



ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2025

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

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1. Acronyms and Definition of Key Terms

A: Acronyms

SG	Secretary General
ED	Executive Director
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
PPA	Political Parties Act
ORPP	Office of Registrar of Political Parties
IDRM	Internal Dispute Resolution Mechanism
NEC	National Executive Council
NDC	National Delegates Council
NGC	National Governing Council
PPF	Political Parties Fund

B: Definition of Key Terms

Fiduciary Management- Members of management who are directly entrusted with the responsibility of managing the organization's financial resources.

The Secretary-General is the accounting officer of the Political Party

Comparative Year- Means the prior period.

2. Key Political Party Information and Management

(a) Background information

The Peoples' Trust Party was incorporated/ established under the Political Parties Act, 2007 22nd September 2016. The Peoples' Trust Party is domiciled in Kenya and has branches in 24 counties.

(b) Principal Activities

The principal activity/mission/ mandate of the Party is to ...

- (a) Recruit and enlist members.
- (b) Nominate candidates for elections.
- (c) promote representation in Parliament and county assemblies of women, persons with disabilities, youth, ethnic and other minorities, and marginalized communities.
- (d) Sensitize the public on the functioning of the political and electoral system.
- (e) promote and enhance national unity.
- (f) mobilize citizens to participate in political decisions.
- (g) solicit and articulate public policy priorities as identified by its members; and
- (h) shape and influence public policy.

People's Trust Party Vision

PTP envisions a country where together we can (Pamoja Twaweza) and capable of exercising and enjoying their fundamental political, social, economic, cultural, religious rights and freedoms in an environment of dignity and integrity.

People's Trust Party Mission

PTP's mission is to create, nurture and sustain a democratic government and state so as to enhance the political, social and economic welfare and equal opportunities for all citizens in Kenya.

Peoples' Trust Party Core Values

- (i) Respect of human rights and freedoms
- (j) Integrity in leadership
- (k) Rule of law
- (l) Social justice and fairness
- (m) Devolution of power and resources
- (n) Equity, equality and inclusivity
- (o) Unity in diversity
- (p) Accountability and transparency

(c) Key Management

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

No.	Designation	Responsibility
1.	NDC/NGC;	Highest decision-making body
2.	NEC	Day-to-day management and operational decision-making of the party
3.	SG	Overseeing administrative and organizational functions
4.	Treasurer	Ensuring the party's financial stability and compliance with legal and constitutional requirements.

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2025 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Party Leader	Hon. John Mutua Katuku, EGH
2.	Secretary General	Tony Iseo Mulinge
3.	National Treasurer	Denis Mutua

(e) Fiduciary Oversight Arrangements

Registrar of Political Parties, RPP, is established under the Political Parties Act, 2011, is the primary external regulator overseeing political parties' financial and operational activities.

The NEC is the party's primary executive organ, responsible for day-to-day management, including financial oversight.

Parliamentary committees, such as the Public Accounts Committee (PAC) and the Committee on Implementation, provide external oversight, particularly for parties receiving public funds.

Other Oversight Arrangements

Internal Party Organs (NGC and NDC): The National Governing Council (NGC) reviews financial reports and proposals from the NEC, ensuring alignment with party objectives before NDC approval.

The National Delegates Conference (NDC), as the supreme organ, has the final say on major financial decisions, such as approving budgets or addressing mismanagement.

Independent Auditors: Parties are required to engage external auditors to review their financial statements annually, ensuring compliance with the Political Parties Act and transparency to members and the RPP.

Party Members and Grassroots Structures: Members and lower-level organs (e.g., county or constituency committees) can raise concerns about financial mismanagement, fostering grassroots accountability.

Judiciary and Anti-Corruption Agencies: The Ethics and Anti-Corruption Commission (EACC) and courts may investigate financial misconduct in political parties, especially involving public funds or illegal financing.

Media and Civil Society: Independent media and civil society organizations monitor party finances, exposing irregularities and pressuring parties to maintain transparency.

(f) Party Headquarters

P.O. Box 24377-00502
Makueni Building – Lukindo Road,
Machakos

(g) Party Contacts

Telephone: (254) 705033345
E-mail: peoplestrustparty066@gmail.com
Website: www.peoplestrustparty.com

(h) Party Bankers

Kenya Commercial Bank
Machakos Branch
A/c No:1304982157..... (Account for the Political Parties Fund)
A/c No:1295381974

(i) Independent Auditor

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

(j) Principal Legal Adviser

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

3. The National Executive Council/Committee

Ref	NEC members	Details
1.		Hon. John Mutua Katuku, EGH Party Leader
2.		Tony Iseo Mulinge Secretary General
3.		Denis Mutua Treasurer
4.		Reuben Muange National Organising Secretary

4. Key Management/Secretariat Team

Name	Position	Responsibility
 Tony Iseo Mulinge	Secretary General	Accounting Officer/ Secretary to the NEC
 Denis Mutua	Treasurer	Head Finance & Accounts
 Reuben Musembi Muange	National Organising Secretary	National Organising Secretary

5. Chairman's Statement

Dear Members, Supporters, and Stakeholders,

As Chairman of the People's Trust Party (PTP), I am honored to present this statement reflecting on our journey in 2025, a year of resilience, growth, and renewed commitment to our shared vision of a transparent, inclusive, and prosperous society.

In the year 2024-2025, PTP achieved significant milestones that strengthened our foundation and expanded our influence:

- **Increased Membership:** We grew our membership by 25%, welcoming over 1,000 new members across urban and rural communities, reflecting our appeal as a party prioritizing trust and accountability.
- **Electoral Gains:** PTP secured three seats in local government elections, a breakthrough that amplified our voice in regional decision-making.
- **Youth Engagement:** The launch of the PTP Youth Network mobilized 300 young activists, who organized 2 community forums to discuss education and employment policies.

Despite our achievements, 2025 presented challenges that tested our resolve:

- **Financial Constraints:** Limited funding hindered our ability to scale up campaign efforts in key regions, forcing us to prioritize digital outreach over physical rallies.
- **Political Polarization:** The increasingly polarized political climate made it difficult to engage moderate voters, requiring us to refine our messaging to bridge divides.

Engaging stakeholders was a cornerstone of our 2024-2025 activities, fostering collaboration and trust:

- **Community Dialogues:** Held 2 town hall meetings, engaging 2,000 citizens on issues like healthcare access and job creation.
- **Youth and Women's Groups:** Partnered with the Women's Empowerment Network and Youth for Change to co-host five policy workshops, amplifying marginalized voices.

PTP remains committed to a centrist, people-first political direction that prioritizes trust, accountability, and inclusive governance. In 2024-2025, we refined our focus on:

- **Economic Equity:** Advocating for policies that reduce income inequality, such as progressive taxation and small business support.
- **Environmental Sustainability:** Promoting green energy initiatives while balancing economic growth, addressing the tensions noted in our challenges.

Looking ahead, PTP is poised to seize several opportunities in 2026 and beyond:

- **Youth Leadership:** Expanding the PTP Youth Network to train 5,000 young leaders, ensuring a pipeline of innovative, values-driven candidates.

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In conclusion, 2024-2025 was a year of growth and challenges that strengthened our resolve. On behalf of the NEC, I thank our members, volunteers, and supporters for their unwavering commitment. Together, we will continue building a People's Trust Party that delivers on its promise of a fair, transparent, and prosperous future.

Thank you.



.....

Hon. John Mutua Katuku, EGH
Party Leader

6. Report of the Secretary-General

This report provides an overview of the operational and financial performance of the Political Party (hereinafter referred to as "the Party") for the period 2024-2025, pursuant to the request for a comprehensive assessment of its activities. The report covers membership recruitment, grassroots elections, expansion of office infrastructure, and financial performance, including approved budgets and revenue streams.

In the under review, the Party prioritized expanding its membership base to enhance political representation and civic engagement.

By 31 December 2025, the Party recruited 1,000 new members, achieving 97% of its target. Key strategies included:

The Party conducted grassroots elections in 5 constituencies to select local leaders and representatives. These elections aimed to strengthen democratic participation and ensure local voices shaped the Party's agenda.

The Party's NEC approved a 2024-2025 budget of **Kshs.1,061,905**, allocated as follows:

- **Administrative Expenses:** 235,000 (22%), covering staff salaries, office maintenance, and logistics.
- **Special Interest Groups expenses:** 451,100 (42%), including grassroots elections and voter outreach.
- **Advocacy and Electoral expenses:** 375,805 (36%), for digital campaigns and community events.

The Party's total revenue for 2024-2025 amounted to 1,061,242, achieving 102% of the projected budget. Revenue was derived from the following categories:

- **Political Parties Fund:** 701,332 (66%), received as grant from the office of the registrar of political parties.
- **Elected officials' contributions:** 359,280 (34%) received from three elected members of the county assembly.
- **Donations:** 560 received from sponsors.
- **Interest:** 70 bank interest received.

Challenges:

- Liquidity constraints delayed office openings and campaign activities in Q3, requiring better cash flow management.
- Rural infrastructure gaps limited electoral participation and office accessibility.

Opportunities:

- Strengthening partnerships with civil society organizations to enhance funding and outreach.
- Leveraging the next electoral cycle to consolidate grassroots support and increase membership.

The Party's operational performance in 2024-2025 demonstrates significant progress in membership recruitment (1000 new members), grassroots elections (78% turnout). Financially,

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the Party operated within its Kshs.1,061,905 budget, securing 1,061,242 in revenue through diverse streams.

The Party remains committed to fostering democratic engagement and transparency, contributing to a vibrant political landscape in 2025 and beyond.

A handwritten signature in black ink, appearing to read 'Tony Iseo Mulinge', written over a horizontal line.

Tony Iseo Mulinge
Secretary General

7. Statement of Performance against Predetermined Objectives for FY 2024/2025

The Strategic Plan is implemented in annual work plans. The performance of the Party during the year is presented in the table below:

No	Program/Activity	Key Performance Indicator	Target	Achievement	Remarks
1.	Grassroots election	No. of Members	Party members	1000	
2.	Membership Recruitment	IPPMS Reports	Party members	300	
3.	Develop & implement communication strategy	Performance report	Secretariat	Performance report	
4.	Conduct civic education & outreach programs	Civic education & outreach reports	Secretariat	Civic education & outreach reports	
5.	Capacity build PWDs	Workshop reports	Party PWDs	Workshop reports	
6.	Capacity build women leagues	Workshop reports	Women	Workshop reports	
7.	Capacity build youth leagues	Workshop reports	Party youth	Workshop reports	
8.	Outreach programs for the minority and marginalized	Outreach programs reports	Party marginalized & minority	Outreach programs reports	
9.	Office rent, utility bills, salaries	Receipts, invoices, payslips	Secretariat	Receipts, invoices, payslips	

8. Governance Statement

Governance by the PTP NEC

The Peoples' Trust Party is led by a powerful committee known as the National Executive Committee (NEC). Meetings are held quarterly but can be called in special circumstances to execute important and very urgent party matters as need may be.

Gender Equality and Succession

The National Executive Committee is committed to achieving its gender diversity target and is also actively prioritising the appointment of qualified female politicians in its ongoing renewal to complement the NEC's mix of skills and experience as part of its current ongoing Party growth and succession process.

Under the NEC Charter, there's no maximum tenure for a NEC member to stand for an additional term but we take into consideration factors such as new and fresh young minds joining the leadership in the Committee to facilitate smooth succession planning.

Roles and functions of NEC

The PTP NEC's principal role is to govern and oversee the Party by ensuring that there is a proper governance framework in place to promote, champion and protect the Party's interests for the benefit of the entire membership of the Party and the country at large. NEC collectively oversees and appraises the strategies, performance, culture and policies of PTP, having due regard to its purpose, its responsibilities to its ordinary party members and life members alike, the interests of its stakeholders and its role in the promotion of good governance and democracy.

Induction, training and career development

To ensure NEC officials receive ongoing professional development, NEC officials are provided a comprehensive program of ongoing education and training. The NEC Education Program (Program) is structured to align with the Party's strategic pillars. The Program comprises formal Political education sessions, electorate and party member's connection sessions, ground visits in the grassroots and other Party and supporter's engagement opportunities. As part of this Program, we also periodically assess the need for NEC members to undertake professional development to maintain the skills and knowledge required to perform their roles effectively.

NEC performance

The way we measure and reward performance is designed to promote our purpose-led culture. Formal performance appraisals are conducted at the end of every year.

Performance assessments were undertaken for the Secretary General and NEC Leadership Team during FY 2024-2025.

Areas of Conflict of interest

The National Executive Committee considers a NEC member to be independent if they are free from any interest, position or relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their independent judgement. Conflicts of interest, including related party transactions, are a standing agenda item and are considered by the NEC and other NEC sub-committees at each Meeting and in each paper presented to the NEC or Sub-Committee. If a potential conflict is identified, the relevant official or the NEC may determine that they should not receive documents related to or take part in discussions or decisions in respect of that matter.

NEC remuneration, ethics and conduct

It suffices to say that NEC members or in that case any member holding a party position, except the Executive Director who heads the secretariat, is not entitled to a remuneration package but may be subject to receive an allowance in the service of the party from time to time.

Our Code of Ethics & Conduct (Code) sets out the behaviours expected of everyone at Peoples' Trust Party. The Code provides our people with principles and a framework to make informed party decisions. It also provides specific guidance on how to make the right decision and do the right thing. When our party supporters and other stakeholders interact with us, we want them to feel assured that we will act in a responsible and ethical way.

Governance Audit

The PTP NEC continuously reviews its performance and the performance of its Committees and individual NEC officials, and recognises the importance of this to NEC effectiveness. The annual NEC performance reviews are conducted either internally or with the assistance of an independent external consultant when resources are available.

9. Management Discussion and Analysis

The party's operational performance include:

Membership and Recruitment:

The party's ability to attract and retain members, especially youth and women, given the emphasis on inclusivity by the ORPP.

Regional Influence:

Its strength in specific regions, likely tied to the ethnic or regional base of its leadership, as is common in Kenyan politics.

Compliance and Governance:

Adherence to the Political Parties Act, including maintaining proper records, submitting coalition agreements to the ORPP, and participating in forums like the Political Parties Liaison Committee (PPLC).

Strategic Objectives

The party's strategic goals for 2024-2025 would likely focus on: **Electoral Preparedness:** Preparing for the 2027 general elections, including candidate selection, campaign strategies, and voter mobilization. The ORPP's efforts to promote dialogue and electoral integrity would be relevant here.

Policy Advocacy:

Developing a clear ideological platform, addressing issues like financial management, cost of living, and public participation, which have been central to recent Kenyan political discourse (e.g., the Finance Bill 2024 protests).

Public Engagement:

Enhancing public participation, as mandated by the Constitution of Kenya 2010 and the Public Participation Act of 2018, to build trust and legitimacy.

Diversity and Inclusion:

Strengthening representation of youth, women, and marginalized groups to align with ORPP's goals for inclusive political processes.

Risks and Challenges

Key risks for a party like Peoples Trust Party in 2024-2025 would include:**Political Instability:** The transactional nature of Kenyan politics, where alliances shift frequently, could undermine the party's position.

Public Trust Deficit:

Widespread distrust in public institutions, exacerbated by events like the Finance Bill 2024 protests, could hinder voter support.

Regulatory Compliance:

Failure to meet ORPP requirements, such as maintaining proper records or adhering to funding regulations, could lead to penalties or deregistration.

Funding and Resource Management

Political parties in Kenya rely on the Political Parties Fund, managed by the ORPP, as well as contributions from members and external stakeholders. For Peoples Trust Party, effective management would involve:

Transparent use of funds for campaigns, outreach, and capacity-building. Avoiding undue influence from wealthy donors or “kingpins,” which can compromise party autonomy.

10. Environmental and Sustainability Reporting

Peoples' Trust Party exists to transform lives and aspire higher dreams and good quality of life. This is our driving force behind everything we do. It is what guides us to deliver our strategy to Kenyans. Below is a brief highlight of our activities that drive towards sustainability.

Sustainability strategy and profile

Sustainable Development Goals (SDGs) 2015-2030 provides a plan of action for the people and prosperity. Four out of the seventeen goals are pertinent to management of activities being undertaken by the party.

- a) No poverty (SDG 1): The Party has strived to undertake an awareness exercise nationally to rally all in influential positions to advocate for job creation and better pay for all workers of this beautiful country. Poverty should be a thing of the past.
- b) Quality education (SDG 4): the party believes that for the country to achieve its dream of being a developed country status, education has to be key in attaining this attainable dream.
- c) Gender equality (SDG 5): the party encourages mainstreaming of gender equality in project and programmes by incorporating compliance to one third gender rule in procurement and all party engagements.
- d) Reduced inequalities (SDG 10): As a party, we endeavour that all communities of Kenya will be accommodated in all activities the party undertaken.

Environmental performance

Peoples' Trust Party is working towards ensuring environmental sustainability in activities by undertaking tree planting exercise as the President advised and led by example in announcing a tree planting holiday.

The Party will seriously embark on using the youth in large numbers to sensitize people against littering in places which are not specially designated for litter.

Party officials and Employee welfare

In all of its appointments, Peoples' Trust Party takes deliberate actions to embrace Equal Employment Opportunity policies, gender mainstreaming, addresses concern around Persons Living with Disabilities (PWDs) and takes affirmative action in line with prevailing Government Policy guidelines. The Party priorities training to develop technical capacity of staff in the fields of governance in politics.

11. Report of the National Executive Council/Committee

The National Executive Committee submits their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the Peoples' Trust Party's affairs.

i) Principal activities

The principal activities of the Peoples' Trust Party are public governance and advocating for multi-party democracy and just government of the people and for the people of Kenya.

ii) Results

The results of the PTP for the year ended June 30, 2025, are set out on page 1 to 5

iii) Governing committee

The members of the governing committee who served during the year are shown on page vii and viii. During the year no member of NEC director retired/ resigned.

iv) Auditors

The Auditor-General is responsible for the statutory audit of the Peoples' Trust Party in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 or Section 31 (2) of the Political Parties Act, 2011.

By Order of the National Executive Committee



.....

TONY ISEO MULINGE

Secretary General

12. Statement of the National Executive Committee Responsibilities

Section 31 of the Political Parties Act Cap 7D requires the NEC to prepare financial statements in respect of that Party, which give a true and fair view of the state of affairs of the Party at the end of the financial year and the operating results of the Party for that year. The NEC is also required to ensure that the Party keeps proper accounting records which disclose with reasonable accuracy the Party's financial position. NEC is also responsible for safeguarding the assets of the Party.

The NEC is responsible for the preparation and presentation of the Party's financial statements, which give a true and fair view of the state of affairs of the Party for and as at the end of the financial year ended on June 30, 2025. 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.

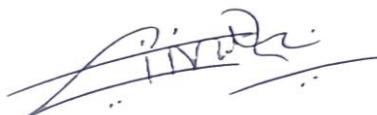
The NEC accepts responsibility for the Party's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and the Political Parties Act. The NEC is of the opinion that the Party's financial statements give a true and fair view of the state of the Party's transactions during the financial year ended June 30, 20xx, and of the Party's financial position as at that date. The NEC further confirms the completeness of the accounting records maintained for the Party, which have been relied upon in the preparation of the Party's financial statements, as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the NEC assessed the Party's ability to continue as a going concern (*disclose, as applicable, matters relating to the use of going concern basis of*

preparation of the financial statements) Nothing has come to the attention of the committee to indicate that the PTP will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Party's financial statements were approved by the Board on _____ 2025 and signed on its behalf by:



.....

.....

Hon. John Mutua Katuku, EGH
Party Leader

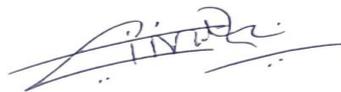
Tony Iseo Mulinge
Secretary General/Accounting Officer

13. Report of the Independent Auditor for the Financial Statements of Peoples Trust Party.

14. Statement of Financial Performance for the year ended 30 June 2025

	Notes	Jun-25	Jun-24
		Kshs	Kshs
Revenue			
Transfers from Political Parties Fund (PPF)	6	701,332	461,521
Membership Fees	7	-	-
Public contributions and donations	8	359,840	361,320
Investment Income	9	70	1,998
Miscellaneous Revenue	10	-	-
Total Revenue		1,061,242	824,839
Expenses			
Administrative Expenses	11	548,578	375,094
Special Interest Groups expenses	12	420,000	450,000
Advocacy and Electoral expenses	13	350,000	-
Finance Costs	14	-	-
Total expenses		1,318,578	825,094
Surplus/Deficit		(257,336)	(255)

The notes set out on pages 7 to 34 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 5 were signed on behalf of the NEC by:



.....
Tony Iseo Mulinge
Secretary General

Date: 04/08/2025



.....
CPA Khamis Rizik
Head of Finance
ICPAK M/No: 10178

Date: 04/08/2025



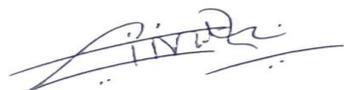
.....
Hon. John M. Katuku, EGH
Party Leader

Date: 04/08/2025

15 Statement of Financial Position as at 30 June 2025

	Notes	Jun-25	Jun-24
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	19	18,224	38,993
Receivables and advances	20	59,880	114,196
Total Current Assets		78,104	153,189
Non-Current Assets			
Property Plant and Equipment	23	94,475	106,727
Intangible Assets	24	-	-
Total Non- Current Assets		94,475	106,727
Total Assets (A)		172,579	259,916
Liabilities			
Current Liabilities			
Trade and Other Payables	26	20,000	-
Current Provision	28	150,000	-
Total Current Liabilities		170,000	-
Total Liabilities (B)		170,000	-
Net Assets (A-B)		2,579	259,916
Represented by:			
Accumulated Surplus/deficits		2,580	259,916
Net Assets		2,580	259,916

The financial statements set out on pages 1 to 5 were signed on behalf of the NEC by:



.....
Tony Iseo Mulinge
Secretary General

Date: 04/08/2025



.....
CPA Khamis Rizik
Head of Finance
ICPAK M/No:10178

Date: 04/08/2025



.....
Hon. John M. Katuku, EGH
Party Leader

Date: 04/08/2025

16. Statement of Changes in Net Assets for the year ended 30 June 2025

Description	Revaluation reserve	Accumulated Surplus	Total
	Kshs	Kshs	Kshs
As at July 1, 2023	-	260,171	260,171
Surplus/ deficit for the year	-	(255)	(255)
As at June 30, 2024	-	259,916	259,916
As at July 1, 2024	-	259,916	259,916
Surplus/ (deficit) for the year	-	(257,336)	(257,336)
As at June 30, 2025	-	2,580	2,580

17. Statement of Cash Flows for the year ended 30 June 2025

		Jun-25	Jun-24
	Notes	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from Political Parties Fund (PPF)		815,528	430,891
Membership Fees		-	-
Public contributions and donations		299,960	361,320
Investment Income		70	1,998
Total receipts		1,115,558	794,209
Payments			
Administrative Expenses		83,892	337,341
Special Interest Groups expenses		600,000	450,000
Advocacy and Electoral expenses		435,435	-
Finance Costs		-	-
Total payments		1,119,327	787,341
Net cash flows from/(used in) operating activities	32	(3,769)	6,868
Cash flows from investing activities			
Purchase of PPE and Intangible assets		(17,000)	-
Net cash flows from/(used in) investing activities		(17,000)	-
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Net cash flows from financing Activities		-	-
Net increase/(decrease) in cash & Cash equivalents		(20,769)	6,868
Cash and cash equivalents at 1 July	19	38,993	32,125
Cash and cash equivalents at 30 June	19	18,224	38,993

18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2025

	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						
Political Parties Fund	815,527	-114,195	701,332	701,332	-	100%
MCA Contributions	360,000	-	360,000	359,280	720	100%
Donations	500	-	500	560	(60)	112%
Account Credit Interest Received	73	-	73	70	3	96%
Total Income	1,176,100	-114,195	1,061,905	1,061,242	663	102%
Expenses						
Administrative Expenses	265,000	-30,000	235,000	283,143	-48,143	120%
Special Interest Groups expenses	511,100	-60,000	451,100	600,000	-148,900	133%
Advocacy and Electoral expenses	400,000	-24,195	375,805	435,435	-59,630	116%
Finance Costs	-	-	-	-	-	-
Total Expenditure	1,176,100	-114,195	1,061,905	1,318,578	-256,673	123%
Deficit for the period	-	-	-	-257,336	257,336	
Capital Expenditure						

Budget Reconciliation

No	Description	Kshs
	Actual Surplus Amounts as per the statement of Budget	(257,336)
1	Furniture & fittings	(17,000)
2	Political party funds	54,316
3	Trade & other payables	170,000
4	Depreciation	29,251
5	Bank balance b/fwd	38,993
	Closing Cash and Cash Equivalent as per the statement of Cash flows	18,224

19. Notes to the Financial Statements

1. General Information

PTP is established by and derives its authority and accountability from Political Parties Act.

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 *Entity'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 the *Entity*. 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.

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2025.

There were no new and amended standards issued in the financial year.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> 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 Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, 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: 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.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that

Standard	Effective date and impact:
	<p>satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46: Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47: Revenue</p>	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
<p>IPSAS 48: Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard</p>

Standard	Effective date and impact:
	for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49: Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none">i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

Standard	Effective date and impact:
<p>IPSAS 43: Leases</p>	<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 Entity.</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>
<p>IPSAS 45: Property Plant and Equipment</p>	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46: Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p>

	<p>ii. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</p> <p>iii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</p> <p>iv. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p>

Resources	<ul style="list-style-type: none">iv. Limited improvements to existing accounting practices for exploration and evaluation expenditures.v. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.vi. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.
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iii. Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption and impact on entity's financial statements.)*

Notes to the financial statements (continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from The Political Parties Fund

Revenues transfers from the Political Parties Fund 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 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 upon meeting the set conditions.

ii) Revenue from exchange transactions

Rendering of services

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

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 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

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

Notes to the financial statements (continued)

Rental income

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

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 *Entity* upon receiving the respective approvals in order to conclude the final budget. Accordingly, the *Entity* recorded additional appropriations of xxx on the 20xx budget following the governing body's approval.

Budget information (continued)

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

c) 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 an 0-year period or investment property is measured at fair value with gains*

Notes to the financial statements (continued)

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.

d) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

e) Leases

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

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the *Entity*. Operating lease payments are

Notes to the financial statements (continued)

recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

f) Intangible assets

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

g) Research and development costs

The *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.

Notes to the financial statements (continued)

h) Financial instruments

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

a) Financial assets

Classification of financial assets

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

Notes to the financial statements (continued)

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity 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.

Notes to the financial statements (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 entity 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

The entity 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 entity 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) are set out in *Note xx*.

b) Financial liabilities

Classification

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

i) 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. After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

Notes to the financial statements (continued)

j) Provisions

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

k) Contingent liabilities

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

l) Contingent assets

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

Notes to the financial statements (continued)

m) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements.

n) Changes in accounting policies and estimates

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

o) Employee benefits

Retirement benefit plans

The *Entity* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

p) 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

q) 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.

r) Related parties

The *Entity* regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence over the *Entity*, or vice versa. Members of key management are regarded as related parties and comprise NEC Members and other officials as per the Party's constitution and the Political Parties Act.

s) 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.

t) Comparative figures

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

u) 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, 20xx.

Summary of Significant Accounting Policies (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

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. *(include provisions applicable for your organisation e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).*

Notes to the Financial Statements (Continued)**6. Transfers from Political Parties Fund (PPF)**

Description	Jun-25	Jun-24
	Kshs	Kshs
Operational Grant	701,332	376,183
Total	701,332	376,183

7. Public Contributions and Donations

Description	Jun-25	Jun-24
	Kshs	Kshs
MCA Contributions	359,280	359,320
Donations (Hon. John Mutua Katuku, EGH)	560	2,000
Total	359,840	361,320

8. Investment Income

Description	Jun-25	Jun-24
	KShs	KShs
Interest income	70	1,998
Total Investment Income	70	1,998

9. Administrative Expenses

Description	Note	Jun-25	Jun-24
		Kshs	Kshs
Volunteers' stipend	9(a)	120,000	120,000
Office Rent		72,000	200,000
Transport & Fuel		40,000	-
Stationary & printing		35,000	14,812
Professional Fees	9(b)	170,000	-
Repairs & maintenance		70,435	-
Depreciation		29,251	37,753
Subscriptions to Professional bodies		-	-
Bank charges		1,327	2,529
Hospitality		10,565	-
Total Administrative Expenses		548,578	375,094

Notes to the Financial Statements (Continued)

9(a) Salaries and Wages

Description	Jun-25	Jun-24
	Kshs	Kshs
Volunteers' stipend	120,000	120,000
Total Salaries and Wages	120,000	120,000

9(b) Professional Fees

Description	Jun-25	Jun-24
	Kshs	Kshs
Audit	150,000	-
Accountancy	20,000	-
Total Professional Fees	170,000	-

10. Special Interest Groups

Description	Jun-25	Jun-24
	Kshs	Kshs
Women league workshop	140,000	200,000
PWD League Workshop	140,000	50,000
Youth League Workshop	140,000	200,000
Total	420,000	450,000

11. Advocacy and Electoral Expenses

Description	Jun-25	Jun-24
	Kshs	Kshs
Party communication strategy	50,000	-
Grassroot Election	60,000	-
Members recruitment	60,000	-
Civic education & outreach programs	180,000	-
Total	350,000	-

Notes to the Financial Statements (Continued)

12. Cash and Cash Equivalents

Description	Jun-25	Jun-24
	Kshs	Kshs
Current Account	2,111	869
Current Account	8,026	30,036
Cash and Cash Equivalents	8,088	-
Total Cash and Cash Equivalents	18,224	30,905

Detailed Analysis of the Cash and Cash Equivalents

Financial Institution		Jun-25	Jun-24
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1304982157	8,026	869
Kenya Commercial Bank	1295381974	2,111	30,036
Sub- Total		10,136	30,905
d) Others (Specify)			
Cash In Hand		8,088	8,088
Mobile Money Accounts		-	-
Sub- Total		8,088	8,088
Grand Total		18,224	38,993

13. Receivables and advances

Description	Jun-25	Jun-24
	Kshs	Kshs
Receivables		
Political Parties Fund	-	114,196
Contributions from elected members	59,880	-
Total Current Receivables	59,880	114,196

Notes to the Financial Statements (Continued)

People's Trust Party

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14. Property, Plant and Equipment

Cost	Office Equipment	Furniture and fittings	Computers	Total
	Kshs	Kshs	Kshs	Kshs
At 1 July 2024	-	31,946	112,534	144,480
Additions	-	17,000	-	-
Disposals	-	-	-	-
Transfer/Adjustments	-	-	-	-
As at 30th June 2025	-	48,946	112,534	176,284
Depreciation And Impairment				
At 1 July 2024	-	3,993	33,760	37,753
Depreciation	-	5,619	23,632	29,251
As at 30th June 2025	-	9,612	57,392	67,005
Net Book Values				
As at 30th June 2024	-	27,953	78,774	106,727
As at 30th June 2025	-	39,334	55,142	94,475

Notes to the Financial Statements (Continued)

14 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Computers And Related Equipment	112,534	57,392	55,142
Office Equipment, Furniture, And Fittings	48,946	9,612	39,334
Total	161,480	67,004	94,476

15. Trade and Other Payables

Description	Jun-25		Jun-24	
	Kshs		Kshs	
Trade payables	20,000		-	
Other payables - provisions	150,000		-	
Total trade and other payables	170,000		-	
Ageing analysis: (Trade and other payables)		% of the Total		% of the Total
	June 2025		June 2024	
Under one year	-	%	-	%
1-2 years	170,000	100%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	170,000	100%	-	-

(Provision for audit fees and accrued accounting fees)

16. Current Provisions

Description	Leave provision	Bonus provision	Gratuity Provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
Balance b/f	-	-	-	-	-
Additional provisions	-	-	-	150,000	150,000
Provision utilised	-	-	-	-	-
Total provisions year end	-	-	-	150,000	150,000

Notes to the Financial Statements (Continued)**17. Cash Generated from Operations**

Description	Jun-25	Jun-24
	Kshs	Kshs
Deficit for the year	(257,336)	(255)
Adjusted for:		
Depreciation	29,251	37,753
Non-cash grants received	-	-
Contributed assets	-	-
Impairment	-	-
Gains and losses on disposal of assets	-	-
Contribution to provisions	-	-
Contribution to impairment allowance	-	-
Working capital adjustments		
Increase in inventory	-	-
Increase in receivables	54,316	(30,630)
Increase in deferred income	-	-
Increase in payables	170,000	-
Increase in payments received in advance	-	-
Net cash flow from operating activities	(3,769)	6,868

(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)

18. Financial Risk Management

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

Notes to the Financial Statements (Continued)

i) Credit risk

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

Financial Risk Management

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Receivables	59,880	59,880	-	-
Bank balances	18,224	18,224	-	-
Total	78,104	78,104	-	-
As at 30 June 2024				
Receivables	114,196	114,196	-	-
Bank balances	38,993	38,993	-	-
Total	153,189	153,189	-	-

(NB: The totals column should tie to the individual elements of credit risk disclosed in the Entity's statement of financial position).

Financial Risk Management

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

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Entity's directors, who have built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The Entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the Entity under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Trade payables	-	20,000	-	20,000
Provisions	-	150,000	-	150,000
Total	-	170,000	-	170,000
As at 30th June 2024				
Trade payables	-	-	-	-
Provisions	-	-	-	-
Total	-	-	-	-

Notes to the Financial Statements (Continued)

Financial Risk Management

iii) Market risk

The *Party* has put in place an internal audit function to assist it in assessing the risk faced by the Entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The Entity's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the Entity's exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

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

Notes to the Financial Statements (Continued)

19. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the *Party* include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

Related parties include:

- i) Office of the Registrar of Political Parties
- ii) NEC Members
- iii) Secretary General
- iv) The Treasurer
- v) Executive Directors

Description	June 2025	June 2024
	Kshs	Kshs
a) Grants /transfers from the government		
Grants from Political Parties Fund	701,332	461,521
Other grants	-	-
Total	701,332	461,521
b) Key management compensation		
Allowances to NEC Members	-	-
Compensation to key management	-	-
Total	-	-

20. Contingent Assets and Contingent Liabilities

Give a disclosure of any Contingent assets or liability held by the Party.

21. Events after the Reporting Period

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

20. Appendices

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report.
- (ii) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that Management signs;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your Entity responsible for the implementation of each issue.
- (iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to the National Treasury.



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Secretary General

Date: 04/08/2025

People's Trust Party

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Appendix II: Transfers from Political Parties Fund

No	Source of Funds (Entity)	Amount	Date Received	Financial Year the funds relates to
1	Political Parties Fund	203,881.75	2-Oct-2024	FY 2024/25
2	Political Parties Fund	203,881.75	6-Nov-2024	FY 2024/25
3	Political Parties Fund	203,881.75	3-Mar-2025	FY 2024/25
4	Political Parties Fund	89686.75	28-May-2025	FY 2024/25