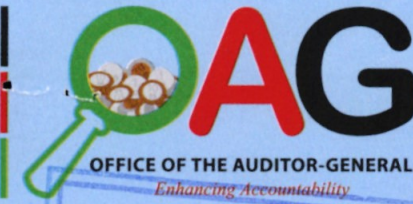


REPUBLIC OF KENYA



REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 03 MAR 2026

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THE AUDITOR-GENERAL

ON

ORANGE DEMOCRATIC MOVEMENT

**FOR THE YEAR ENDED
30 JUNE, 2025**



Customized June 2025



ORANGE DEOCRATIC MOVEMENT

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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**Annual Report and Financial Statements
for the year ended June 30, 2025**

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1. Acronyms and Definition of Key Terms

A: Acronyms

MP	Member of Parliament
MCA	Member of County Assembly
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
FY	Financial Year
PPLC	Political Parties Liaison Committee
OYL	Orange Youth League
ODM	Orange Democratic Movement

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.

**Annual Report and Financial Statements
for the year ended June 30, 2025**

2. Key Political Party Information and Management

The Orange Democratic Movement day-to-day management is under the following key organs:

- Secretary General
- National Treasurer
- Executive Director
- Other Directors and Managers

(a) Background information

Orange Democratic Movement was fully registered under the Political Parties Act, 2011 CAP. 7D on 18th April 2012. The Party is domiciled in Kenya and has 45 branches.

(b) Principal Activities

The principal activity/mission/ mandate of the Party is to strive to establish a Government of Kenya based on democratic and good governance and constitutional principles of a pluralistic democracy whilst promoting rule of law. Others includes

- (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.

Key Management

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

3.	SG	<p>The Secretary General shall be the Party Spokesperson, and shall be responsible to the National Executive Committee for the management of the National Secretariat. In addition, the Secretary General shall -</p> <ul style="list-style-type: none"> • Ensure that all meetings including the National Executive Committee, National Governing Council and National Delegates Convention take place as provided for in the Constitution at such time as may be decided by the National Executive Committee; • Keep or cause to be kept a proper record of minutes of all meetings of the National Executive Committee, the National Governing Council and the National Delegates Convention and ensuring the distribution of such minutes and conveying of decisions made to persons and branches concerned;
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**Annual Report and Financial Statements
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		<ul style="list-style-type: none"> • Issue correspondence on behalf of the National Delegates Convention, National Governing Council and the National Executive Committee or any other Party organs; • Prepare annual reports on the work of the National Executive Committee, the National Governing Council, and the National Delegates Convention; • Be the depository and custodian of all Party documents including Party Seal, Minutes Register, instruments of intellectual property rights, instruments of registration, registration of all Party Branches and Party members' register; • Liaise and consult with the Registrar of Political Parties on behalf of the Party as the authorized principal officer of the Party; and • Perform any other functions conferred upon him or her by this Constitution or the National Executive Committee.
4.	Treasurer	<p>The National Treasurer shall –</p> <ul style="list-style-type: none"> • In consultation with the National Secretariat, be in charge of Party finances; • Supervise all financial transactions at all Party levels under the direction of the National Executive Committee; • Ensure that all monies received on behalf of the National Executive Committee are banked and operate a banking account together with such other signatories as may be specified by the National Executive Committee; • Maintain accurate, up to date records of the finances of the Party and resource use; • Before the commencement of each financial year, prepare annual estimates of the revenue and expenditure of the Party for that year and ensure overall fiscal planning; • Monitor financial allocations and expenditure according to departmental votes as may be approved by the National Executive Committee; • Ensure the execution of prudent stewardship standards and best financial practices to protect the Party's finances; • Prepare and submit to the National Executive Committee a Financial Statement every quarter of the year and ensure that copies of duly audited Annual Accounts are circulated to all delegates at the same time the notice convening the National Delegates Convention is sent out; • Be responsible, in conjunction with Party's Finance and Resource Mobilization Committee, for the formulation and execution of resource mobilization plans and strategies.

**Annual Report and Financial Statements
for the year ended June 30, 2025**

		<ul style="list-style-type: none"> • Within a period of three months after the end of each financial year, submit to the NEC and the Auditor-General the accounts of the Party in respect of that year together with a – • Statement of the income and expenditure of the Party during that year; and • Statement of the assets and liabilities of the Party on the last day of that financial year.
	<p>Executive Director</p>	<ul style="list-style-type: none"> • There is hereby established a National Secretariat which shall be headed by an Executive Director assisted by a Deputy Executive Director. • The National Executive Committee shall determine the number and designation of the departments with the National Secretariat. • The Executive Director shall be appointed by the National Executive Committee and shall be responsible for overall coordination of Party activities, budget and resource and programme management. • The National Secretariat shall be responsible for- <ul style="list-style-type: none"> (a) Facilitating and coordinating Party operations. (b) Implementing of Party decisions. (c) In consultation with the Finance and Resource Mobilization Committee, preparing of draft strategic plan, work plans and budgets for approval by the National Executive Committee. (d) Processing the clearance of persons to be appointed by the National Executive Committee as Party’s nominees to the County Assembly or Parliament. (e) Voter outreach and membership recruitment. (f) Registration, mobilization and maintenance of voters or members register. (g) Coordination, facilitation and synchronization of Party activities and events. (h) Public relations, communication, and media outreach. (i) Fundraising and resource mobilization. (j) Campaign strategies. (k) Operations and logistics. (l) Party policy and research. (m) Liaison with all Party structures. (n) Any other duties as may be assigned by National Executive Committee. <p>Members of Staff appointed to each department by the National Executive Committee shall be guided by the Party Service Code.</p> <p style="text-align: center;">vi</p>

**Annual Report and Financial Statements
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		<p>The Secretariat shall be responsible for implementing decisions and programmes of the Party under guidance of the Secretary General, National Executive Committee and in liaison with other National Officials.</p> <p>(1) The National Secretariat shall service the operations of subsidiary organizations of the Party.</p> <p>(2) The National Secretariat shall function directly under the office of the Secretary General.</p>
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(c) 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.	Secretary General	Hon. Senator Edwin Sifuna
2.	Director Fin & Administration	Joshua Kawino
3.	Senior Financial Accountant	CPA Charles Memba
4.	Internal Auditor	CPA Naomi Amateshe
5.	Legal & Parl. Liaison Officer	Anthony Moturi
6.	ICT Manager	Peter Otuoma
7.	Procurement Officer	Daniel Wadeywa

(d) Fiduciary Oversight Arrangements

Strategic Planning Committee

The National Executive Committee shall appoint a Strategic Planning Committee as a Standing Committee consisting of seven Members, provided one third shall be of either gender.

- Members of this Committee shall serve for a term of 5 years and are eligible for reappointment.
- The Strategic Planning Committee shall be responsible for proposing Party Policy, conducting research and overall Organization, Planning and Strategy.
- The Strategic Planning Committee shall meet at least once three months.

ODM Risk Management Mission Statement

The Orange Democratic Movement has a moral and legal duty to its membership, employees, and to party assets. We continue to meet our duty by ensuring that risk management plays an integral part in sound governance at both a strategic and operational level.

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The National Executive Committee of the party will support the risk management efforts through setting policy and providing broad guidance on goals and objectives. However, risk management is an active process that requires cooperation by all directors, employees, and—where appropriate—the larger party membership. To that end, the National Executive Committee accepts that it must take a leadership role in seeing that appropriate measures are undertaken.

ODM Risk Management Goals Statement

The National Executive Committee authorizes the establishment of a Risk Management Committee, which shall consist of Five members, the party treasurer, a member trained on fire and emergency, a member trained on public works management, and two NEC Members (to be selected by the National Executive Committee for five-year terms). The Committee shall be chaired by the party treasurer, and its responsibilities shall be:

- Identifying and assessing risks
- Selecting and implementing risk control and financing measures
- Periodically reviewing risk management efforts and reporting to the National Executive Committee

These activities shall be undertaken in the service of the risk management mission statement, and to that end risk management practices are undertaken to reduce the cost of risk to Orange Democratic Movement and to maximize benefits of opportunities that the membership may encounter.

Effective risk management begins with the understanding, by everyone in the organization, that the effort is important, and that everyone is expected to uphold that effort. Orange Democratic Movement is subject to certain risks that affect our ability to operate, serve our clients, and protect assets. These include risks to employees and volunteers, liability to others, and risks to property.

Controlling these risks through a formal program is necessary for the well-being of the organization and everyone in it. The jobs and services the party provides the safety of the workplace and other benefits all depend to an extent on our ability to control risks.

Management has the ultimate responsibility to control risks. Control includes making decisions regarding which risks are acceptable and how to address those that are not. Those decisions can be made only with the participation of the entire workforce, because each of us understands the risks of his or her own tasks better than anyone else in the organization. Each is responsible for reporting any unsafe conditions they see. Also, each is encouraged to suggest ways in which we can operate more safely. We are committed to the careful consideration of everyone's suggestions, and to taking appropriate action to address risks.

Accidents and other situations involving loss or near-loss will be investigated as part of the effort to manage risks. Every employee's and volunteer's performance will be evaluated, in part, according to how he or she complies with this policy.

This Risk Policy document has received the following review and approvals from ODM Management:

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(e) Party Headquarters

Chungwa House
Loiyangalani Drive, Lavington Area
P.O. Box 42422 - 00100 Nairobi

(f) Party Contacts

Telephone: (254) 020-2053481
E-mail: info@odm.co.ke
Website: www.odm.co.ke

(g) Party Bankers

KCB Bank Kenya Ltd
Lavington Branch
P.O. Box 60560
Nairobi.
Co- Operative Bank of Kenya
Parliament Road Branch
P.O. Box 5772 – 00200 Nairobi

(h) Independent Auditor

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

(i) Principal Legal Adviser

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

Party Legal Advisor

Makori & Karimi Advocates
Nellion Place, Block B 1stFloor Suite 2
Rhapta Road, Westlands Nairobi
P.O. Box 45053
City Square 00100 Nairobi, Kenya

**Annual Report and Financial Statements
for the year ended June 30, 2025**
3. The National Executive Council/Committee

- Party Leader - Rt. Hon. Raila A. Odinga
- Deputy Party leader - H.E. Abdulswamad Nassir
- Deputy Party Leader - H.E. Simba Arati - Awaiting confirmation
- Deputy Party Leader – Hon. Godfrey Osotsi - Awaiting confirmation
- National Chairperson - H.E. Gladys Wanga- Awaiting confirmation
- Vice Chairperson - Hon Johnes Mwaruma
- Vice Chairperson - Hon. Otiende Amolo - Awaiting confirmation
- Vice Chairperson - Hon. Christine Lemein
- Vice Chairperson - Hon. John Ariko - Awaiting confirmation
- Secretary General - Hon. Edwin Sifuna
- Deputy Secretary General - Sen. (Dr) Agnes Zani
- Deputy Secretary General - Hon Catherine Omanyo
- National Treasurer - Hon. Timothy Bosire
- Deputy National Treasurer - Hon. Fatuma Masito
- Deputy National Treasurer - Hon. Hilda Siang'a
- National Organizing Secretary - H.E. Ahmed Abdullahi- Awaiting confirmation
- Deputy Organizing Secretary - Hon. Fatuma Ibrahim
- Deputy Organizing Secretary - Hon. Ken Chonga
- Deputy Organizing Secretary - Hon. Ruth Odinga - Awaiting confirmation
- Deputy Organizing Secretary - Hon. Caleb Amisi
- Secretary for Political Affairs - Hon. Rozah Buyu Awaiting confirmation
- Secretary for Public Policy and Economic Affairs - Hon Jared Okelo
- Secretary for Legal and Constitutional Affairs - Hon. Timothy Wanyonyi
- Secretary for Publicity and Information - Hon. Rahab Robi -Awaiting confirmation
- Secretary for International Affairs - Hon Esther Passaris
- Secretary of Regional Affairs- Amb. Tabitha Seii
- Secretary for Women Affairs –Hon. Beth Syengo
- Secretary for Youth Affairs - Mr. John Ketora
- Secretary for Special Interests Groups - Halima Daro
- Secretary for Environment - Stella Chepkurui
- Secretary for Parliamentary Affairs / (Whip) NA - Hon. Millie Odhiambo
- Secretary for Parliamentary Affairs/(Whip)Senate - Hon Stewart Madzayo
- Secretary for Devolved Government - Mr. Kipkorir Menjo
- Secretary for Science and Technology - Hon. Babu Owino Paul Ongili
- Secretary for Special Programmes and Social welfare - Hon. Kakuta Maimai
- Secretary for Labour and Human Resource Development - Mr. Mike Rubia
- Secretary for National Security - Hon Elsie Muhanda
- Sec. for Humanitarian & Disaster Management Affairs - Hon. Eddie Oketch

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- Secretary for Disability Affairs - Mr. Nixon Kakiri
- Director of Campaigns - Hon. Junet Mohammed
- Deputy Director of Campaigns – Hon. Mishi Mboko
- Deputy Director of Campaigns – Dr. Noah Akala
- Executive Director (Ex-Officio) - Mr. Oduor Ong'wen

4. Key Management/Secretariat Team

Name	Position	Responsibility
Hon. Sen. Edwin Sifuna	Secretary General	Accounting Officer/ Secretary to the NEC
Hon. Timothy Bosire	Treasurer	Policy /Financial Stewardship
Oduor Ong'wen	Executive Director	Head of Secretariat & Operations
Joshua Kawino	Director Fin & Admin	Finance & Admin
CPA Charles Memba	Senior Financial Accountant	Financial Accounts
Anthony Moturi	Legal & Parl Liaison Officer	Legal & Parl Liaison
CPA Charles Memba	Senior Accountant/ HR	Financial Accounts
Peter Otuoma	ICT Manager	Information Technology
CPA Naomi Amateshe	Internal Auditor	Internal Audit

**Annual Report and Financial Statements
for the year ended June 30, 2025**

5. Chairman's Statement

I am delighted to give highlights for the Party's performance during the year ended 30th June 2025. This year saw Hon. FCPA John Mbadi appointed Cabinet Secretary for the National Treasury and Economic Planning on July 24, 2024, and assuming office on August 8, 2024. Her Excellency Governor Gladys Wanga is the current substantive Chairperson awaiting ratification by the Party's NGC/NDC as required by law.

1. Key Successes

a) Grassroots Elections

One of the most significant achievements of the year was the successful conduct of grassroots elections across the country. These elections were not only peaceful but also demonstrated the vibrancy of our democratic traditions within the Party. They laid a firm foundation for inclusivity, rejuvenation, and the recruitment of young leaders, women, and persons with disabilities into positions of responsibility at all levels of our structures.

b) Design and Approval of New Chungwa House

The design and subsequent approval of a new **Chungwa House headquarters** marked another milestone. This flagship project will be a symbol of ODM's enduring resilience and a hub for political organization, training, research, and innovation. Once completed, the new Chungwa House will serve as a modernized nerve centre for Party activities, befitting a movement of our stature and legacy.

2. Grassroot elections

The period under review has been one of both remarkable progress and sobering challenges. ODM has continued to stand firm as the vanguard of democracy, social justice, and devolution, while at the same time re-engineering its structures to meet the demands of a dynamic political environment. We undertook several stakeholders engagement including NEC/CM and Regional Consultations. The Party's Standing Committees and County Chairpersons had their scheduled meetings.

The following resigned from the National Executive Committee during the year under review to infuse more value of service to the Broad-based Government – HE Hon. Ali Hassan Joho, Hon. FCPA John Mbadi, Hon. Opiyo Wandayi and HE. Hon Oparanya.

3. Challenges

Despite these strides, the Party continues to contend with structural limitations that constrain its optimal performance.

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- **Underfunding:** The Party remains heavily underfunded, limiting our ability to execute programmes, facilitate grassroots organs, and sustain visibility at both county and national levels.
- **Understaffing:** The Secretariat continues to be under-staffed, a situation that hampers efficiency, timely service delivery, and the implementation of resolutions from our national organs.

These challenges underscore the urgent need for innovative fundraising, membership subscription reforms, and professionalization of Party management.

4. Status of Implementation of the 2020–2025 Strategic Plan

The Strategic Plan has provided a clear framework to guide our actions during this period. As we near the end of its cycle, the following progress is noteworthy:

- **Governance and Institutional Strengthening:** Significant progress has been made in restructuring grassroots organs and modernizing Party operations, particularly with the introduction of digital platforms for communication and membership engagement.
- **Devolution and Policy Influence:** ODM governors and county assemblies have continued to champion devolution, though more needs to be done to harmonize Party positions with county-level governance.
- **Youth, Women, and Inclusion Agenda:** Gains have been realized in ensuring greater youth and women participation, though resource limitations have slowed down full programme roll-out.
- **Communications and Digital Strategy:** The Party has expanded its digital footprint, but sustained investments are required to match the agility of emerging competitors.

While implementation has been uneven, the Strategic Plan has served its purpose as a roadmap, and lessons from this period will inform the development of the 2025–2030 Strategic Plan.

5. Future Opportunities

Looking ahead, ODM stands at the cusp of new opportunities:

- **ODM@20 Celebrations (2025):** The 20th anniversary will provide a platform to consolidate our history, showcase achievements, and launch a renewed Party agenda.
- **Rebrand and Digital Expansion:** The Party's ongoing rebrand and digital modernization will allow deeper engagement with Generation Z and Millennials, ensuring relevance in a rapidly digitized political environment.
- **Strategic Alliances:** There is space to build broader coalitions around governance, democracy, and people-centred development to strengthen our political hand ahead of 2027.
- **Policy Leadership:** With mounting national discontent around economic hardship, ODM has an opportunity to lead policy conversations on affordable housing, jobs, healthcare, and education in a way that resonates with wananchi.

**Annual Report and Financial Statements
for the year ended June 30, 2025**

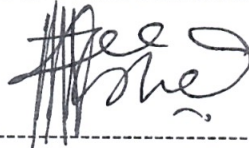
6. Political Direction

ODM remains steadfast in its mission: to be the people's movement that defends democracy, protects devolution, and advances social justice. The Party will:

- Deepen grassroots organization to consolidate our base.
- Sharpen our ideological clarity around **social democracy and Pan-African progressivism**, positioning ODM as the political home of workers, peasants, the youth, and all marginalized groups.
- Prepare rigorously for the 2027 General Elections, including strengthening candidate selection, training, and policy capacity.
- Reaffirm ODM's role as a national movement that transcends ethnicity, region, and religion, and one that speaks to the aspirations of every Kenyan.

7. Conclusion

The year 2024/2025 has been a period of mixed fortunes, but the resilience and faith of our members have kept the Party on course. With unity of purpose, a clear vision, and renewed commitment, ODM will continue to be the beacon of democracy and justice in Kenya.



Hon. Sen. Johnes Mwaruma
Vice Chairperson

**Annual Report and Financial Statements
for the year ended June 30, 2025**

6. Report of the Secretary-General

We are delighted to present the annual financial statements for the year ended June 30, 2025, which gives an overview of the key Operational Performance of the Party. It has been prepared in accordance with International Public Sector Accounting Standards (IPSAS) and captures our key mandates and responsibilities.

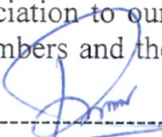
The life membership grew by 76.09% during the period as compared to the previous financial year. The ongoing Party elections attracted 3000 new members many of whom enrolled and participated in the same elections. Our operating branch offices stand at 42 out of 47. All these brought heavy subsequent expenditures related to membership mobilization and registration, publicity, transport and logistics.

One notable trend was the surge in election personnel spending, driven by increased staffing requirements to support grassroots election campaign efforts and ensure smooth day-to-day operations.

	Summarized Income & Expenditure Prev year Comparison			
	Jul '24 - Jun 25	Jul '23 - Jun 24	Kshs Change	% Change
Ordinary Income/Expense				
Income				
INCOME ACCOUNTS				
2024/2025 Accrued Income from GOK	1,034,610,896.00	1,133,524,821.00	-98,913,925.00	-8.73%
Actual Receipt from GOK	256,558,712.00	157,644,787.00	98,913,925.00	62.75%
Receipts from Members	53,183,285.00	46,149,112.00	7,034,173.00	15.24%
Total Income	<u>1,344,352,893.00</u>	<u>1,337,318,720.00</u>	<u>7,034,173.00</u>	<u>0.53%</u>
Total Income	1,344,352,893.00	1,337,318,720.00	7,034,173.00	0.53%
Expense				
Building & Equipment Repairs	275,180.00	186,640.00	88,540.00	47.44%
General Expenses	205,956,648.50	158,457,642.89	47,499,005.61	29.98%
Employee Costs	113,825,579.76	90,293,366.24	23,532,213.52	26.06%
Provision of Depreciation	4,172,564.36	5,110,553.24	-937,988.88	-18.35%
FINANCIAL COSTS	485,790.87	474,348.36	11,442.51	2.41%
Total Expense	<u>324,715,763.49</u>	<u>254,522,550.73</u>	<u>70,193,212.76</u>	<u>27.58%</u>
Net Ordinary Income	<u>1,019,637,129.51</u>	<u>1,082,796,169.27</u>	<u>-63,159,039.76</u>	<u>-5.83%</u>
Surplus/ (Deficit) for the Year	<u>1,019,637,129.51</u>	<u>1,082,796,169.27</u>	<u>-63,159,039.76</u>	<u>-5.83%</u>

The above explains the financial performance of the Party during the year under review. We have maintained good stewardship amidst obstacles and continue to pursue our mission to serve our membership and to promote our party's values.

I wish to extend my sincere appreciation to our dedicated staff at the National Secretariat, the National Executive Committee members and the entire Party Membership for their unwavering commitment to our cause.


 Secretary General
 Hon Sen. Edwin Sifuna

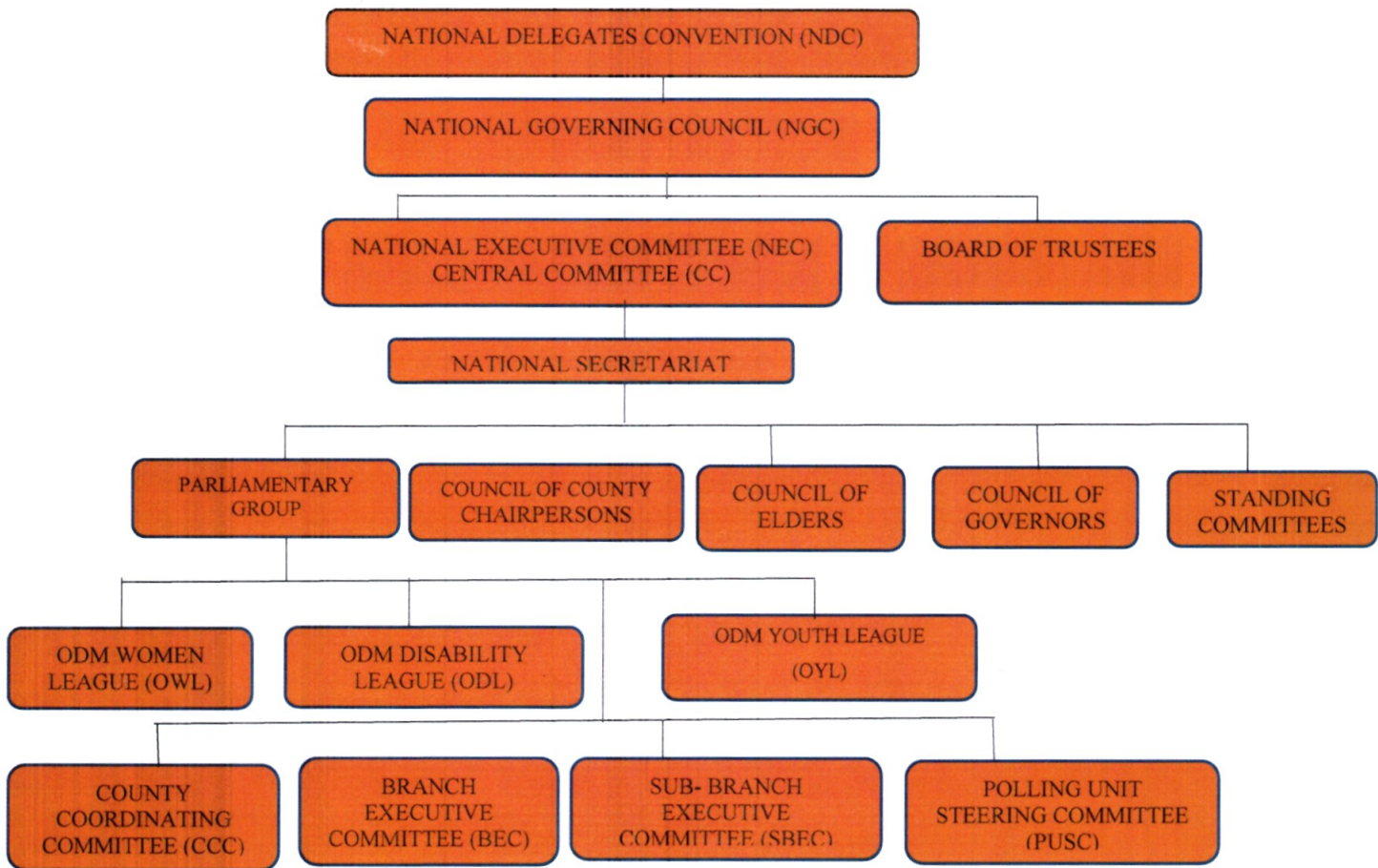
7. Statement of Performance against Predetermined Objectives for FY 2024/2025

The Political Party has a strategic plan running from Year 2020 to Year 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.	Membership Recruitment	No of Members	1,000	900	Successful
2.	Grassroot Elections	No of polling units, Wards & Constituencies	47 Counties	40 Counties Minimized heavy legal costs	Successful
3.	Party Newsletter	No of issues Produced	104 Issues	101 Issued	Successful
4.	Establishment of Youth League Comrade Chapter	No of Regional Chapters	7 Regional Chapters	3 Regions running already	Fairly successful
5.	Establishment of Young Orange Women League	Launch	1 Launch	Launched as scheduled	Successful
6.	ODM Youth League NGC	One Meeting	One Meeting	Reviewed their rules	Successful
7.	Orange Disability League	One Meeting	One Meeting	Reviewed their rules	Successful
8.	Updating Party Membership Reg.	No of Applicants	All Wards	Fully updated	Successful
9.	Review NADCO Report Bills	No of Bills	10 Bills	4 Fully reviewed	Ongoing
10.	Conduct Political Education	No of Retreats, Rallies, Workshops	4 Regional Rallies 3 retreats & 5 Seminars	All conducted	Successful

8. Governance Statement

ODM ORGANOGRAM



No.	Designation	Responsibility
1.	NDC/ NGC;	<ul style="list-style-type: none"> The National Delegates Convention shall be the supreme organ of the Party with power to determine Party policy. To review and/or formulate policies of the Party for approval by the National Delegates Convention. To act as the broader executive body of the National Delegates Convention and to ensure that all recommendations by the National Delegates Convention are duly carried out by the Party and the National Secretariat. To receive reports from the National Executive Committee on the operations of the Party. To monitor general activities of the Party on behalf of the National Delegates Convention and to provide direction for such activities; To establish specialized committees and other advisory bodies as are necessary to carry out aims and objects of the Party; To run the party and make decisions in between the National Delegates Congress;

**Annual Report and Financial Statements
for the year ended June 30, 2025**

		<ul style="list-style-type: none"> • To review and develop political agenda for the Party’s Civic and Parliamentary Groups; • To review and recommend the reports of the National Executive Committee to National Delegates Convention; • To approve the agenda for the National Delegates Congress as may be prepared and presented by the National Executive Committee or as may be notified by any Party member. A notice to include any other agenda item to the National Delegates Convention by a member shall be sent to reach the Secretary General not later than twenty one working days before the session of the National Governing Council; • To make policy and administrative decisions on behalf of the National Delegates Convention if it is the considered opinion of the National Executive Committee that such decision cannot await the next National Delegates Convention but thereafter present such decisions for ratification at the Ordinary Session of the National Delegates Convention immediately following; • To initiate all such activities as might further the aims and objects of the Party. • The National Governing Council shall be convened by a resolution of the National Executive Committee and shall meet at least once every twelve (12) months.
2.	NEC	<ul style="list-style-type: none"> • To act as the executive body and carry out the decisions of the National Governing Council and the National Delegates Congress: • To supervise the National Secretariat of the Party and to take such measure as it deems necessary to enforce the decisions and programmes of the Party as laid down by the National Governing Council and the National Delegates Convention. • To issue and send directives and instructions to and receive reports from the Branches. • To convene the meetings of and prepare the agenda for and reports to the National Governing Council and National Delegates Convention. • To oversee the operations of the Orange Women Democrats, Orange Young Democrats, Party Parliamentary Group and the County Assembly Group • Set up committees as it deems necessary from time to time for specified tasks and to determine their terms of reference. • To operate and determine the manner in which the Party accounts and finances shall be prudently managed.

**Annual Report and Financial Statements
for the year ended June 30, 2025**

Disciplinary Committee

There is hereby established a Disciplinary Committee comprising five Party members of good standing, honour and integrity and appointed by the National Executive Committee. The Chairperson, who shall be an Advocate of the High Court of Kenya of not less than ten years standing, shall be appointed by the National Executive Committee.

The Disciplinary Committee shall make its own rules of procedure which shall be approved by the National Executive Committee. The Rules shall comply with written laws of Kenya, the Rule of Law and Rules of Natural Justice.

The members shall be in office for five years and are eligible for re-appointment at the expiry of their term.

Discipline

The Disciplinary Committee as established under this Constitution shall have the power to receive, hear and determine all cases of discipline concerning Party members. Any Party member may, by a written and signed complaint, refer to the Committee an issue of discipline. A Disciplinary issue shall arise on the ground of gross misconduct and a member shall be liable to the Party's disciplinary measures if he/she engages in any conduct proscribed as shall be provided by the rules in the Schedule of this Constitution.

The Disciplinary Committee shall afford a fair hearing to such member complained against with reasonable opportunity to defend him/herself against the charges or allegations made against him/her in accordance with Rules of Natural Justice.

The Disciplinary Committee shall, after a determination of facts on a complaint, make recommendation to the National Executive Committee which shall have the power to pass a penalty including, but not limited to Reprimand, Censure, Sanction, and Suspension for a period definite, or Expulsion. A Decision to suspend or expel shall be ratified by two thirds of the National Governing Council. Vacancies thus or otherwise created shall be filled in the same manner as they were originally filled.

The Party Branch, Sub-Branch/Ward or Sub-Location/Kijiji shall have no power to suspend or expel a member of the Party. Where an issue of discipline is referred to the Party Branch, Sub- Branch/Ward/Sub-Location/Kijiji it shall constitute a Special Branch Disciplinary Committee to deliberate on the issue. Where the Committee is on the view that the misconduct is so serious as to invite suspension or expulsion, the Committee shall refer the matter to the Standing Disciplinary Committee at the Party Headquarters which shall summarily review the facts and make an appropriate recommendation to the National Executive Committee. Provided however the Branch/Sub- Branch/Ward or Sub-Location/Kijiji shall have the power to censure or reprimand.

**Annual Report and Financial Statements
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Any member suspended or expelled shall have a right of appeal to a Special Session of the National Governing Council which shall be convened by the National Chairperson not later than six months from the date of the decision appealed from. The National Governing Council shall have the power to review the facts and its decision on appeal shall be final.

Any Party member under a disciplinary process shall be entitled to represent him/herself in person or by an authorized representative or next friend.

National Elections Coordinating Committee (NECC)

(1) There is hereby established the Orange Democratic Movement National Elections Coordinating Committee whose mandate is to plan, organize, direct, conduct, supervise and or coordinate all Party elections and nominations of candidates.

(2) The members of the NECC will be appointed by the National Executive Committee upon a resolution made by two-thirds of members present and will comprise a chairperson and two members. The members of the National Elections Coordinating Committee may serve for a term of five years and are eligible for re-appointment at the expiry of their term, subject to a maximum of two consecutive terms.

(3) A person shall be qualified for appointment as a chairperson and/or member of the NECC such person has as experience in electoral matters and meets requirements of Chapter Six of the Constitution of Kenya

(4) In appointing the Chairperson and members of the NECC, the National Executive Committee shall ensure that not more than two thirds of the members are of the same gender.

(5) The NECC may constitute and appoint, as it deems fit, election committees to support its conduct of Grass-root elections, Party primary, Primaries for presidential nominations and in any of the electoral areas, including Wards, Constituencies and/or Counties.

(6) The NECC shall develop its own rules of procedure.

(7) The National Secretariat shall provide secretarial support services to the NECC.

Audit, Finance and Resource Mobilization Committee

- The National Executive Committee shall appoint the Finance and Resource Mobilization Committee as a Standing Committee consisting of nine members including the National Treasurer, Internal Auditor and the Deputy National Treasurers. The appointed members shall elect the Chairperson and Secretary among themselves. Provided that one third shall be of either gender

**Annual Report and Financial Statements
for the year ended June 30, 2025**

- **External Auditing** processes are carried out independently by the Auditor General without interference so as to guarantee the integrity of the party's financial statements,
- The Finance and Resource Mobilization Committee shall be responsible for:
- Developing strategies for and realizing financial resource mobilization and any other support to the Party.
- Ensuring that the books of the Party are audited by the appointed auditor.
- Developing principles of stewardship, financial discipline, ethics and best practices to guide the Party in matters of fiscal planning and management.
- The members shall be in office for five years and shall be eligible for re-appointment at the expiry of their term, subject to a maximum of two consecutive terms.
- The Committee shall work closely with the National Executive Committee and will report at least twice a year on the finances and budget of the party.

Legal Committee

- There is hereby established a Legal Committee as a Standing Committee of the Party consisting of the Secretary for Legal Affairs and nine other legal experts who are Party members. The Committee shall be appointed by the National Executive Committee and shall advise the Party on all legal matters. The appointed members shall elect the Chairperson who shall be an Advocate of the High Court of Kenya of not less than ten years standing and a Secretary among them provided one third of their membership shall be of either gender.
- The members shall be in office for five years and are eligible for re-appointment at the expiry of their term.

Audit & Risk Committee

Management has the ultimate responsibility to control risks. Control includes making decisions regarding which risks are acceptable and how to address those that are not. Those decisions can be made only with the participation of the entire workforce, because each of us understands the risks of his or her own tasks better than anyone else in the organization. Each is responsible for reporting any unsafe conditions they see. Also, each is encouraged to suggest ways in which we can operate more safely.

We are committed to the careful consideration of everyone's suggestions, and to taking appropriate action to address risks. Accidents and other situations involving loss or near-loss will be investigated as part of the effort to manage risks. Every employee's and volunteer's performance is evaluated, in part, according to how he or she complies with this policy.

Purpose

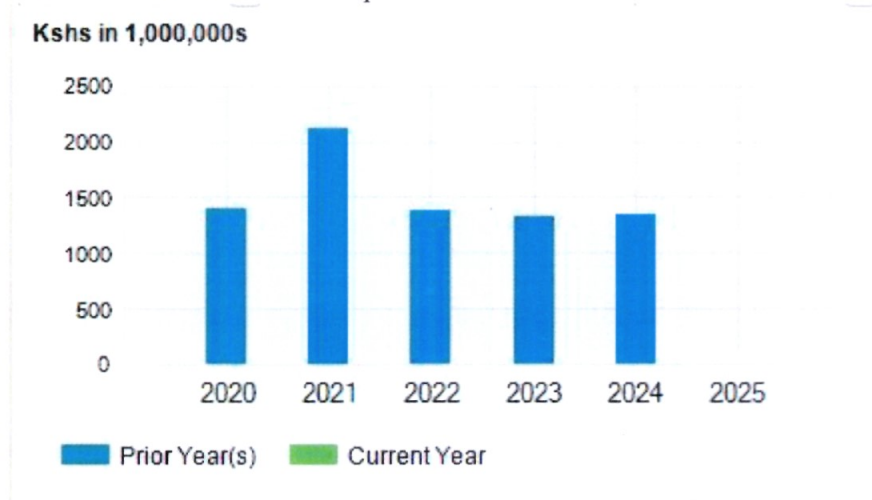
The purpose of this policy is to ensure that risks to Orange Democratic Movement are identified, analyzed, and managed so that they are maintained at acceptable levels. Risks to the confidentiality, integrity, and availability of both party information and assets are considered.

**Annual Report and Financial Statements
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9. Management Discussion and Analysis

The membership of the Party has since grown since 2007 when the Party received the full registration. The Party started with 1.5 million registered members and is currently having 6.2 million members. This milestone has not been without challenges – defections and competitors rivalry.

Previous Year income Comparison



Previous Year Expenditure Comparison



The Party has always presented her approved budget based on the Political Parties Act. The same has never been honoured disputed appellant court ruling and the Auditor General advise. The Pages that follow gives the budget per year

**Annual Report and Financial Statements
for the year ended June 30, 2025**

FY 2021/2022 Budget

Income & Expenditure	Notes	Q1	Q2	Q3	Q4	Total in Kshs.
Estimated Receipts						
1 Brought forward						110,000,000
2 Receipts from GOK – Political Parties Fund	Estimated receipt from the registrar by adding the total number of votes obtained by our party in the election for the President, MPs, governors, Senators and MCAs in August 2017 general election plus part of the arrears owed	?	?	?	?	330,000,000
3 Receipts from GOK – Court Award		?		?		1,000,000,000
4 Membership fee & Subscriptions	Estimated Sub fee of Kshs. 26.5 Million and sale of life membership of about 1200 pax	?	?	?	?	50,500,000
5 Contribution from Governors Senators, Mps, MCAs	Contributions from ODM Members	?	?	?	?	60,575,000
6 By election & Nominations fee –	Estimated receipts from Applicants		?	?	?	229,705,000
7 Harambee & Contribution from Well-wishers		?	?	?	?	30,000,000
Total Estimated Income						1,810,780,000
Summary Expenses						
1 Citizenry Activities thro' Conferences & Meetings	See budget Note 1 for Details	?	?	?	?	101,500,000
2 Promoting Special Interest Groups	Covered in every chart of account	?	?	?	?	90,000,000
3 Broadcasting Policies & Election Expenses	See budget Note 2 for Details	?	?	?	?	1,025,000,000
4 Linkages to Party Branches & Grassroots	See budget Note 3 for Details	?	?	?	?	100,205,000
5 Civic Education in Democracy	See budget Note 4 for Details	?	?	?	?	102,500,000
6 Public Opinion Shaping	See Budget Note 5 for Details	?	?	?	?	115,000,000
7 30% Administrative Costs	See Budget Note 6 for Details	?	?	?	?	154,580,000
8 Capital Improvement on the Premise and leases	Mortgage & premise development					235,000,000
Total Estimated Expenses						1,810,780,000
Surplus/(Deficit)						-

FY2022/2023 Budget

Income & Expenditure	Notes	Q1	Q2	Q3	Q4	Total in Kshs.
Estimated Receipts						
1 2021/2022 Supplementary Brought forward from Prior Year		?				86,452,789
2 Receipts from GOK – Political Parties Fund	Estimated receipt from the registrar by adding the total number of voter obtained by our party in the election for the President, MPs, governors, Senators and MCAs in August 2017 general election plus part of the arrears owed	?	?	?	?	308,260,679
3 Receipts from IQTR GOK – Court Award			?			475,000,000
4 Expected Receipt from GOK towards Court Award	Going with the past trend		?			475,000,000
5 Membership fee & Subscriptions	Estimated Sub fee of Kshs. 34.2 Million and sale of life membership	?	?	?	?	40,200,000
6 Contribution from Governors Senators, Mps, MCAs	Contributions from ODM Members	?	?	?	?	20,750,000
7 By election & Nominations Fee –	Estimated receipts from Applicants		?	?	?	3,600,000
8 Harambee & Contribution from Well-wishers		?	?	?	?	20,000,000
Total Estimated Income						1,429,263,468
Summary Expenses						
1 Citizenry Activities thro' Conferences & Meetings	See budget Note 1 for Details	?	?	?	?	54,000,000
2 Promoting Special Interest Groups	Covered in every chart of account	?	?	?	?	95,000,000
3 Broadcasting Policies & Election Expenses	See budget Note 2 for Details	?	?	?	?	920,000,000
4 Linkages to Party Branches & Grassroots	See budget Note 3 for Details	?	?	?	?	51,500,000
5 Civic Education in Democracy	See budget Note 4 for Details	?	?	?	?	55,500,000
6 Public Opinion Shaping	See Budget Note 5 for Details	?	?	?	?	137,108,468
7 30% Administrative Costs	See Budget Note 6 for Details	?	?	?	?	116,195,000
Total Estimated Expenses						1,429,263,468
Surplus/(Deficit)						-

**Annual Report and Financial Statements
for the year ended June 30, 2025**

FY2023/2024

Income & Expenditure	Notes	Q1	Q2	Q3	Q4	Total in Kshs.
Estimated Receipts						
Receipts from GOK – Political Parties Fund	Estimated receipt from the registrar by adding the total number of votes obtained by our party in the election for the President, MPs, governors, Senators and MCA's in August 2022 general election	?	?	?	?	1,291,169,608
Expected Receipt from GOK towards Court Award	Going with the past trend		?			
Membership fee & Subscriptions	Estimated 500 members joining and 1000 registered members paying annual subs	?	?	?	?	15,000,000
Contribution from Governors, Dep. Gov, Senators, MPs, MCAs	Contributions from ODM Members	?	?	?	?	76,180,000
By election & Nominations Fee –	Estimated receipts from Applicants		?	?	?	2,500,000
Harambee & Contribution from Well-wishers		?	?	?	?	6,000,000
Total Estimated Income						1,390,849,608
Summary Expenses						
Citizenry Activities thro' Conferences & Meetings	See budget Note 1 for Details	?	?	?	?	126,700,000
Promoting Special Interest Groups	Covered in every chart of account	?	?	?	?	9,500,000
Broadcasting Policies & Election Expenses	See budget Note 2 for Details	?	?	?	?	187,402,000
Linkages to Party Branches & Grassroots	See budget Note 3 for Details	?	?	?	?	117,140,000
Civic Education in Democracy	See budget Note 4 for Details	?	?	?	?	36,700,000
Public Opinion Shaping	See Budget Note 5 for Details	?	?	?	?	81,600,350
30% Administrative Costs	See Budget Note 6 for Details	?	?	?	?	111,495,000
Capital Development	See Budget Note 7 for Details					634,812,258
Total Estimated Expenses						1,390,849,608
Surplus/(Deficit)						-

FY 2024/2025

Income & Expenditure	Notes	Q1	Q2	Q3	Q4	Total in Kshs.
Estimated Receipts						
Receipts from GOK – Political Parties Fund	Estimated receipt from the registrar by adding the total number of votes obtained by our party in the election for the President, MPs, governors, Senators and MCA's in August 2022 general election	?	?	?	?	1,291,169,608
Membership fee & Subscriptions	Estimated 500 members joining and 1000 registered members paying annual subs	?	?	?	?	10,000,000
Contribution from Governors, Dep. Gov, Senators, MPs, MCAs	Contributions from ODM Members	?	?	?	?	76,180,000
By election & Nominations Fee –	Estimated receipts from Applicants		?	?	?	5,000,000
Harambee & Contribution from Well-wishers		?	?	?	?	5,000,000
Total Estimated Income						1,387,349,608
Summary Expenses						
Citizenry Activities thro' Conferences & Meetings	See budget Note 1 for Details	?	?	?	?	88,686,457
Promoting Special Interest Groups	Covered in every chart of account	?	?	?	?	66,842,365
Broadcasting Policies & Election Expenses	See budget Note 2 for Details	?	?	?	?	106,893,372
Linkages to Party Branches & Grassroots	See budget Note 3 for Details	?	?	?	?	82,236,675
Civic Education in Democracy	See budget Note 4 for Details	?	?	?	?	26,668,530
Public Opinion Shaping	See Budget Note 5 for Details	?	?	?	?	57,647,438
30% Administrative Costs	See Budget Note 6 for Details	?	?	?	?	111,495,000
Capital Development	See Budget Note 7 for Details			?		846,879,770
Total Estimated Expenses						1,387,349,608
Surplus/(Deficit)						-

**Annual Report and Financial Statements
for the year ended June 30, 2025**

10. Environmental and Sustainability Reporting

Orange Democratic Movement is committed in reducing environmental impact in its operations. The party is cognizant of adverse environmental effects on sustainability practices. Sustainability is the ability to maintain or continue offering services to the country's citizens over the long term. It is using resources in a way that allows them to replenish and continue supporting life both now and in the future.

1. Sustainability strategy and profile -

To ensure the sustainability of ODM, the party funds the following key thematic areas/programmes as part of its sustainable priorities.

- a. **Training and advocacy:** ODM focus on political education for party members through conducting sensitization forums and customized training. The intention is to empower the party members such that in years to come, the training beneficiaries at all level will be informed party members creating loyalty to the party, thereby contributing positively to democracy and strengthening the party. This strategy takes care of marginalized groups, women, youth and people living with disabilities.
- b. **Representation and Participation:** Among its key pillars, ODM aims to achieve representation at County and National Assembly of Special Interest Groups (SIGs) as a priority area with the intention to enhance their participation in political discourse. The strategy is to have a long-term collaborative working approach that enhances community engagement in Political participation. This is aimed at increasing the number of SIGs both at County and National Assembly electoral processes. The Party directly engages stakeholders in decision-making and fully considers members.
- c. **Climate change mitigation:** ODM acknowledges that all its operation has an impact on the environment. Cognizant of the Sustainable development goals, the Party has allocated part of its budget to climate change mitigation activities such as afforestation, re-afforestation, grassroots sensitization, and tree seedling production.
- d. **Environmental performance:** ODM is cognizant of environmental management and coordination Act Cap 387 and aspires to comply with all the requirements thereon of a public entity. The party focuses on the following key areas in environmental performance.

**Annual Report and Financial Statements
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- i. **Water management**- Minimization of water wastage through installation of smart taps, increase monitoring of water use and ensuring clean water availability in the party offices.
- ii. **Waste management** – The party segregates its waste re-usability and recycling processes. All waste is collected on timely basis in labelled waste bags and dropped off to collection points.
- iii. **Lights** – The party has put in place measures to use clean energy in the office. The party uses energy savings bulbs and ensures that lights are switched off when not in use.
- iv. **Recycling** – The party segregates waste for recycling purposes.
- v. **Transportation** – The party aspires to use low carbon emission modes of transport; pool transport is used during party activities.
- vi. **Digital documentation** – Through digital transformation the party has reduced the use of papers in printing.
- vii. **Green energy** –The party has explored the use of solar and wind energy in its operations across its activities.

2. Employee welfare

We invest in providing the best working environment for our employees. ODM recruitment is guided by Employment Act CAP 226D, Political Parties Act CAP 7D, ODM **Human Resource Policy** and other regulations as issued from time to time. In line with the laws and regulations, the Party offers equal opportunity to all while adhering to the one-third gender rule and special interest groups. We also recognize and appreciate our employees for exemplary performance. The reward and sanctions system is based on performance appraisal and internal Human Resource Manual.

The Party promotes a healthy lifestyle by encouraging work life balance and by ensuring all employees are registered with national health insurance provider e.g. (SHA). Employees are encouraged and supported to build on their skills and knowledge continually. ODM invests in capacity-building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross-cutting issues.

**Annual Report and Financial Statements
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The Political Party has a safety policy in compliance with the Occupational Safety and Health Act of 2007 (OSHA) and has ensured the work environment is conducive to everybody's movement and accessibility within the office, including PWDs. The Party has also put in place disaster-mitigating measures, including fire extinguishers and accessible escape routes in case of emergency.

3. Marketplace practices-

ODM is committed to fair and ethical market practices. The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants as per the party's finance and procurement manual. We support local vendors to lift them economically. Our ethical market practices ensure the party gets value for money on all goods and services procured.

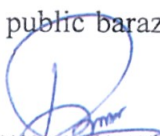
We are also committed to healthy relations with our suppliers, which are enhanced through organized sensitization forums on the procurement legal framework and ethical subject matters. We are dedicated to honoring all contracts and settling payments promptly.

ODM has put in efforts to ensure:

- i. Responsible competition practice by encouraging fair competition and zero tolerance to corruption.
- ii. Good business practices, including cordial Supply chain and supplier relations, by honoring contracts and respecting payment practices.
- iii. Responsible marketing and advertisement
- iv. Product stewardship by safeguarding consumer rights and interests.

4. Community Engagements-

ODM has endeavored to sustain community engagement through Corporate Social Responsibility (CSR) as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community on the party mandate through civic education, public barazas, women leagues, youth leagues and PWDs leagues.



.....
Hon. Senator Edwin Sifuna
Secretary General

**Annual Report and Financial Statements
for the year ended June 30, 2025**

11. Report of the National Executive Council/Committee

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

i) Principal activities

The principal activities of the Party are reported on page ii - iv

ii) Results

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

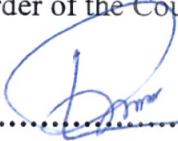
iii) National Executive Committee Members

The members of the Governing body/NEC who served during the year are shown on page x. During the year 2024/2025 four members resigned

iv) Auditors

The Auditor-General is responsible for the statutory audit of the Entity in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015

By Order of the Council/Committee



.....
Hon. Senator Edwin Sifuna

Secretary General

**Annual Report and Financial Statements
for the year ended June 30, 2025**

12. Statement of the National Executive Council Responsibilities

Section 81 of the Public Finance Management Act, 2012 require the National Executive Committee to prepare financial statements in respect of Orange Democratic Movement, which give a true and fair view of the state of affairs of ODM at the end of every financial year/period and the operating results of the ODM for each particular year/period. The National Executive Committee members are also required to ensure that the Party keeps proper accounting records which disclose with reasonable accuracy the financial position of the ODM. The National Executive Committee members are also responsible for safeguarding the assets of the Party.

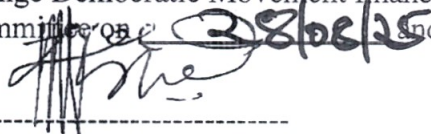
The National Executive Committee members are responsible for the preparation and presentation of ODM financial statements, which give a true and fair view of the state of affairs of the Party for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: (i) 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 entity; (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 National Executive Committee members accept responsibility for Orange Democratic Movement financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012–). The National Executive Committee members are of the opinion that ODM financial statements give a true and fair view of the state of the Party’s transactions during the financial year ended June 30, 2020, and of ODM financial position as at that date. National Executive Committee further confirm 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.

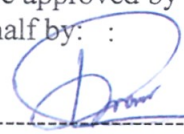
Nothing has come to the attention of the Directors to indicate that the Orange Democratic Movement will not remain solvent for at least the next twelve months from the date of this statement.’

Approval of the financial statements

Orange Democratic Movement financial statements were approved by National Executive Committee on 28/06/25 and signed on its behalf by: :



Hon. Sen. Johness Mwaruma
NEC Chairperson



Hon. Senator Edwin Sifuna
Secretary General

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON ORANGE DEMOCRATIC MOVEMENT FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

I draw your attention to the contents of my report, which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on the Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance, which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management, and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Orange Democratic Movement set out on pages 1 to 33, which comprise of the statement of financial position as at 30

June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Orange Democratic Movement as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Political Parties Act, 2011 and the Public Finance Management Act, 2012.

Basis for Opinion

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

Emphasis of Matter

Budgetary Control and Performance

I draw attention to the statement of comparison of budget and actual amounts, which reflects final revenue budget and actual on comparable basis of Kshs.1,387,349,608 and Kshs.351,516,598 respectively, resulting to an under-performance of Kshs.1,035,833,010, or 75% of the approved budget. The budget was based on a favourable Court case regarding the amount receivable from The National Treasury for funding political parties. However, the actual funds received from the Government amounted to only Kshs.298,333,313, significantly less than the anticipated Government funding of Kshs.1,291,169,608.

In the circumstances, the under-funding may have affected the planned activities of the Party.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Information

Management is responsible for the Other Information set out in pages iv to xxix which comprise of Key Political Party Information and Management, Chairman's Statement, Report of the Secretary General, Statement of Performance Against Predetermined Objectives, Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the National Executive Council/Committee and the Statement of National Executive Council Responsibilities. The Other Information does not include the financial statements and my audit report thereon. My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

In connection with my audit on the Party's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON THE LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions, and information reflected in the financial statements comply in all material respects with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Party's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial

transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error

and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

9 December, 2025

**Annual Report and Financial Statements
for the year ended June 30, 2025**


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

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Revenue			
Transfers from Political Parties Fund (PPF)	6	1,291,169,608	1,291,169,608
Membership Fees	7	1,710,720	1,081,043
Public contributions and donations	8	51,403,565	45,041,069
Miscellaneous Revenue	9	69,000	27,000
Total Revenue		1,344,352,893	1,337,318,720
Expenses			
Administrative Expenses	10	169,799,247	145,933,986
Special Interest Groups expenses	11(d)	13,693,900	7,877,250
Advocacy and Electoral expenses	12	141,222,616	100,711,315
Total expenses		324,715,763	254,522,551
Surplus/Deficit		1,019,637,130	1,082,796,169

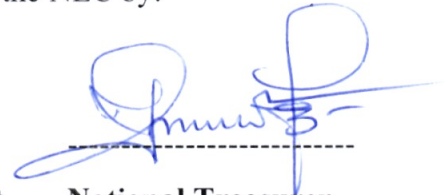
The notes set out on pages 6 to 35 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 5 were signed on behalf of the NEC by:



Secretary General
Hon. Sen. Edwin Sifuna



Senior Financial Accountant
Charles Momba
ICPAK M/No2877

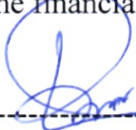


National Treasurer
Hon. Timothy Bosire

15 Statement of Financial Position as at 30 June 2025

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	13	1,966,567	117,121
Receivables and advances	15	7,626,795	5,682,144
Accrued Receivable from Government	15	12,378,214,197	11,386,462,998
Total Current Assets		12,387,807,559	11,392,262,263
Non-Current Assets			
Property Plant and Equipment	16	238,167,203	242,326,468
Total Non- Current Assets		238,167,203	242,326,468
Total Assets (A)		12,625,974,761	11,634,588,731
Liabilities			
Current Liabilities			
Trade and Other Payables	17	28,917,823	57,168,921
Total Current Liabilities		28,917,823	57,168,921
Total Non- Current Liabilities		-	-
Total Liabilities (B)		28,917,823	57,168,921
Net Assets (A-B)		12,597,056,939	11,577,419,810
Represented by:			
Reserves		2,356,176	2,356,176
Accumulated Surplus/deficits		12,594,700,763	11,575,063,634
Net Assets		12,597,056,939	11,577,419,810

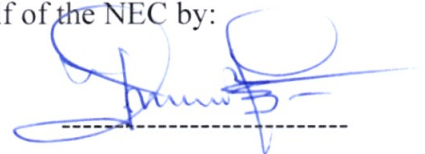
The financial statements set out on pages 1 to 35 were signed on behalf of the NEC by:



**Secretary General
Hon. Sen. Edwin Sifuna**



**Senior Financial Accountant
Charles Memba ICPAK M/N02877**



**National Treasurer
Hon. Timothy Bosire**

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

Description	Reserve	Accumulated Surplus	Total
	Kshs	Kshs	Kshs
As at July 1 2023	2,356,176	10,492,267,465	10,494,623,641
Revaluation gain		-	-
Transfer of excess depreciation on revaluation	-	-	
Surplus/ deficit for the year	-	1,082,796,169	1,082,796,169
As at June 30, 2024	2,356,176	11,575,063,635	11,577,419,810
As at July 1, 2024	2,356,176	11,575,063,635	11,577,419,810
Revaluation gain	-	-	-
Transfer of excess depreciation on revaluation	-	-	-
Surplus/ (deficit) for the year	-	1,019,637,129	1,019,637,129
As at June 30, 2025	2,356,176	12,594,700,763	12,597,056,939

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

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from Political Parties Fund (PPF)	6	1,291,169,608	1,291,169,608
Membership Fees	7	1,710,720	1,081,043
Public contributions and donations	8	51,403,565	45,041,069
Miscellaneous Revenue	9	69,000	27,000
Total receipts		1,344,352,893	1,337,318,720
Payments			
Administrative Expenses	10	169,799,247	145,933,986
Special Interest Groups Expenses	11(d)	13,693,900	7,877,250
Advocacy and Electoral expenses	12	141,222,616	100,711,315
Total payments		324,715,763	254,522,551
Net cash flows from/ (used in) operating activities	20	1,019,637,130	1,082,796,169
Cash flows from investing activities			
Purchase of PPE and Intangible assets	16	(13,300)	-
Depreciation and amortization Expense	16	4,172,564	5,110,553
Net cash flows from/(used in) investing activities		4,159,264	5,110,553
Cash flows from financing activities			
Increase/(Decrease) in Payables		(28,251,098)	48,895,595
Increase/Decrease) in Receivables		(993,695,849)	(1,130,294,931)
Net cash flows from financing Activities		(1,021,946,947)	(1,081,399,336)
Net increase/(decrease) in cash & Cash equivalents		1,849,446	6,507,386
Cash and cash equivalents at 1 July 2024		117,121	(6,390,265)
Cash and cash equivalents at 30 June 2025	13	1,966,567	117,121

**Annual Report and Financial Statements
for the year ended June 30, 2025**
18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2025

	Original budget	Adjustment s	Final budget	Actual on comparable basis	Performance difference	% of utilization
	2024-2025	2024-2025	2024-2025	2024-2025	2024-2025	
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Carry Overs from the Previous Period		41,774,601	41,774,601	41,774,601	-	-
Receipts						
Transfers from Political Parties Fund (PPF)	1,250,395,007	-	1,250,395,007	256,558,712	993,836,295	21%
Membership Fees	10,000,000	-	10,000,000	1,710,720	8,289,280	17%
Public contributions and donations	75,180,000	-	75,180,000	39,976,195	35,203,805	53%
By Election & Nominal Fees	5,000,000	-	5,000,000	11,424,170	(6,424,170)	228%
Harambee & Contribution from well Wishers	4,900,000	-	4,900,000	3,200	4,896,800	0%
Miscellaneous Revenue	100,000	-	100,000	69,000	31,000	69%
Total	1,345,575,007	41,774,601	1,387,349,608	351,516,598	1,035,833,010	25%
Payments						
Administrative Expenses	111,495,000	-	111,495,000	169,799,247	(58,304,247)	152%
Special Interest Groups expenses	66,842,236	-	66,842,236	13,693,900	53,148,336	20%
Advocacy and Electoral expenses	362,132,472	-	362,132,472	141,222,616	220,909,856	39%
Capital Development	846,879,900	-	846,879,900	13,300	846,866,600	0%
Purchase of Intangible Assets	-	-	-	-	-	-



**Annual Report and Financial Statements
for the year ended June 30, 2025**

	Original budget	Adjustment s	Final budget	Actual on comparable basis	Performance difference	% of utilization
	2024-2025	2024-2025	2024-2025	2024-2025	2024-2025	
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Total Expenditure	1,387,349,608	-	1,387,349,608	324,729,063	1,062,620,545	23%
Surplus for the period	(41,774,601)	41,774,601	-	26,787,535	(26,787,535)	

19. Notes to the Financial Statements

1. General Information

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

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

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

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

<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 for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<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>
<p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p>	<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> <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.

iii. Early adoption of standards

Orange Democratic Movement did not early – adopt any new or amended standards in the financial year 2024/2025

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.

**Annual Report and Financial Statements
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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.

b) Budget information

The original Work –plan and budget for the Current FY was approved by the National Executive Committee on **31st July 2024**. The Party observes legislations and legal provisions of the Political Parties Act 2011 and that this budget takes into cognisance of funding based on the “at least zero point three per cent (0.3%)” of the revenue collected by the national government at any given year. The correct interpretation of the law therefore implies that the funding above 0.3% has to be decided by parliament and that parliament has is obligated by law not to reduce the percentage defined by the 2011 Act.

Both income and expenditure projections of the Work-plan and budgets are based on the the provision of the Political Parties Act 2011. This same position is buttressed by the appellate court ruling of 2018 and subsequent audit authentication.

Parliament while in breach of the Political Parties Act 211, has voted Kshs 1,475,000,000 for all qualifying Parties in the ensuing financial year 2025/2026 as opposed to Kshs. 6,177,845,015 being the 0.3% of the actual Ordinary revenue (Kshs 2,059,281,671,520) as audited by the Auditor General for the period 2022/2023.

For the purposes of budget projection we have adopted KRA revenue collection for FY 2022/2023 of Kshs 2,059,281,671,520 Trillion shillings as a basis for the current year 2024/2025. The audit report for FY2023/2024 KRA is not yet available. Given that the allocation to Political Parties is determined by law as 0.3% of the total Revenue, our calculations translates therefore to Kshs 6,177,845,015 for FY2024/2025 for all Parties inclusive of ODM share of Kshs. 1,291,169,608.

**Annual Report and Financial Statements
for the year ended June 30, 2025**

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.

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 Party recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus, or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value. Other significant accounting principles adopted by the Party are as follows:

Depreciation

Depreciation is provided for on fixed assets using the reducing balance method.

The following are the rates currently in use:

- Lease Hold Structure 10%
- Office Furniture and Fittings 12.5%
- Office Equipment 12.5%
- Computers and Printers 30%
- Motor Vehicles 25%
- Building is depreciated at 2.5%

e) 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.

f) Research and development costs

Orange Democratic Movement expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the *Entity* 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.

**Annual Report and Financial Statements
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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.

g) 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.

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.

**Annual Report and Financial Statements
for the year ended June 30, 2025**

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.

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

Orange Democratic Movement 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.

b) Financial liabilities

Classification

Orange Democratic Movement classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

**Annual Report and Financial Statements
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h) 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 Orange Democratic Movement

i) Provisions

Provisions are recognized when Orange Democratic Movement 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.

j) Contingent liabilities

Orange Democratic Movement 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.

k) 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.

l) Changes in accounting policies and estimates

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

Notes to the Financial Statements (Continued)**m) Employee benefits****Retirement benefit plans**

Orange Democratic Movement provides retirement benefits for its employees. 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.

n) Related parties

Orange Democratic Movement 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 ODM, 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.

o) 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.

p) Comparative figures

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

q) 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, 2025

Summary of Significant Accounting Policies (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

The condition of the asset based on the assessment of experts employed by ODM.

- a) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- b) The nature of the processes in which the asset is deployed.
Availability of funding to replace the asset.
Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 40. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

**Annual Report and Financial Statements
for the year ended June 30, 2025**

Notes to the Financial Statements (Continued)

6. Transfers from Political Parties Fund (PPF)

Description	2024-2025	2023-2024
	Kshs	Kshs
Government Political Fund	256,558,712	157,644,787
Accrued Transfers owing from Government	1,034,610,896	1,133,524,821
Total	1,291,169,608	1,291,169,608

7. Membership Fees

Description	2024-2025	2023-2024
	Kshs	Kshs
Subscription fees	1,710,720	1,081,043
Total	1,710,720	1,081,043

8. Public Contributions and Donations

Description	2024-2025	2023-2024
	Kshs	Kshs
Party Fundraising events/Donations	-	2,681,639
Petition Fees	1,000,000	-
Governors Contribution	2,500,000	6,950,100
MPs and senators Contribution	20,916,000	22,033,000
MCAs Contribution	16,560,195	13,376,330
Party Grass Root & Branch Positions	10,424,170	-
Legacies & Banquets	3,200	
Total	51,403,565	45,041,069

9. Miscellaneous Revenue

Description	2024-2025	2023-2024
	KShs	KShs
Rendering of services	-	-
Tender Purchase	69,000	27,000
Total Miscellaneous Revenue	69,000	27,000

**Annual Report and Financial Statements
for the year ended June 30, 2025**
10. Administrative Expenses

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Salaries and Wages	11(a)	113,825,580	90,293,366
Service Charge		69,000	69,000
Transport & Fuel		7,392,064	7,362,741
Stationaries		747,330	285,130
Printing		984,500	479,250
Media & publications		96,480	88,200
Deed Registration		275,000	1,000,000
Travel and accommodations		12,537,315	3,003,827
Utilities	11(b)	453,325	591,589
Professional Fees	11(c)	21,455,050	27,875,055
Security		2,423,399	2,500,381
Communication & Internet Charges		1,305,324	3,771,977
Courier and Postage		1,895,639	2,209,560
Depreciation		4,172,564	5,110,553
Subscriptions to Professional bodies		725,640	117,120
Bank charges		285,791	274,348
Fines and Penalties		68,700	198,900
Adverting		195,800	200,000
Staff Welfare		235,166	196,349
Staff Development and recruitment		188,400	-
Cleaning and Janitorial		192,000	120,000
Property Repairs		86,730	135,840
Equipment Repairs		188,450	50,800
Total Administrative Expenses		169,799,247	145,933,986

**Annual Report and Financial Statements
for the year ended June 30, 2025**

11(a) Salaries and Wages

Description	2024-2025	2023-2024
	Kshs	Kshs
Salaries and wages	62,919,602.50	56,194,677
Pay As You Earn (PAYE)	29,691,912.00	17,663,348
Employer contribution to health insurance schemes	6,995,941.61	6,198,128
Employer contribution to pension Fund	6,195,220.33	4,517,403
Employee contribution to provident Fund	6,195,220.32	4,517,403
NSSF Employer Liability	124,800	503,524
NSSF Employee Liability	124,800	127,684
NHIF Contributions Employees	138,300	553,200
Affordable Housing Levy	1,421,933	-
NITA	17,850	18,000
Total Salaries and Wages	113,825,580	90,293,366

11(b) Utilities

Description	2024-2025	2023-2024
	Kshs	Kshs
Water & Sewerage	93,165	57,000
Electricity	330,160	227,589
Garbage Collections	30,000	30,000
Relocation Expenses	-	277,000
Total Utilities	453,325	591,589

**Annual Report and Financial Statements
for the year ended June 30, 2025**

11(c) Professional Fees

Description	2024-2025	2023-2024
	Kshs	Kshs
Audit	200,000	200,000
Legal	11,740,000	12,160,055
Election Petitions	9,515,050	15,515,000
Total Professional Fees	21,455,050	27,875,055

11. (d) Special Interest Groups

Description	2024-2025	2023-2024
	Kshs	Kshs
Transport	1,255,000	1,371,000
Conference Facility	3,306,400	2,079,000
Food and Refreshment	780,000	518,000
Stationery	300,000	150,000
Accommodation	1,479,500	932,000
Caps/ T-shirts	3,700,000	2,500,000
Venue Hire	2,500,000	133,750
Public Address Equipment	100,000	123,500
Televising	273,000	70,000
Other Costs	-	-
Total	13,693,900	7,877,250

**Annual Report and Financial Statements
for the year ended June 30, 2025**

Notes to the Financial Statements (Continued)

12. Advocacy and Electoral Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
Branches-Coordination & Support	41,230,295	53,748,748
Campaign expenses	69,285,416	14,879,946
Civic Education expenses	2,779,150	834,300
Regional Conferences	14,560,927	21,148,470
Party Policy and advocacy	13,366,829	10,099,851
Other Costs	-	-
Total	141,222,617	100,711,315

13. Cash and Cash Equivalents

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Account	1,949,740	40,748
Cash on hand and in Transit	16,827	76,373
Total Cash and Cash Equivalents	1,966,567	117,121

14. Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	2024-2025	2023-2024
		Kshs	Kshs
a) Current Account			
Cooperative Bank Of Kenya(MA)		514,124	13,020
Cooperative Bank Of Kenya(FR)		1,315,142	4,874
Kenya Commercial Bank(MA)		1,555	1,199
Kenya Commercial Bank(FR)		113,361	18,954
Kenya Commercial Bank(PF)		5,558	2,701
Sub- Total		1,949,740	40,748
b) Cash-on-Hand and in Transit			
Cash In hand		1,327	6,373
Cash holding		15,000	50,000
M-mpesa Paybill		500	20,000
Sub- Total		16,827	76,373
Grand Total		1,966,567	117,121

**Annual Report and Financial Statements
for the year ended June 30, 2025**

Notes to the Financial Statements (Continued)

15. Receivables and advances

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Receivables		
WIBA	130,092	130,092
Prepaid Health Insurance	4,354,969	4,668,929
Prepaid Motor Insurance	814,064	883,123
Staff Advance	2,327,670	1,085,097
Total Receivables	7,626,795	6,767,241
Accrued transfers owing from Government	12,378,214,197	11,385,377,902
Total Current Receivables 30-06-2025	12,385,840,992	11,392,145,143

**Annual Report and Financial Statements
for the year ended June 30, 2025**

16. Property, Plant and Equipment

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Office Equipment	Computers	Total
Depreciation Rate		2.5%	25%	12.5%	12.5%	30%	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As At 1 July 2023	201,809,933	20,418,540	19,939,500	12,885,963	19,168,453	11,707,577	285,929,966
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
As at 30 th June 2024	201,809,933	20,418,540	19,939,500	12,885,963	19,168,453	11,707,577	285,929,966
1 st July current 2024	201,809,933	20,418,540	19,939,500	12,885,963	19,168,453	11,707,577	285,929,966
Additions	-	-	-	-	-	13,300	-
Disposals	-	-	-	-	-	-	-
As at 30 th June 2025	201,809,933	20,418,540	19,939,500	12,885,963	19,168,453	11,720,877	285,943,266
Depreciation And Impairment							
At 1 July 2023	-	1,493,425	13,650,516	6,804,563	7,777,183	8,787,258	38,492,946
Depreciation	-	473,127	1,577,246	760,175	1,423,909	876,096	5,110,552
As At 30 th 2024	-	1,966,552	15,207,762	7,564,738	9,201,092	9,663,354	43,603,498
1 st July 2024	-	1,966,552	15,207,762	7,564,738	9,201,092	9,663,354	43,603,498
Depreciation	-	461,300	1,182,934	665,153	1,245,920	617,257	4,172,564
Disposals	-	-	-	-	-	-	-
As at 30 th June 2025	-	2,427,852	16,390,696	8,229,891	10,447,012	10,280,611	47,776,062
Net Book Values							
As at 30 th June 2024	201,809,933	18,451,988	4,731,738	5,321,225	9,967,361	2,044,223	242,326,468
As at 30 th June 2025	201,809,933	17,990,688	3,548,803	4,656,071	8,721,441	1,440,266	238,167,202

**Annual Report and Financial Statements
for the year ended June 30, 2025**

Valuation

Land and buildings/ Equipment are yet to be valued by professional valuers from the government in line with the National Assets and Liabilities Management Policy and Guidelines (issued 30th June 2020). These current figures were adopted by the NEC on 29/08/2025.

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
Land	201,809,933	-	201,809,933
Buildings	20,418,540	2,427,852	17,990,688
Motor Vehicles, Including Motorcycles	19,939,500	16,390,696	3,548,804
Computers And Related Equipment	11,720,877	10,280,611	1,440,266
Office Equipment, Furniture, And Fittings	32,054,416	18,676,903	13,377,512
Total	285,943,266	47,776,062	238,167,203

**Annual Report and Financial Statements
for the year ended June 30, 2025**
Notes to the Financial Statements (Continued)
17. Trade and Other Payables

Description	2024-2025	2023-2024
	Kshs	Kshs
Auditor General	200,000	600,000
Kenya Revenue Authority PAYE	3,197,479	1,878,129
Payroll Liability-June Outstanding Salary	-	2,981,898
NHIF	-	138,300
NSSF	24,960	74,881
Britam	4,050,446	3,706,354
Hon Timothy Bosire	-	1,109,201
Alakonya & Associates	-	950,000
Awele Jackson Advocates	5,800,000	5,580,000
Cead Africa Ventures	-	1,440,000
Convent International Hotel	154,610	912,150
Divine Signs Ltd	210,030	655,000
Executive Africa Travel & Tours	257,250	664,495,
Home International Investments	-	1,080,000
Hawi and Jawabu Events	-	21,000
Hon Rt Raila Amollo Odinga	-	6,000,000
Jullians Collections	-	731,000
Makori & Karimi Co Advocates	1,500,000	1,050,000
MKN & Co Advocates	-	3,060,000
ODM County/Branches	10,650,000	13,468,000
Ogeta Oluoch and Co Advocates	-	330,000
ODM Youth League	-	73,000
Cruise Carfix Ltd	1,208,000	-
Elbow Joint Mota	112,500	-
Party Leaders Office	-	585,545
Poldan Technologies	-	32,500
Samerc Enterprises	-	196,800
Semulink Services	197,500	444,250
The Emory Hotel/Swiss Belinn Nairobi	801,870	144,800
Trezure Ventures	240,000	2,422,500
The vivah crest	-	133,750
Jubilee Health Insurance	132,301	6,225,228
Mobi fin Plus Ltd	-	149,000
Nairobi County	-	198,900
Inter security services	132,240	132,240
Kambui Enterprises	22,400	-
Kenya Poewer & Lighting Co Ltd	26,237	-
Total trade and other payables	28,917,823	57,168,921

**Annual Report and Financial Statements
for the year ended June 30, 2025**

Ageing analysis: (Trade and other payables)	2024-2025	% of the Total	2023-2024	% of the Total
Under one year	28,917,823	100%	57,168,921	100%
1-2 years	-	0%	-	0%
2-3 years	-	0%	-	0%
Over 3 years	-	0%	-	0%
Total (tie to above total)	28,917,823-		57,168,921	

18. Refundable Deposits and Prepayments from Customers

Description	2024-2025	2023-2024
	Kshs	Kshs
Wiba	130,092	130,092
Motor Veh Insurance Prepayments	814,064	883,123
Health Insurance Prepayments	4,354,969	4,668,929
Total deposits	5,299,125	5,682,145

The deferred income movement is as follows:

19. Deferred Income

Description	2024-2025	2023-2024
	Kshs	Kshs
National Government	12,378,214,197	11,385,377,902
Total Deferred Income	12,378,214,197	11,385,377,902

	National government	International funders	Public contributions and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance Brought Forward	11,385,377,902	-	-	11,385,377,902
Additions	1,034,610,896	-	-	1,034,610,896
Transfers To Income Statement	(41,774,601)	-	-	(41,774,601)
Balance Carried Forward	12,378,214,197	-	-	12,378,214,197

**Annual Report and Financial Statements
for the year ended June 30, 2025**

20. Cash Generated from Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Surplus for the year	1,019,637,130	1,082,796,170
Adjusted for:		
Depreciation	4,172,564	5,110,553
Non-cash grants received	-	-
Contributed assets	(13,300)	-
Working capital adjustments		
Increase in inventory	-	-
Increase in receivables	(993,695,849)	(1,130,294,931)
Increase in deferred income	-	-
Increase in payables	(28,251,098)	48,592,594
Increase in payments received in advance	-	-
Net cash flow from operating activities	1,849,446	6,507,386

21. Financial Risk Management

Orange Democratic Movement activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. Orange Democratic Movement 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. ODM does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history. ODM's financial risk management objectives and policies are detailed below:

i) Credit risk

Orange Democratic Movement 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.

**Annual Report and Financial Statements
for the year ended June 30, 2025
Financial Risk Management**

The carrying amount of financial assets recorded in the financial statements representing the ODM’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	12,385,840,991	298,333,313	994,078,868	
Bank balances	1,966,567			
Total	12,387,807,558			
As at 30 June 2024				
Receivables	11,392,145,142	157,644,787		
Bank balances	117,121			
Total	11,392,262,263			

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. ODM has significant concentration of credit risk on amounts due from 2018. National Executive Committee sets the ODM’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 ODM,s NEC, who have built an appropriate liquidity risk management framework for the management of the ODM’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.

Annual Report and Financial Statements
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Notes to the Financial Statements (Continued)

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June (Current FY)				
Trade payables	24,867,377	-	-	24,867,377823
Current portion of borrowings				
Provisions				
Deferred income				
Employee benefit obligation	4,050,446	4,050,446	-	4,050,446
Total	28,917,823	4,050,446	-	28,917,823
As at 30th June (Previous FY)				
Trade payables	53,462,567			53,462,567
Current portion of borrowings				
Provisions				
Deferred income				
Employee benefit obligation	3,706,354	3,706,354		3,706,354
Total	57,168,921	3,706,354	-	57,168,921

Financial Risk Management
iii) Market risk

Orange Democratic Movement 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 ODM'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.

Notes to the Financial Statements (Continued)

Financial Risk Management

The carrying amount of the ODM's foreign currency-denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Foreign currency sensitivity analysis

Financial Risk Management

The following table demonstrates the effect on the Entity's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

a) Interest rate risk

Interest rate risk is the risk that the Entity's financial condition may be adversely affected as a result of changes in interest rate levels. The Entity's interest rate risk arises from bank deposits. This exposes the Entity to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Entity's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

Financial Risk Management

Fair value of financial assets and liabilities

a) 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. Orange Democratic Movement considers relevant and observable market prices in its valuations where possible.

**Annual Report and Financial Statements
for the year ended June 30, 2025**

Notes to the Financial Statements (Continued)

22. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the ODM 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	2024-2025	2023-2024
	Kshs	Kshs
a) Grants /transfers from the government		
Grants from Political Parties Fund	298,333,313	157,644,787
Other grants		
Total	298,333,313	157,644,787

23. Events after the Reporting Period

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

**Annual Report and Financial Statements
for the year ended June 30, 2025**

20. Appendices

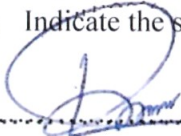
Appendix I: Implementation Status of Auditor-General’s Recommendations

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)
2023/2024	Budgetary control & performance	Underfunding against PPA,2011	Not resolved	FY 2026

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.


.....

Secretary General

Date: 28/08/2025

Appendix II: Transfers from Political Parties Fund

No	Source of Funds (Entity)	Amount Kshs	Date Received	Financial Year the funds relates to
1	Political Parties Fund	41,774,601	8 July 2024	FY 2023/2024
2	Political Parties Fund	74,583,328.25	19 Se 2024	FY 2024/2025
3	Political Parties Fund	74,583,328.25	31 Oct 2024	FY 2024/2025
4	Political Parties Fund	74,583,328.25	3 March 2025	FY 2024/2025
5	Political Parties Fund	32,808,727.25	14 May 2025	FY 2024/2025