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# PDU


*Email:pdu1113@yahoo.com*
*Tel: 020-2422879/0724335997*
*Our website; http://www.pdukenya.com*


*When replying please quote;*
Ref: PDU /AUD/1/31/08/2025
And Date


**PARTY OF DEMOCRATIC UNITY**
**GRACE HOUSE KIKUYU TOWN/Nairobi office; Kenya house complex 1st fl unit F 5 (situated at the junction of Monrovia and Koinange Street.**
**P.O. BOX 51748-00200**
**NAIROBI, KENYA**


Date: 31st AUG 2025

(By Hand Delivery)

THE AUDITOR GENERAL
PO BOX
NAIROBI
ANNIVERSARY TOWERS

DEAR SIR

RE: FINANCIAL STATEMENT AND ANNUAL REPORT FOR THE YEAR ENDED 30TH JUNE 2024 AND 30TH JUNE 2025.

The above matter refers.

The party forwards as attached herein its financial statement for the year ended 30th June 2024 and 30th June 2025 for further action.

Regards.

**HON ISAIAH GICHU NDIRANGU**
**PARTY NATIONAL CHAIRMAN,**

CC. THE REGESTRAR OF POLITICAL PARTIES,
LIONS PLACE,

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PARTY OF DEMOCRATIC UNITY

# ANNUAL REPORT AND FINANCIAL STATEMENTS

## FOR THE FINANCIAL YEAR ENDED

## 30TH JUNE 2024

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

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PARTY OF DEMOCRATIC UNITY

## 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 |

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**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.

PARTY OF DEMOCRATIC UNITY

**Key Political Party Information and Management**



## Background information

*Party of democratic unity was* fully registered under the Political Parties Act, CAP. 7D on 14th May2012. The Party is domiciled in Kenya and has 2 branches.

### Principal Activities

Vision

To build an inclusive, democratic, and united nation where every citizen has a voice in governance.

Mission

To promote participatory democracy by recruiting and empowering members, championing representation of all groups, and shaping policies that advance equity, justice, and national unity.

Core Objectives

Recruit, nurture, and empower members to actively participate in political life.

Nominate credible and inclusive candidates for elections at all levels.

Promote representation of women, youth, persons with disabilities, minorities, and marginalized groups.

Foster civic education and awareness on political and electoral processes.

Mobilize citizens to take part in decision-makingand national development.

Advocate for policies that reflect members' priorities and serve the public good.

Strengthen national unity, peace, and democratic governance.

**PARTY OF DEMOCRATIC UNITY**

**Key Management**

The *Party□s* day-to-day management is under the following key organs:

| No. | Designation | Responsibility |
|---|---|---|
| 1. | NDC/NGC; | Provides overall guidance on the Party's vision, mission, and strategic direction. |
| 2. | NEC | Coordinates activities of various Party organs and committees. |
| 3. | SG | Responsible for implementing Party programs and communicating Party positions. |
| 4. | Treasurer | Oversees Party finances, fundraising, and resource mobilization. |

## PARTY OF DEMOCRATIC UNITY

### Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2024 and who had direct fiduciary responsibility were:

| No. | Designation | Name |
|---|---|---|
| 1. | Secretary General | EUNICE MARIMBE |
| 2. | Head of Finance | GLADYS WANJIKU |
| 3. | *Head of Procurement* | ISABELL MUENI |

### Fiduciary Oversight Arrangements

*Registrar of Political Parties*

*Governing Body/NEC*

*Finance committee*

*Audit and Risk Committee*

*Parliamentary Oversight Committees*

*Other oversight arrangements*

### Party Headquarters

Registered office GRACE HOUSE

P.O BOX 51748-00200,

NAIROBI,

KENYA

**Party Contacts**

Telephone: 0722487305

E-mail: pdu1113@yahoo.com

Website: Www.pdukenya.com

**Party Bankers**

EQUITY BANK OF KENYA

MOI AVENUE BRANCH

Nairobi

Kenya

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**Independent Auditor**

Auditor-General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

**Principal Legal Adviser**

The Attorney General

State Law Office and Department of Justice

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

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PARTY OF DEMOCRATIC UNITY

**Key Management/Secretariat Team**

| Name | Position | Responsibility |
|---|---|---|
| EUNICE MARIMBE | Secretary General | Accounting Officer/ Secretary to the NEC |
| ISABELL MUENI | Executive Director | Head of Secretariat |
| GLADYS WANJIKU | Finance Manager | Heads Finance & Accounts |

PARTY OF DEMOCRATIC UNITY

Chairman's Statement

I am pleased to present this brief account of our Party's activities during the past year.

The Party registered notable successes, including steady growth in membership, increased representation of women, youth, persons with disabilities, and marginalized groups, as well as stronger grassroots networks. We also engaged stakeholders across the country, sensitized citizens on electoral processes, and contributed to national policy debates.

However, we faced challenges such as limited financial resources, a rapidly changing political environment, and leadership transitions within the National Executive Committee (NEC). Despite these, the Party remained stable and committed to its mandate.

Implementation of our Strategic Plan progressed, particularly in civic education, recruitment, andpolicy advocacy, though more effort is needed to strengthen internal capacity and resource mobilization.

Looking ahead, the Party will continue to promote inclusivity, unity, and accountability. We see opportunities in deepening citizen engagement, leveraging technology to reach the youth, and positioning ourselves as a credible voice in national politics.

I extend my appreciation to our members, leaders, and partners for their continued support and dedication to the Party's vision and mission.

ISAIAH GICHU NDIRANGU

Chairman

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# PARTY OF DEMOCRATIC UNITY

Report of the Secretary-General

I am pleased to present the Party's report for the year under review.

On operations, the Party recorded steady membership growth through active recruitment drives and grassroots mobilization. We successfully held grassroots elections that strengthened internal democracy and opened additional constituency and county offices to improve service delivery and accessibility to members.

Financially, the Party operated within the approved budget, raising revenue from members' subscriptions, donations, fundraising initiatives, and contributions from elected leaders. While resources remained limited, prudent management ensured smooth operations and implementation of priority programs.

We also deepened engagement with stakeholders, which supported our civic education activities, policy advocacy, and organizational development.

Looking ahead, the Party remains focused on expanding membership, strengthening financial sustainability, and enhancing its role as a credible and inclusive political force.

EUNICE MARIMBE
Secretary-General

**Statement of Performance against Predetermined Objectives for FY 2023/2024-1**

***The Political Party has a strategic plan running from Year 2023 to Year 2024. 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. | Membership Recruitment | No of Members | 1,000 | 900 | Inadequate resources |
| | | | | | |

PARTY OF DEMOCRATIC UNITY

Governance Statement

Party Structure

The Party operates under a clear governance framework that promotes accountability, inclusivity, and transparency.

National Delegates Congress (NDC)

Role: Highest decision-making body; approves policies, amends the constitution, and elects NEC members.

Composition: Delegates from regions, constituencies, NEC members, and affiliate organizations.

Nomination: Delegates nominated through internal branch and regional elections.

Meetings: Held at least once every four years; extraordinary sessions may be called.

National Executive Committee (NEC)

Role: Governing body between Congresses; implements decisions, oversees Party operations, and ensures compliance with the constitution.

Composition: Party Leader, Secretary-General, Treasurer, Organizing Secretary, regional reps, and co-opted members.

Meetings: Meets quarterly or when urgent matters arise.

Committees under NEC

Dispute Resolution Committee – mediates internal conflicts.

Disciplinary Committee – enforces discipline and handles misconduct.

Election Board – supervises Party elections and ensures fairness.

Finance Committee – manages fundraising, budgeting, and financial planning.

Audit & Risk Committee – conducts audits and manages risk compliance.

Other Committees (as needed) – e.g., Policy, Communications, Membership & Welfare.

The Party's governance framework ensures democratic participation, discipline, and financial accountability. Through the NDC, NEC, and its committees, the Party maintains stability, transparency, and effective leadership

PARTY OF DEMOCRATIC UNITY

## Management Discussion and Analysis

Over the past years, the Party has recorded steady progress in strengthening its structures, operations, and membership base. Recruitment drives and grassroots mobilization have broadened participation, with deliberate efforts made to include women, youth, persons with disabilities, and marginalized groups.

The Party's annual budgets have been aligned with its strategic priorities, focusing on membership growth, grassroots elections, civic education, and administration. While resource gaps have occasionally slowed implementation, prudent management and Innovation have ensured that most programs remain on track.

Funding has been drawn from the Political Parties Fund, membership subscriptions, and voluntary contributions. Although challenges remain in enforcing compliance with subscription payments, the Party has made progress in diversifying revenue sourcesand promoting financial accountability.

Representation in Parliament, county assemblies, and among special interest groups has grown, reflecting the Party's increasing political relevance. The expansion of branches and local offices has further enhanced accessibility and service delivery to members.

The Party has also strengthened governance by establishing effective committees, including dispute resolution mechanisms that have addressed internal disagreements amicably. These efforts have improved cohesion, transparency, and trust within the Party.

In summary, the Party continues to grow steadily despite financial and political challenges. Opportunities in digital transformation, youth mobilization, and community engagement present a strong foundation for the Party's future growth and influence.

PARTY OF DEMOCRATIC UNITY

Environmental and Sustainability Reporting

Our Party is committed to sustainability and responsible governance, guided by international best practices and national priorities. We recognize the growing importance of environmental stewardship, employee welfare, ethical business practices, and community engagement in shaping a sustainable future.

## Sustainability Strategy

Our sustainability strategy is aligned with both national development goals and global best practices. We focus on inclusive growth, climate-conscious operations, and long-term resilience, while acknowledging both our achievements and the challenges that remain.

## Environmental Performance

We are guided by an internal environmental policy that emphasizes responsible waste management, biodiversity protection, and reducing the ecological footprint of our activities. Efforts include energy-efficient operations, minimizing paper use, and promoting awareness among members.

## Employee Welfare

Our human resource policies emphasize fairness, diversity, and inclusion. Gender balance and stakeholder engagement are central in recruitment, training, and career development. Regular appraisals, skills training, and reward systems are designed to promote growth and motivation.

## Responsible Supply Chain

The Party upholds integrity and fairness in its dealings with suppliers by honoring contracts, observing ethical practices, and ensuring timely payments.

## Ethical Marketing & Product Stewardship

We are committed to truthful, responsible communication in all campaigns and safeguard the rights and interests of our members and the public.

## Community Engagement (CSR)

The Party actively engages with communities through outreach, civic education, charitable initiatives, and social investment programs. These efforts reflect our values of inclusivity, solidarity, and nation-building.

PARTY OF DEMOCRATIC UNITY

Report of the National Executive Council/Committee

The National Executive Committee submits its annual report and audited accounts for the year ended 30 June 2025, presenting the Party's activities and financial position. Details of principal activities, results, and NEC membership are provided in the report.

The statutory audit was conducted by the Auditor-General in accordance with the Constitution and the Public Audit Act (2015).

By order of the Committee,

EUNICE MARIMBE

Secretary-General

PARTY OF DEMOCRATIC UNITY

Statement of the National Executive Council (NEC) Responsibilities

In accordance with Section 31 of the Political Parties Act Cap 7D and the Party's Constitution, the NEC is responsible for preparing financial statements that give a true and fair view of the Party's affairs and results for the year ended June 30, 2025. The NEC must also ensure proper accounting records are maintained, assets are

safeguarded, and effective financial management systems are in place.

Specifically, the NEC is responsible for:

Maintaining adequate financial and internal control systems;

Keeping accurate accounting records;

Applying sound accounting policies and reasonable estimates;

Ensuring compliance with IPSAS and the Political Parties Act;

Preparing financial statements on a going concern basis.

The NEC confirms that the financial statements are complete, accurate, and fairly present the Party's position and operations. Nothing has come to its attention to suggest the Party will not remain a going concern for the next twelve months.

Approval of the financial statements

These financial statements were approved by the Board on 20th/08/2025, and signed on behalf of the NEC:
Secretary General

EUNICE MARIMBE

**PARTY OF DEMOCRATIC UNITY**

**Statement of Financial Performance for the year ended 30 June 2024**

| | Notes | 2024 | 2025 |
|---|---|---|---|
| | | Kshs | Kshs |
| **Revenue** | | | |
| Transfers from Political Parties Fund (PPF) | 6 | Nil | Nil |
| Membership Fees | 7 | 200,000 | 180,000 |
| Public contributions and donations | 8 | 200,000 | 190,000 |
| Investment Income | 9 | 30,000 | 20,000 |
| Miscellaneous Revenue | 10 | 20,000 | 5,000 |
| **Total Revenue** | | 450,000 | 395,000 |
| | | | |
| **Expenses** | | | |
| Administrative Expenses | 11 | 150,000 | 120,000 |
| Special Interest Groups expenses | 12 | 50,000 | 45,000 |

| | Notes | 2024 | 2023 |
|---|---|---|---|
| | | Kshs | Kshs |
| Advocacy and Electoral expenses | 13 | 220,000 | 190,000 |
| Finance Costs | 14 | 20,000 | 15,000 |
| **Total expenses** | | 440,000 | 370,000 |
| **Other gains/(losses)** | | | |
| Gain/Loss on sale of assets | 15 | 5,000 | – |
| Gain/Loss on foreign exchange transactions | 16 | xxx | xxx |
| Gain /Loss on fair value of investments | 17 | 3,000 | 2,000 |
| Impairment loss | 18 | 2,000 | 1,000 |
| **Surplus/(Deficit)** | | 16,000 | 26,000 |

The notes set out on pages 6 to 13 form an integral part of these Financial Statements. The Financial Statements set out on pages 3 to 45 were signed on behalf of the NEC by:

| | | |
|---|---|---|
| EUNICE MARIMBE | GLADYS WANJIKU | ISAIAH GICHU NDIRANGU |
| **Secretary General** | **Head of Finance** | **Chairman of the Party** |
| | **ICPAK M/No:** | |
| 21st/08/2024 | 21st/08/2024 | 21st/08/2024 |

**PARTY OF DEMOCRATIC UNITY**

**Statement of Financial Position as at 30 June 2024**

| | Notes | 2024 | 2023 |
|---|---|---|---|
| | | Kshs | Kshs |
| Assets | | | |
| **Current Assets** | | | |
| Cash and Cash equivalents | 19 | 120,000 | 100,000 |
| Receivables and advances | 20 | 30,000 | 25,000 |
| Inventories | 21 | 20,000 | 15,000 |
| Investments (current) | 22 | 30,000 | 20,000 |
| **Total Current Assets** | | 200,000 | 160,000 |
| | | | |

| | Notes | 2024 | 2023 |
|---|---|---|---|
| | | Kshs | Kshs |
| **Non-Current Assets** | | | |
| Investments | 22 | 50,000 | 40,000 |
| Property Plant and Equipment | 23 | 170,000 | 160,000 |
| Intangible Assets | 24 | 20,000 | 15,000 |
| Investment Property | 25 | 10,000 | 5,000 |
| **Total Non- Current Assets** | | 250,000 | 220,000 |
| **Total Assets (A)** | | 450,000 | 380,000 |
| | | | |
| **Liabilities** | | | |
| **Current Liabilities** | | | |
| Trade and Other Payables | 26 | 40,000 | 30,000 |
| Refundable Deposits from Customers | 27 | - | - |
| Current Provision | 28 | 10,000 | 8,000 |
| Finance Lease Obligation | 29 | | |
| Deferred Income | 30 | | |
| Current Portion of Borrowings | 31 | | |
| **Total Current Liabilities** | | 50,000 | 38,000 |
| | | | |
| **Non-Current Liabilities** | | | |
| Non-Current Provisions | 28 | 5,000 | 4,000 |
| Borrowings | 31 | | |
| **Total Non- Current Liabilities** | | 5,000 | 4000 |

| | Notes | 2024 | 2023 |
|---|---|---|---|
| | | Kshs | Kshs |
| **Total Liabilities (B)** | | 55,000 | 42,000 |
| | | | |
| **Net Assets (A-B)** | | 395,000 | 338,000 |
| **Represented by:** | | | |
| Revaluation Reserves | | 50,000 | 40,000 |
| Accumulated Surplus/deficits | | 345,000 | 298,000 |
| **Net Assets** | | 395,000 | 338,000 |

The financial statements set out on pages 6 to 47 were signed on behalf of the NEC by:

| EUNICE MARIMBE | GLADYS WANJIKU | ISAIAH GICHU NDIRANGU |
|---|---|---|
| **Secretary General** | **Head of Finance** | **Chairman of the Party** |
| | **ICPAK M/No:** | |
| 21st/08/2024 | 21st/08/2024 | 21st/08/2024 |

PARTY OF DEMOCRATIC UNITY

**Statement of Cash Flows for the year ended 30 June 20xx**

| | | 2024 | 2023 |
|---|---|---|---|
| | Notes | Kshs | Kshs |
| **Cash flows from operating activities** | | | |
| **Receipts** | | | |
| Transfers from Political Parties Fund (PPF) | | Nil | Nil |
| Membership Fees | | 200,000 | 180,000 |

| | Notes | 2024<br>Kshs | 2023<br>Kshs |
|---|---|---|---|
| Public contributions and donations | | 200,000 | 190,000 |
| Investment Income | | 30,000 | 20,000 |
| Miscellaneous Revenue | | 20,000 | 5,000 |
| **Total receipts** | | 450,000 | 395,000 |
| | | | |
| **Payments** | | | |
| Administrative Expenses | | 150,000 | 120,000 |
| Special Interest Groups expenses | | 50,000 | 45,000 |
| Advocacy and Electoral expenses | | 220,000 | 190,000 |
| Finance Costs | | 20,000 | 15,000 |
| **Total payments** | | 440,000 | 370,000 |
| **Net cash flows from/(used in) operating activities** | 32 | 10,000 | 25,000 |
| | | | |
| **Cash flows from investing activities** | | | |
| Purchase of PPE and Intangible assets | | 25,000 | 15,000 |
| Proceeds from sale of PPE | | 5,000 | - |
| Purchase of investments | | 10,000 | 8,000 |
| Sale of investments | | 8,000 | 5,000 |
| **Net cash flows from/(used in) investing activities** | | 22,000 | 18,000 |
| | | | |
| **Cash flows from financing activities** | | | |

| | Notes | 2024 Kshs | 2023 Kshs |
|---|---|---|---|
| Proceeds from borrowings | | | |
| Repayment of borrowings | | | |
| **Net cash flows from financing Activities** | | | |
| | | | |
| **Net increase/(decrease) in cash & Cash equivalents** | | 12,000 | 7,000 |
| Cash and cash equivalents at 1 July | 19 | 120,000 | |
| **Cash and cash equivalents at 30 June** | 19 | 108,000 | |

**PARTY OF DEMOCRATIC UNITY**

**Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2024**

| | Original budget | Adjustments | Final budget |
|---|---|---|---|
| | Kshs | Kshs | Kshs |
| | a | b | c=(a+b) |

| | Original budget | Adjustments | Final budget |
|---|---|---|---|
| | Kshs | Kshs | Kshs |
| | a | b | c=(a+b) |
| **Carry Overs from the Previous Period** | | | xxx |
| **Receipts** | | | |
| Transfers from Political Parties Fund (PPF) | | - | xxx |
| Membership Fees | 200,000 | | 200,000 |
| Public contributions and donations | 200,000 | | 200,000 |
| Investment Income | 30,000 | - | 30,000 |
| Miscellaneous Revenue | 20,000 | - | 20,000 |
| **Total** | 450,000 | | 450,000 |
| | | | |
| **Payments** | | | |
| Administrative Expenses | 150,000 | - | 150,000 |
| Special Interest Groups expenses | 50,000 | | 50,000 |
| Advocacy and Electoral expenses | 220,000 | | 220,000 |
| Finance Costs | 20,000 | | 20,000 |
| Purchase of Intangible Assets | 25,000 | - | 25,000 |
| **Total Expenditure** | 465,000 | | 465,000 |
| **Surplus for the period** | 15,000 | | 15,000 |

PARTY OF DEMOCRATIC UNITY

Budget Notes and Reconciliation

For the year ended 30 June 2024

Commentary on Budget Utilization

During the financial year, budget utilization stood at 112% (Actual receipts Kshs 502,000 vs Final Budget Kshs 450,000).

Variance Analysis

Underutilization (below 90%)

Advocacy and Electoral Expenses – Utilization of 71% (Budget Kshs 70,000 vs Actual Kshs 50,000), due to delays in program implementation and the timing of planned activities.

Purchase of Intangible Assets – Utilization of 0% (Budget Kshs 5,000 vs Actual Nil), as the planned software acquisition was deferred to the next financial year.

Overutilization

Administrative Expenses – Utilization of 122% (Budget Kshs 180,000 vs Actual Kshs 220,000), mainly due to higher operational costs and inflationary pressures.

Special Interest Groups Expenses – Utilization of 111% (Budget Kshs 90,000 vs Actual Kshs 100,000), reflecting expanded youth and women mobilization activities.

Finance Costs – Utilization of 143% (Budget Kshs 14,000 vs Actual Kshs 20,000), arising from higher-than-expected bank charges and loan servicing costs.

Public Contributions and Donations – Actual receipts of Kshs 450,000 against a budget of Kshs 400,000 (113%), owing to stronger-than-expected fundraising.

Investment Income – Actual Kshs 30,000 against a budget of Kshs 20,000 (150%), driven by higher returns on treasury deposits.

Changes between Original and Final Budget

The final budget (Kshs 450,000) was consistent with the original budget, with reallocations carried out during the year to reflect operational priorities.

Savings from underutilized budget lines (e.g., Advocacy & Electoral – Kshs 20,000 under, Intangible Assets – Kshs 5,000 under) were reallocated to priority areas such as Administrative Operations (+40,000) and Special Interest Groups (+10,000).

Additional resources mobilized through Public Contributions and Donations (Kshs 50,000 above budget) further strengthened program implementation.

PARTY OF DEMOCRATIC UNITY

Notes to the Financial Statements

General Information

PARTY OF DEMOCRATIC UNITY is established by and derives its authority and accountability from Political Parties Act.

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 a significant 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 adoptedhave been consistently applied to all the years presented

Notes to the Financial Statements (Continued)

Adoption of New and Revised Standards

New and amended standards and interpretations in issue effective in the year ended 30 June 2024.

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

New and amended standards and interpretations in issue but not yet

effective in the year ended 30 June 2024

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.)

PARTY OF DEMOCRATIC UNITY

Notes to the financial statements (continued)

Summary of Significant Accounting Policies

Revenue recognition

Revenue from non-exchange transactions

Services:

Recognized by stage of completion, based on labour hours incurred.

Goods:

Recognized when risks and rewards transfer to buyer, usually on delivery.

Interest Income:

Accrued using the effective interest method.

Dividends:

Recognized when the right to receive is established.

Rental Income:

Recognized on a straight-line basis over the lease term.

PARTY OF DEMOCRATIC UNITY

Budget Information

The approved budget may be revised by authorized appropriations. The budget is prepared on a cash basis, while financial statements use accrual basis. A reconciliation of budget to actual amounts is presented.

Investment Property

Initially measured at cost (or fair value if acquired through non-exchange). Subsequently carried at cost less depreciation or at fair value with changes through surplus/deficit. Derecognized upon disposal or permanent withdrawal.

Property, Plant and Equipment (PPE)

Recorded at cost less depreciation and impairment. Significant replacements are capitalized; routine repairs are expensed. Assets from non-exchange transactions are measured at fair value.

Leases

Finance leases: Capitalized at fair value or present value of lease payments. Liability recognized and apportioned between principal and finance charges

Operating leases: Expensed on a straight-line basis over the lease term.

Intangible Assets

Recognized at cost or fair value (if acquired through non-exchange), less amortization andimpairment. Internally generated intangibles (except certain development costs) areexpensed.

Research & Development

Research costs are expensed. Development costs capitalized only when feasibility, intent, benefits, and reliable measurement are demonstrated.

Financial Instruments

Financial Assets: Classified at amortized cost, fair value through net assets/equity, or fair value through surplus/deficit.

Subsequent Measurement: At amortized cost or fair value, depending on business model.
Impairment: Expected credit losses recognized at each reporting date.
Financial Liabilities: Measured at amortized cost unless designated at fair value through surplus/deficit.

Inventories

Measured at cost or fair value if acquired through non-exchange. Subsequently carried at lower of cost and net realizable value (or replacement cost for items distributed at no/nominal charge).

Provisions

Recognized when a present obligation exists, settlement is probable, and the amount can be reliably estimated.

Contingent Liabilities/Assets

Disclosed but not recognized unless inflow/outflow is virtually certain.

PARTY OF DEMOCRATIC UNITY

**Membership Fees**

| Description | 2024 | 2023 |
|---|---|---|
| | Kshs | Kshs |
| Nomination fees | 120,000 | 100,000 |

| | | |
|---|---|---|
| Subscription fees | 60,000 | 50,000 |
| Penalties and fines | 15,000 | 10,000 |
| Others (membership card | 5,000 | 15,000 |
| **Total** | 200,000 | 180,000 |

**Public Contributions and Donations**

| Description | 2024 | 2023 |
|---|---|---|
| | Kshs | Ksh |
| Party Fundraising events | 150,000 | 140,000 |
| Founder Members contributions | 40,000 | 30,000 |
| Others (specify) | 10,000 | 20,000 |
| **Total** | 200,000 | 190,000 |

**Investment Income**

| Description | 2024 | 2023 |
|---|---|---|
| | KShs | KShs |
| Interest income | 10,000 | 8,000 |
| Rental Income | 12,000 | 7,000 |
| Dividends Income | 6,000 | 4,000 |
| Others specify | 2000 | 1000 |
| **Total Investment Income** | 30,000 | 20,000 |

**Miscellaneous Revenue**

| Description | 2024 | 2023 |
|---|---|---|
| | KShs | KShs |
| Sale of Merchandise | 8,000 | 3,000 |
| Hire of Grounds/Halls | 4,000 | |
| Hire of Vehicles | 3,000 | |
| Rendering of services | 5,000 | 2,000 |
| Others (training fees | | |
| **Total Miscellaneous Revenue** | 20,000 | 5,000 |

Administrative Expenses

| Description | | 2024 | 2023 |
|---|---|---|---|
| | Note | Kshs | Kshs |
| Salaries and Wages | 11(a) | 60,000 | 55,000 |
| Office Rent | | 25,000 | 20,000 |
| Transport & Fuel | | 12,000 | 10,000 |
| Stationaries & printing | | 10,000 | 8,000 |
| Media & publications | | 8,000 | 6,000 |
| Consumables | | 5000 | 4,000 |
| Travel and accommodations | | 7,000 | 5,000 |
| Utilities | 11(b) | 6,000 | 4,000 |
| Professional Fees | 11(c) | 8,000 | 5,000 |
| Security | | 4,000 | 2,000 |
| Communication Charges | | 3,000 | 2000 |
| Courier and Postage | | 2000 | 1,000 |
| Insurance | | 3,000 | 2,000 |

| Description | | 2024 | 2023 |
|---|---|---|---|
| | Note | Kshs | Kshs |
| Depreciation | | 4,000 | 3,000 |
| Subscriptions to Professional bodies | | 2,000 | 2,000 |
| Bank charges | | 3,000 | 1,000 |
| Others (IT services) | | 4,000 | |
| Total Administrative Expenses | 160,000 | 130,000 | xxx |

**PARTY OF DEMOCRATIC UNITY**

**11(a) Salaries and Wages**

| Description | 2024 | 2023 |
|---|---|---|

| | Kshs | Kshs |
|---|---|---|
| Salaries and wages | 60,000 | 55,000 |
| Employer contribution to health insurance schemes | 25,000 | 20,000 |
| Employer contribution to pension schemes | 12,000 | 10,000 |
| Volunteer allowances | 10,000 | 8,000 |
| Housing benefits and allowances | 8,000 | 6,000 |
| Overtime payments | 5,000 | 4,000 |
| Performance and other bonuses | 7,000 | 5,000 |
| Social contributions | 6,000 | 4,000 |
| Gratuity | 500 | |
| Other employee related costs ,(training | 500 | 1000 |
| **Total Salaries and Wages** | 60,000 | 52,000 |

**11(b) Utilities**

| Description | 2024 | 2023 |
|---|---|---|
| | Kshs | Kshs |
| Water & Sewerage | 2,000 | 1500 |
| Electricity | 3,000 | 2,000 |
| Garbage Collections | 1000 | 500 |
| **Total Utilities** | 6,000 | 4,000 |

PARTY OF DEMOCRATIC UNITY

**11(c) Professional Fees**

| Description | 2024 | 2023 |
|---|---|---|
| | Kshs | Kshs |
| Audit | 3, 000 | 2,000 |
| Legal | 3,000 | 2,000 |
| Accountancy | 2000 | 1000 |
| **Total Professional Fees** | 8,000 | 5,000 |

**Special Interest Groups**

| Description | 2024 | 2023 |
|---|---|---|
| | Kshs | Kshs |
| Transport | 10,000 | 8,000 |
| Conference Facility | 8,000 | 7,000 |
| Food and Refreshment | 10,000 | 8,000 |
| Stationery | 3,000 | 2,000 |
| Accommodation | 6,000 | 5,000 |
| Caps/ T-shirts | 5,000 | 4,000 |
| Venue Hire | 3,000 | 3,000 |
| Public Address Equipment | 3,000 | 2,000 |
| Televising | 2000 | 2,000 |
| Other Costs | | 1000 |
| Total | 50,000 | 42,000 |

## PARTY OF DEMOCRATIC UNITY

### Advocacy and Electoral Expenses

| Description | 2024 | 2023 |
|---|---|---|
| | Kshs | Kshs |
| Media and Publicity | 80,000 | 70,000 |
| Grassroot Election | 60,000 | 50,000 |
| Advertisement | 30,000 | 25,000 |
| Barazas | 20,000 | 15,000 |
| Printing Cost | 30,000 | 20,000 |
| Other Costs | | 10,000 |
| Total | 220,000 | 190,000 |

### Finance Costs

| Description | 2024 | 2023 |
|---|---|---|
| | Kshs | Kshs |
| Interest on Loans | 15,000 | 12,000 |
| Bank Overdrafts | 3,000 | 2,000 |
| Other Costs | 2,000 | 1,000 |
| **Total finance costs** | 20,000 | 15,000 |

# PARTY OF DEMOCRATIC UNITY

Notes To The Financial Statements (Continued)

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:

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

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economic environment.

PARTY OF DEMOCRATIC UNITY

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 the collateral obtained

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

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 arethe contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

PARTY OF DEMOCRATIC UNITY



Notes to the Financial Statements (Continued)

Financial Risk Management

Market risk

The Entity 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-today impleme-ntation 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

PARTY OF DEMOCRATIC UNITY

Notes to the Financial Statements (Continued)

Financial Risk Management

Fair value of financial assets and liabilities
Financial instruments measured at fair value.
Determination of fair value and fair values hierarchy
IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Entity's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 – inputs for the asset or liability that are not based on observable market

data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Entity considers relevant and observable market prices in its valuations where possible

PARTY OF DEMOCRATIC UNITY

Notes to the Financial Statements (Continued)

Financial Risk Management

There were no transfers between levels 1, 2 and 3 during the year. Disclosures of fair values of financial instruments not measured at fair value have not been made because the carrying amounts are a reasonable approximation of their fair values.

iv) Capital Risk Management

The objective of the Entity's capital risk management is to safeguard the Entity's ability to continue as a going concern.

PARTY OF DEMOCRATIC UNITY

Notes to the Financial Statements (Continued)
Related Party Disclosures

Nature of related party relationships
Entities and other parties related to the Entity 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:
Office of the Registrar of Political Parties
NEC Members
Secretary General

The Treasurer

Contingent Assets and Contingent Liabilities