,260,600.00
Total Transfers and Sponsorships	-	6,260,600.00

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Summary of Significant Accounting Policies (Continued)

9. Use of Goods and Services

Description	2023	2022
	Kshs	Kshs
Volunteer allowances	120,000.00	1,293,070.00
Campaign materials	911,692.00	2,615,075.00
Rent	1,334,290.00	2,218,400.00
Bank charges	3,546.00	22,497.00
Transport	38,439.00	396,380.00
Contracted Professional services	1,153,375.00	35,000.00
Strategic planning for Special interest groups	66,175.00	-
Team building for Party Leaders	483,333.00	-
Communication	-	593,620.00
Membership Registration	-	525,470.00
Candidates recruitment and briefing	-	1,234,880.00
Media & Entertainment	-	261,440.00
Office expenses	-	158,690.00
TOTALS	4,110,850.00	9,534,745.00

Summary of Significant Accounting Policies (Continued)

10. Depreciation and Amortization Expense

Description	2023	2022
	Kshs	Kshs
Property, plant and equipment	436,887.00	420,203.00
Intangible assets	54,328.00	-
Investment property carried at cost	-	-

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Total depreciation and amortization	491,215.00	420,203.00

11. Cash and Cash Equivalents

Description	2022/2023 Kshs	2021/2022 Kshs
Current Account	2,549,225.00	1,154,945.00
Cash in Hand	-	139,200.00
Total Cash And Cash Equivalents	2,549,225.00	1,294,145.00

Detailed Analysis of the Cash and Cash Equivalents

		2022/2023	2021/2022
a) Current Account			
Equity Bank	0010283525905	2,346,209.00	
Equity Bank	0010280211760	203,016.00	1,154,945.00
Sub- Total		2,549,225.00	1,154,945.00
b) Others(Specify)			
Cash In Hand			139,200.00

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Financial Institution	Account number	2022/2023	2021/2022
		Kshs	Kshs
Sub- Total		-	139,200.00
Grand Total		2,549,225.00	1,294,145.00

12. Receivables from Exchange Transactions (Long-term)

Description	2022/2023	2021/2022
	Kshs	Kshs
Total receivables		
Rent Deposit held by Landlord	89,500.00	336,500.00
Total receivables (a+b)	89,500.00	336,500.00

(c) Ageing analysis for Receivables from exchange transactions

Description		% of the total		% of the total
Less than 1 year	89,500.00	100%	336,500.00	100%
Total (a+b)	89,500.00	100%	336,500.00	100%

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

13. Property, Plant and Equipment

	Furniture and fittings	Computers	Total
	KShs	KShs	KShs
As At 30th June 2021	284,800.00	703,000.00	987,800.00
Additions	1,470,766.00	630,787.00	2,101,553.00
Disposals			
Transfers/Adjustments			
As at 30th June 2022	1,755,566.00	1,333,787.00	3,089,353.00
Additions	-	69,020.00	69,020.00
As at 30th June 2023	1,755,566.00	1,402,807.00	3,158,373.00
Depreciation And Impairment			
At 1st July 2021	66,751.00	328,500.00	395,251.00
Depreciation	168,882.00	251,322.00	420,203.00
As At 1st July 2023	235,633.00	579,822.00	815,454.00
Depreciation	189,992.00	246,896.00	436,887.00
Transfer/Adjustment			
As at 30th June 2023	425,624.00	826,717.00	1,252,342.00
Net Book Values			
As at 30th June 2022	1,519,934.00	753,965.00	2,273,899.00
As at 30th June 2023	1,329,942.00	576,090.00	1,906,031.00

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Valuation (Not Applicable to TSP)

Land and buildings/ Equipment (be specific) were valued by XXX professional valuers from the government in line with the National Assets and Liabilities Management Policy and Guidelines (issued 30th June 2020). The assets were revalued by xxx professional valuers on this date xxx. These amounts were adopted by the Board on xxx with concurrence from the National Treasury.

34 (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 KSh	Accumulated Depreciation KSh	Net KSh
Computers And Related Equipment	1,402,807.00	(826,717.00)	576,090.00
Office Equipment, Furniture, And Fittings	1,755,566.00	(425,624.00)	1,329,942.00
Total	3,158,373.00	(1,252,342.00)	1,906,031.00

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

**Annual Reports and Financial Statements
for the year ended June 30, 2023.**

Property plant and Equipment includes the following assets that are fully depreciated:

14. Intangible Assets

Description	2022-2023	2021-2022
	Kshs	Kshs
Cost		
At beginning of the year	-	-
Additions	-	-
At end of the year		
Additions—internal development	163,000.00	-
At end of the year	163,000.00	-
Amortization and impairment		
At beginning of the year	-	-
Amortization	54,328.00	-
At end of the year	54,328.00	-
Impairment loss		
At end of the year	54,328.00	-
NBV	108,672.00	-