

REPUBLIC OF KENYA



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FORUM FOR THE RESTORATION OF
DEMOCRACY- KENYA (FORD-KENYA)

FOR THE YEAR ENDED
30 JUNE, 2025

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FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)

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)**



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

Table of Contents.....	Page
1. Acronyms and Definition of Key Terms.....	ii
2. Key Political Party Information and Management	iii
3. The National Executive Council / Committee.....	vii
4. Key Management / Secretariat Team.....	vii
5. Chairman's Statement	ix
6. Report of the Secretary General	x
7. Statement of Performance against Predetermined Objectives for FY 2024/2025	xi
8. Governance Statement.....	xii
9. Management Discussion and Analysis	xviii
10. Environmental and Sustainability Reporting.....	xix
11. Report of the National Executive Council/Committee	xxi
12. Statement of the National Executive Council Responsibilities	xxii
13. Report of the Independent Auditor for the Financial Statements of Forum for The Restoration of Democracy - Kenya (FORD - KENYA).....	xxiii
14. Statement of Financial Performance for the year ended 30 June 2025	1
15. Statement of Financial Position as at 30 June 2025	2
16. Statement of Changes in Net Assets for the year ended 30 June 2025	3
17. Statement of Cash Flows for the year ended 30 June 2025.....	4
18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2025..	5
19. Notes to the Financial Statements	7
20. Appendices	32



1. Acronyms and Definition of Key Terms

A: Acronyms

SG	Secretary General
ED	Executive Director
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
FORD - KENYA	Forum for the Restoration of Democracy - Kenya
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
SIGs	Special Interest Groups

B: Definition of Key Terms

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

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

Comparative Year- Means the prior period.



2. Key Political Party Information and Management

(a) Background information

FORD - KENYA was fully registered under the Political Parties Act, CAP. 7D on 20th April 2011 by Kenyans whose vision was to change the entrenched socioeconomic inequalities, bad governance, corruption, negative ethnicity and to tackle the growing poverty and marginalization of communities and disadvantaged groups.

The Party is domiciled in Kenya and is compliant in 35 counties as listed below.

S/No.	County Name	Membership	S/No.	County Name	Membership
1	Bungoma	52,459	19	Migori	1,814
2	Busia	9,421	20	Mombasa	2,276
3	Embu	1,499	21	Muranga	1,753
4	Garissa	1,664	22	Nairobi	11,570
5	Homa Bay	1,775	23	Nakuru	2,269
6	Kajiado	1,042	24	Nandi	1,174
7	Kakamega	11,304	25	Nyamira	1,865
8	Kiambu	1,956	26	Siaya	2,222
9	Kilifi	2,252	27	Taita Taveta	1,329
10	Kirinyaga	1,354	28	Tana River	1,646
11	Kisii	2,281	29	Tharaka Nithi	1,660
12	Kisumu	1,839	30	Trans Nzoia	32,838
13	Kitui	1,583	31	Turkana	1,171
14	Kwale	2,156	32	Uasin Gishu	2,199
15	Machakos	4,132	33	Vihiga	2,788
16	Makueni	1,397	34	Wajir	1,268
17	Mandera	1,435	35	West Pokot	1,060
18	Marsabit	1,116			

(b) Principal Activities

The principal activity/mission/ mandate of the FORD - KENYA is to promote a social democratic party that seeks to develop a fundamentally united Kenya through the ideals and principles of democracy that promotes equality, justice, peace, freedom and equitable distribution of resources through.

- a. Recruiting and enlisting members.
- b. Nominating candidates for elections.
- c. promoting representation in Parliament and county assemblies of women, persons with disabilities, youth, ethnic and other minorities, and marginalized communities.



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

- d. Sensitizing the public on the functioning of the political and electoral system.
- e. Promoting and enhancing national unity.
- f. Mobilizing the citizens to participate in political decisions.
- g. Soliciting and articulating public policy priorities as identified by its members; and
- h. Shaping and influencing public policy.

Vision

To be an all-inclusive party that will be a party of choice for a free, just, secure and united for a prosperous society and nation.

Mission

To promote justice, democracy, public participation, socio-economic development and equitable distribution of state resources through devolved government.

Strategic Objectives

- Strengthening the party's representation at National Government and County Government.
- Enhancing the party's performance at National Government and County Government.
- Building the party's institutional and organizational development capacity as a model of good governance.
- Intensifying resource mobilization efforts for the work and programmes of the party.
- Strengthening partnerships and networks with civil society and other political parties for advancing the shared mission of good governance, rule of law and human rights.

(c) Key Management

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

S/No.	Designation	Responsibility
1.	Party Leader	Hon. Moses Masika Wetangula, SNA
2.	National Chairman	Joel Amuma Ruhu
3.	Secretary General	Hon. John Murumba Chikati, MP
4.	National Treasurer	Hon. Nasri Sahal Ibrahim
5.	Executive Director	Stephen Namusyule



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

(d) Fiduciary Management

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

S/No.	Designation	Name
1.	Party Leader	Hon. Moses Masika Wetangula, SNA
2.	National Chairman	Joel Amuma Ruhu
3.	Secretary General	Hon. John Murumba Chikati, MP
4.	National Treasurer	Hon. Nasri Sahal Ibrahim
5.	Executive Director	Stephen Namusyule

(e) Fiduciary Oversight Arrangements

The financial statements of **FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)** are audited by the Office of the Auditor General (OAG) at the end of every financial year.

The Registrar of political parties regulates all political parties, and it is also in charge of administrating the political parties' fund.

(f) Party Headquarters

Simba House
P.O. Box 43591- 00100
Off Ole Dume Road, Kilimani
Nairobi, KENYA.

(g) Party Contacts

Telephone: (254) 20 2100218/9, 0722882775, 0717230775, 0724148162
E-mail: info@fordkenya.party
Website: wwwfordkenya.party

(h) Party Bankers

Co-operative Bank of Kenya
Parliament Road
P.O. Box 43591 - 00100
Nairobi, KENYA.



(i) Independent Auditor

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

(j) Principal Legal Advisor

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

Party Legal Advisor

Hon. John O. Makali
Secretary for the Constitutional and legal affairs in the NEC
P.O. Box 2480
Bungoma 50200
Bungoma, Kenya



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

3. The National Executive Council / Committee

Name	Position	Date of assumption of office	Gender
Rt, Hon. Dr. Moses M. Wetang'ula	Party leader		Male
H.E Governor Keneth Makelo Lusaka	Deputy Party leader - Policies		Male
Hon. Millicent A. Abudho	Deputy Party Leader - Resource Mobilization		Female
Hon. Joel Amuma Ruhu	National Chairman		Male
Hon. Dr. John Murumba Chikati	Secretary General		Male
Hon. Chris Mandu Mandu	National Organizing Secretary		Male
Hon. Nasri Sahal Ibrahim	National Treasurer		Female
Hon. Khadija Mustafa	Director of Elections		Female

4. Key Management / Secretariat Team

Name	Position	Responsibility
Rt. Hon. Dr. Moses M. Wetang'ula	Party Leader	
Hon. Joel Amuma Ruhu	National Chairman	
Hon. Dr. John Murumba Chikati	Secretary General	Accounting Officer/ Secretary to the NEC
Hon. Nasri Sahal Ibrahim	National Treasurer	Head of Finance and accounts
Hon. Stephen K. Namusyule	Executive Director	Head of Secretariat



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.



The Rt. Hon. Dr. Moses Masika
Wetang'ula, EGH, MP Speaker
National Assembly and Party Leader.



Hon. Nasri Sahal Ibrahim –
The National Treasurer



Hon. Joel Amuma Ruhu - National
Chairman.



Hon. Dr. John Murumba Chikati, PhD,
MBS, MP Tongaren/Secretary
General Ford-Kenya.



Mr. Stephen R.K. Namusyule. Executive
Director.



5. Chairman's Statement

I am delighted to present the financial report for FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD-KENYA) for the year ended June 30, 2025. I would like to congratulate the members of FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA) without whom it would not have been possible for us to achieve the results for the year under view.

As the chairman, I appreciate the support accorded to me by my fellow party officials and I thank them for their invaluable advice and support. I would also like to thank the government and the Registrar of political parties for their support.

The biggest challenge we still face as a party is lack of enough funds to run our operations. The Registrar of political parties should allocate enough resources from the political parties Fund (PPF) to enable political parties to manage their affairs better.

Going forward, we have embarked on very aggressive membership recruitment drive to increase our numbers across the country. Our aim is to make inroads in areas where we do not have a presence, as we maintain a strong grip on our strongholds. Currently, FORD - KENYA is complaint in 35 counties across the country.

Thank you.



.....
MR. JOEL AMUMA RUHU

Chairman



6. Report of the Secretary General

As aforementioned, we are delighted to present the financial report for the **FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)**, for the year ended June 30, 2025.

Collective responsibility from the National Delegates Conference, National Executive Council (NEC) and the management committee made it possible for us to achieve the results posted for the financial year under review. We also want to take this opportunity to thank the Government of Kenya specifically the Registrar of Political parties for their invaluable support in ensuring that political parties operate in a level playing field that guarantees fairness for all electorates.

Our party registered an increase in both Revenue and expenditure as highlighted in the financial statements hereinafter.

Below are some of the highlights:

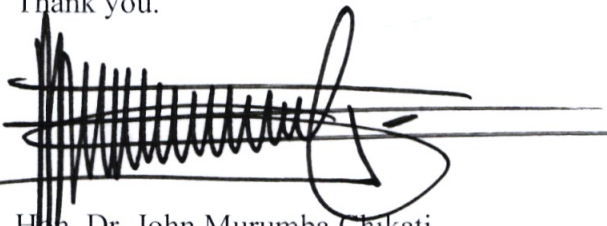
REVENUE

- The party received Ksh. **25,025,167** from the political parties' fund (PPF) based on the results of the August 2022 General Election.
- Revenue from contribution by members of the National assembly was Ksh. 5,188,000.
- Revenue received from contributions by members of county assemblies was 1,211,643.
- Revenue received from other sources Kshs. 310,000.

EXPENDITURE

As a party, the biggest challenge we still face is lack of enough funds to run our operations smoothly. The government, through the Registrar of Political Parties, should put in place plans to allocate enough resources from the political parties Fund (PPF) to enable political parties manage their affairs better.

Thank you.


Hon. Dr. John Murumba Chikati
Secretary General



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

FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA) has 5 strategic objectives within the current strategic plan for the FY 2024/2025. these strategic objectives are as follows:

- *Strengthening the party's representation at National Government and County Government.*
- *Enhancing the party's performance at the National Government and County Government.*
- *Building the party's institutional and organizational development capacity as a model of good governance.*
- *Intensifying resource mobilization efforts for the work and programs of the party.*
- *Strengthening partnerships and networks with civil society and other political parties for advancing the shared mission of good governance, rule of law and human rights.*



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA) developed its annual work plans based on the above 5 strategic objective. Assessment of the party's performance against its annual work plan is done on a quarterly basis. The party achieved its performance targets set for the FY 2024/2025 period for its 5 strategic objectives as indicated in the table below.

S/No	Program/Activity	Key Performance Indicator	Target	Achievement	Remarks
1.	Building the party's institutional and organizational capacity	Number of staff at the National secretariat	<ul style="list-style-type: none"> ▪ Develop HR manual ▪ Develop a strategic plan 	Preparation of the strategic plan finalized.	HR manual still under development
2.	Intensifying resource mobilization efforts for the work and program of the party	Organizational management and development.	<ul style="list-style-type: none"> ▪ Identify strategic partners. ▪ Resource mobilization strategy. 	<ul style="list-style-type: none"> ▪ CDM Kenya ▪ Conrad Foundation ▪ National Democratic Institute. ▪ OSLO Centre 	The above partners engaged in capacity building and production of strategic documents for the party.3
3.	Strengthening partnerships and networks with Civil societies and other political parties.	Organizational management and development.	Regular meetings with members of the civil society and other political parties.		Engagement with civil society and other political parties is a continuous process.

8. Governance Statement

As a party we continue to inculcate corporate Governance in all our operations. FORD - KENYA is accountable to its membership and all its stakeholders.

The National Executive Committee of FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA) is responsible for the Governance of the party and is accountable to the members for ensuring that the party complies with the law of the highest standards of business ethics and corporate Governance. Accordingly, the party officials attach very high importance to the generally accepted corporate governance practice.

The party has identified procedures and financial controls that ensure proper reporting of the financial reports according to the international public sector accounting standards (IPSAS). The party will continue to focus its attention on maintaining the highest standards of corporate Governance and business ethics in its operations.

National Delegates Congress (NDC)

National Delegates Congress (**NDC**) is the highest decision-making organ of the Party and is comprised of the following delegates: -

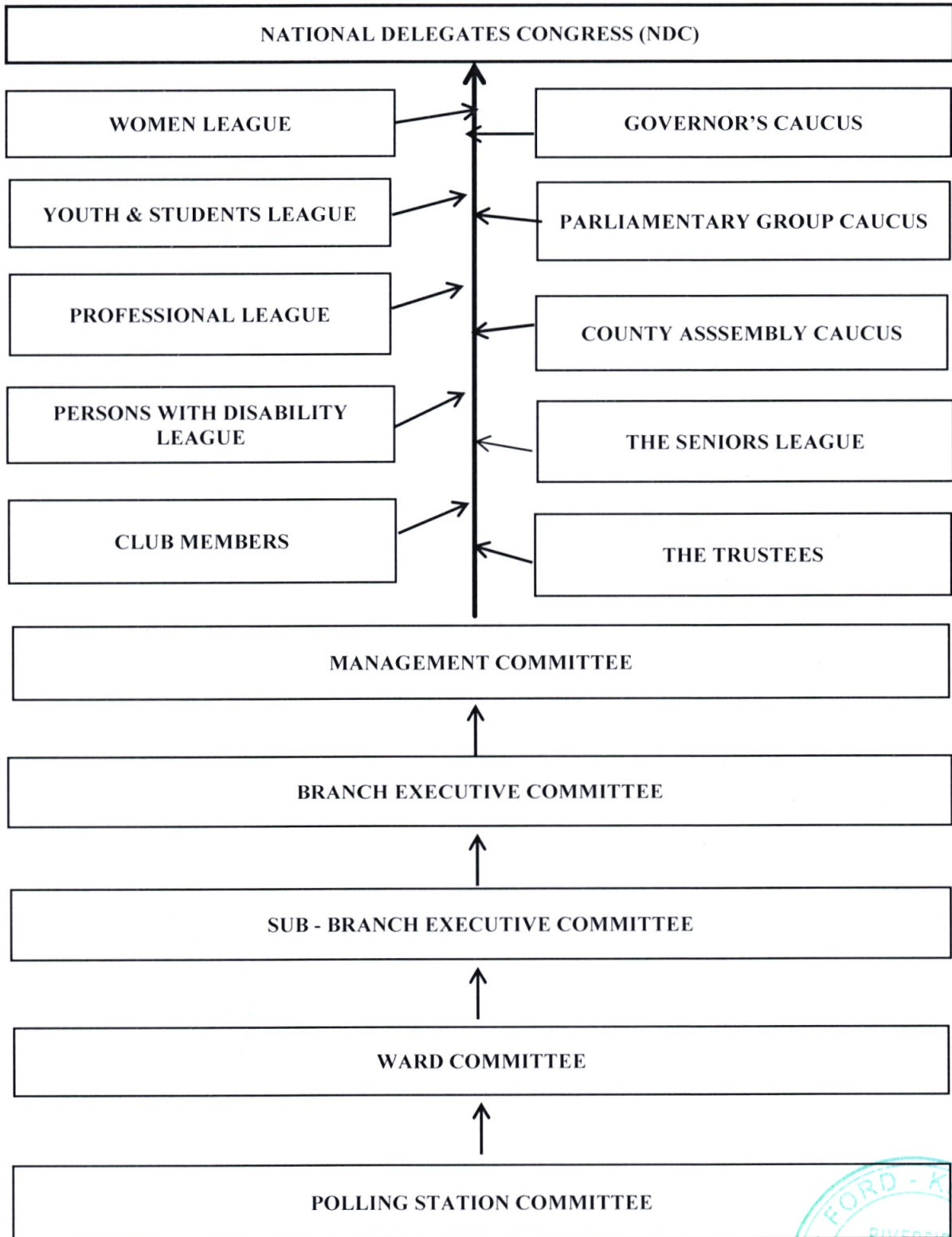
- i. Four (4) officials, being the Chairperson, Secretary, Women Leader and Youth Leader of each Branch Executive Committee
- ii. One (1) delegate nominated by the Party Women's League.
- iii. One (1) delegate nominated by the Party Youth and Students League.
- iv. One (1) delegate nominated by the Party Professionals League.
- v. One (1) delegate nominated by the Diaspora Caucus.
- vi. One (1) delegate nominated by the Persons with Disabilities League.
- vii. One (1) delegate nominated from the Trustees Caucus.
- viii. Members of the Party Parliamentary Group.
- ix. Party Governors and deputies.
- x. Members of the National Executive Council.
- xi. Party Majority or Minority leaders in the County Assemblies.



The Party's structure is presented in the diagram below:

THE PARTY'S ORGANOGRAM

FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)



The National Delegates Congress have the following roles and responsibilities; -

- Formulate, review, amend and or ratify this Constitution.
- To elect, from among Party members, the National officials of the Party as nominated by the National Executive Council.
- To, upon placement of a request by the Management Committee, review, amend, ratify or reject any decision of the Party made by any of the Party organs under this Constitution.
- To receive reports from the National Executive Council on the operations of the Party.
- To consider, approve or otherwise reject alliances, coalitions, mergers and/or co-operations between the Party and other organizations, political parties or bodies to realize the aims and objectives of the Party.
- To consider, approve or reject dissolution of the Party.
- To nominate the Party Presidential Candidate and running mate for the Presidential Elections, run offs and by-elections.
- To delegate or confer any of its powers or duties to the National Executive Council or the Management Committee save that of ratifying the Party Constitutional amendments.
- To consider any such other item as may be referred to it by the National Executive Council or the Management Committee and perform other functions as may be necessary for the realization of the objectives of the Party.
- To initiate such other activities to further the aims and objectives of the Party.

The National Executive Council (NEC)

National Executive Council (NEC) is comprised of the following: -

- The National Officials.
- Party Parliamentary Group Chief Whip.
- Party Parliamentary Group Leader.
- One (1) Trustee.
- The Chairperson of Seniors League.
- The President of Women's League.
- The Chair of Professionals League.
- The President of Youth and Students League.
- The Chair of Governor's Caucus.



- The Chair, Members of County Assembly Caucus.
- The Secretary, Members of County Assemblies Caucus.
- The Chairperson, persons with Disabilities League.
- Four (4) persons co-opted, on an ad hoc basis, by the Party Leader.

The National Executive Council has the following functions:

- a) To act as the executive body of the National Delegates Congress and to ensure that all resolutions made are duly implemented.
- b) To supervise the administrative structures of the Party at all levels and to take such measures as it deems necessary to enforce Party resolutions and program of activities as directed by relevant Party organs.
- c) To work in liaison with the Party Parliamentary Group, Party County Assembly Caucus, the Diaspora Branch and all other caucuses to fulfil the objectives of the Party.
- d) To establish, co-ordinate and conduct various schemes aimed at stimulating Party activities.
- e) To prepare the agenda for and report for the National Delegates Congress.
- f) To ensure co-ordination, effective and harmonious functioning between the different Party caucuses and groups established by this Constitution.
- g) To, upon receipt of a request from the Management Committee, consider and ratify the decisions of the Management Committee and petitions from the Branches and other Party lower-Level Executive Committees.
- h) To ensure effective coordination between the National officials and lower-level Party Committee members throughout the Republic of Kenya.
- i) To generate motions relating to the formation of mergers or dissolution of the Party for ratification by the National Delegates Congress.
- j) Between the sessions of the National Delegates Congress.
 - Function as an electoral college for nomination of a presidential candidate and running mate.
 - To elect national officials to office that may fall vacant by reason of death, resignation or on other account.



- To consider, approve or otherwise authorize alliances, coalitions and or co-operation between the Party and other organizations, political parties or bodies to realize the objectives of the Party.
- k) To hear appeals from the Disciplinary decisions of the Management Committee. The NEC's decisions shall be final and binding on all organizations, units and individuals concerned.
- l) To receive, examine and approve the Party audited accounts.
- m) To appoint an Auditor and fix his/her remuneration.

Meetings of the National Executive Council is held at least twice every twelve (12) months. The notice for the Ordinary National Executive Council meeting is issued in no less than seven (7) days by the Party's Secretary General upon recommendation of the Management Committee.

The meetings of the National Executive Council (NEC) is presided over by the National Chairman or any of the Deputy Chairs or any other National Party official appointed by the chair in the absence of the Deputy Chairs or by members present in the meeting in the absence of authorized officials.

The Management Committee

The Management Committee directs and supervises the day-to-day activities and affairs of the Party and meets at least once every month or more frequently on need basis.

The Management Committee comprises the following members.

- i. The Party Leader.
- ii. The Deputy Party Leaders.
- iii. The National Chairperson.
- iv. The Vice Chairperson, female gender.
- v. The Secretary General.
- vi. The Deputy Secretary General.
- vii. The National Treasurer.
- viii. The National Organizing Secretary.
- ix. The President of Women's League.
- x. The Chair of the Professionals League.
- xi. The Parliamentary Group Leader.
- xii. The Parliamentary Group Chief Whip.
- xiii. The Director of Elections.
- xiv. The Governors Caucus Chair.
- xv. Two(2) persons co-opted, on ad hoc basis, by the Party Leader.



The meetings of the Management Committee shall be presided over by the Party leader or his/her designated representative.

The Executive Director and in his/her absence, the Deputy Executive Director, shall attend and take a record of the meetings of the Management Committee as an ex-officio member.

The functions of the Management Committee include.

- i. As an electoral college,
 - a) To generate and or approve Party Lists for appointment or nomination of Party representatives in County Assemblies, Parliament (National Assembly and Senate), the East Africa Legislative Assembly and the Pan African Parliament.
 - b) To appoint Party representatives to other organizations to which the Party is required to.
- ii. Ensure that scheduled meetings of all organs of the Party take place as set out in this Constitution and any other Party Instrument.
- iii. To undertake mediation and or arbitration of internal disputes affecting the Party members as between amongst themselves and between Party Members and the Party.
- iv. To appoint Committees for specified tasks including the panel of dispute resolvers, disciplinary committees, National Nominations and Elections Board and National Disputes Resolution Board.
- v. To appoint and fix the Terms and Conditions of Service of the Executive Director and other members of staff under the employment of the Party.
- vi. To develop and or formulate all, except the Party Constitution, Party instruments including but not limited to Party Rules, Policies, Procedures and Regulations.
- vii. To manage and determine the manner in which the Party accounts and finances shall be utilized.
- viii. To plan and co-ordinate grassroots elections and the elections of delegates to the National Delegates Congress.
- ix. To discipline, suspend, expel or dissolve any Branch or Lower-Level Committee members of the Party.
- x. To formulate such Party policies necessary for the running of the Party affairs including human resource policy, administration, procurement and disposal and financial management.



- xi. To adjudicate by itself and or through *ad hoc* appointed committees in disputes that may arise at any level of the Party, including between members, affiliated organizations and other Party units, and between organs of the Party and members in those organs and in disputes which occur between individual members or within the Party organization.
- xii. To perform any other functions as may be instructed by National Executive Council and or the National Delegates Congress.

9. Management Discussion and Analysis

As a party, our ambition is to establish a County where its citizens enjoy social, economic and democratic rights as envisioned in our Vision and Mission.

Our party was established by Kenyans whose vision was to change the entrenched socio-economic inequalities, bad governance, corruption, negative ethnicity and to tackle the growing poverty and marginalization of communities and disadvantaged groups. We intend to guard these virtues jealously in order to create a just society.

One aspect we want to focus on is ensure that our activities as a political party impact positively on the livelihood of Kenyans. Social responsibility if well managed can be used to improve living standards in our communities.

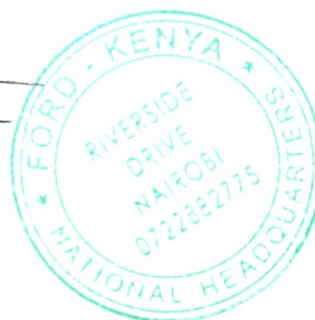
Our intention is:

Initiate and be involved in projects that will alleviate poverty within our communities and tackle real challenges that affect our citizens.

Build networks with local partners, international partners and other political parties in order to improve our reputation among our stakeholders.

Initiate and participate actively in programs that promote civic education in order to equip our members and citizens at large with important aspects that affect their daily livelihoods


Hon. Dr. John Murumba Chikati
Secretary General



10. Environmental and Sustainability Reporting

i) Sustainability strategy and profile

The FORD-KENYA Party has proactively minimized the social and environmental footprint of its daily operations. In FY 2024/2025, we conducted a comprehensive Environmental Impact Assessment in Webuye Constituency, planting 24,000 trees. Aligned with President Ruto's ambitious national environmental agenda—which emphasizes massive tree-planting drives to combat climate change, restore ecosystems and achieve 15 billion trees by 2032. FORD-Kenya Party champions sustainable development, delivering enduring benefits for Webuye's residents and its vital natural habitats.

ii) Environmental performance

The FORD-KENYA Party is steadfast in its commitment to environmental stewardship, prioritizing employee health and safety while fostering resilient communities in our operational areas. Our policy framework propels continuous enhancements in operations, focusing on energy and water conservation, resource preservation, waste reduction and robust recycling programs to lessen impacts on local and global ecosystems. Echoing President Ruto's vision for a greener Kenya through climate resilience and sustainable land use, we pursue environmental excellence by exceeding regulatory benchmarks, favouring eco-friendly products with high recycled content, reduced toxicity and minimal packaging to safeguard precious natural resources.

iii) Market place practices -

a) Responsible competition practice.

The Party engages in fair and transparent competition with fellow political entities. We refrain from unfounded accusations or actions that unfairly undermine rivals' networks and alliances. Our Audit, Risk and Compliance Committee rigorously enforces compliance with Kenya's Competition Act No. 12 of 2010, ensuring ethical conduct across all engagements.

b) Responsible Supply chain and supplier relations

Dedicated to ethical supply chain oversight, the Party fosters progressive improvements in supplier sustainability. We embody strong business principles by honouring agreements, maintaining equitable dealings and practicing timely payments, thereby cultivating trust and mutual growth.



c) Responsible marketing and advertisement

The Party adheres to principled marketing, avoiding misleading claims and fully aligning with the Competition Act No. 12 of 2010. Our communications emphasize integrity, openness, equity and respect, while integrating accountability and sustainability to build lasting public confidence.

iv) Corporate Social Responsibility / Community Engagements

In addition to fulfilling our primary mandate with excellence, the FORD-KENYA Party integrates impactful CSR initiatives that drive transformation and elevate community livelihoods. Our strategy innovatively supports education through scholarships for talented individuals, enhancing holistic well-being in beneficiary areas. As a proactive corporate citizen, we align with President Ruto's environmental priorities—such as advancing green initiatives and mitigating climate risks—by implementing targeted measures to reduce our operational effects on the environment and stakeholders, ensuring a harmonious balance for future generations.



11. Report of the National Executive Council/Committee

The Council/Committee submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the FORK - KENYA party affairs.

i) Principal activities

The principal activities of the FORD - KENYA is to promote a united social democratic party that seeks to develop a fundamentally united Kenya through the ideals and principals of democracy that promotes equality, justice, peace, freedom, and equitable distribution of resources.

ii) Results

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

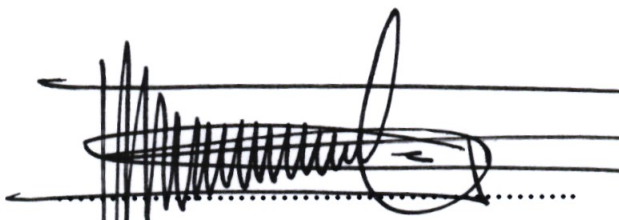
iii) Council Members

The members of the Party Secretariat who served during the year are shown on page vii and viii.

iv) Auditors

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

By Order of the Council/Committee



Hon. Dr. John Murumba Chikati
Secretary General



12. Statement of the National Executive Council Responsibilities

The National Executive Committee is responsible for the preparation and presentation of the FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)'s financial statements, which give a true and fair view of the state of affairs of the party for and as at the end of the financial year ended on June 30, 2025. These responsibilities include:

- 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 seasonable accuracy at any time the financial position of the party.
- iii. Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud.
- iv. Safeguarding the assets of the party.
- v. Selecting and applying appropriate accounting policies and
- vi. Making accounting estimates that are reasonable in the circumstances.

The NEC accepts responsibility for the party's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the Political Parties Act. The National Executive Council is of the opinion that the party's financial statements give a true and fair view of the state of FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA) transactions during the financial year ended June 30, 2025, and of the party's financial position as at that date.

Approval of the financial statements

The Party's financial statements were approved by the NEC on 18/11 2025 and signed on its behalf by:

Hon. Joel Amuma Ruhu
NEC Chairperson

Hon. Dr. John Murumba Chikati
Secretary General



REPUBLIC OF KENYA

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Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON FORUM FOR THE RESTORATION OF DEMOCRACY- KENYA (FORD-KENYA) 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 Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the 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 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 Forum for the Restoration of Democracy-Kenya (FORD-Kenya) set out on pages 1 to 32, 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 Forum for the Restoration of Democracy- Kenya (FORD-Kenya) 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 International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Forum for the Restoration of Democracy-Kenya (FORD-Kenya) 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

Review of the statement of comparison of budget and actual amounts revealed that the Party spent an amount of Kshs.23,682,441 against actual receipts of Kshs.32,942,270 resulting to under-utilization of Kshs.9,259,829 or 28% of the actual receipts.

In the circumstances, the under-utilization may have affected the planned activities and negatively impacted service delivery to the public.

My opinion is not modified in respect of this matter.

Other Matter

Unresolved Prior Year Audit Matters

In the prior years' audit reports, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review

of the status during audit of the Party in financial year 2024/2025 revealed that the following five (5) issues remained unresolved:

No.	Financial Year	Audit Issue
1	2023/2024	Budgetary Control and Performance-Under-collection of Revenue and Under-Expenditure
2	2023/2024	Late Submission of Financial Statement
3	2023/2024	Failure to Establish Party Offices in at Least 24 Counties
4	2023/2024	Lack of a Procurement Function
5	2023/2024	Lack of Approved Policies and Manuals

Other Information

The Management is responsible for the Other Information set out on pages iii to xxii which comprise of Key Party Information and Management, The National Executive Council/Committee, Key Management/Secretariat, Chairman's Report, 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's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Party 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 LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, 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

Non-Compliance with the Law on Establishment of Party Offices

During the year under review, it was noted that the Party operated only one (1) Office located in Nairobi. Although the Party submitted a list of branch offices in thirty-four (34) Counties, no documentation such as lease agreements, staff list or activity was provided to verify the existence of the offices. This was contrary to Section 7 (2)(f)(iii) of the Political Parties Act, 2011, which states that a provisionally registered Political Party shall be qualified to be fully registered if it has submitted to the Registrar the location and addresses of the branch offices of the Political Party, which shall be in more than half of the Counties.

In the circumstances, Management was in breach of the law.

The audit was conducted in accordance with 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and 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 comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance is 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

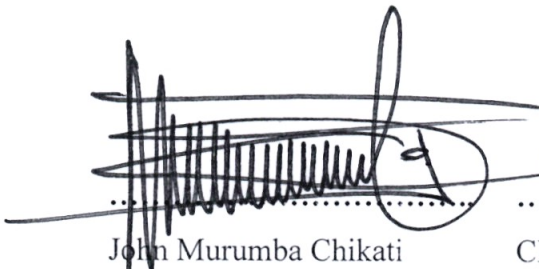
09 December, 2025

FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
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	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Revenue			
Transfers from Political Parties Fund (PPF)	6	25,025,167	13,220,777
Membership Fees	7	6,399,643	8,776,355
Investment Income	8	1,207,460	-
Miscellaneous Revenue	9	310,000	20,000
Total Revenue		32,942,270	22,017,132
Expenses			
Administrative Expenses	10	9,549,768	6,575,969
Special Interest Groups expenses	11	14,132,673	-
Advocacy and Electoral Expenses	12	-	2,371,140
Total expenses		23,682,441	8,947,109
Surplus/Deficit		9,259,829	13,070,023

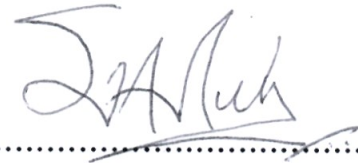
The notes set out on pages 7 to 31 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 5 were signed on behalf of the party secretariat by:



John Murumba Chikati
 Secretary General



CPA Khamis Rizik
 Accountant



Hon. Joel Amuma Ruhu
 Chairman

Date: 18-11-2025

Date: 17/11/2025

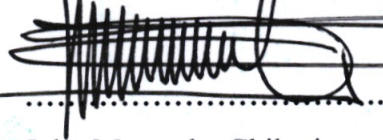
Date: 18/11/25

FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

15. Statement of Financial Position as at 30 June 2025

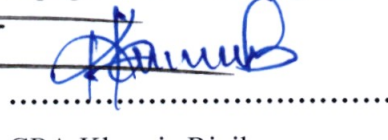
	Notes	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	13	36,644,221	23,597,881
Receivables and advances	14	-	3,524,920
Total Current Assets		36,644,221	27,122,801
Non-Current Assets			
Property Plant and Equipment	15	742,959	651,490
Total Non- Current Assets		742,959	651,490
Total Assets (A)		37,387,180	27,774,291
Liabilities			
Current Liabilities			
Trade and Other Payables	16	600,000	246,940
Deferred Income		-	-
Total Current Liabilities		600,000	246,940
Non-Current Liabilities			
Non-Current Provisions		-	-
Total Non- Current Liabilities		-	-
Total Liabilities (B)		600,000	246,940
Net Assets (A-B)		36,787,180	27,527,351
Represented by:			
Revaluation Reserves		965,411	965,411
Accumulated Surplus/deficits		35,821,769	26,561,940
Net Assets		36,787,180	27,527,351

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



John Murumba Chikati
Secretary General

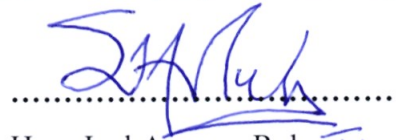
Date: 18-11-2025



CPA Khamis Rizik
Accountant

ICPAK M/No:10178

Date: 17/11/2025



Hon. Joel Amuma Ruhu
Chairman

Date: 18/11/25



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

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

Description	Revaluation reserve	Accumulated Surplus	Total
	Kshs	Kshs	Kshs
As at July 1, 2023	668,880	13,474,527	14,143,407
Revaluation gain		-	-
Transfer of excess depreciation on revaluation	17,390	-	(17,390)
Surplus/ deficit for the year	651,490	13,070,023	13,721,513
Add back Depreciation		17,390	17,390
Prior Year adjustment	313,921	-	-
As at June 30, 2024	965,411	26,561,940	27,527,351
As at July 1, 2024	965,411	26,561,940	27,527,351
Surplus for the year	-	9,259,829	9,259,829
As at June 30, 2025	965,411	35,821,769	36,787,180



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

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

	Notes	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from Political Parties Fund (PPF)	6	25,025,167	13,220,777
Membership Fees	7	6,399,643	8,776,355
Investment Income	8	1,207,460	-
Miscellaneous Revenue	9	310,000	20,000
Total receipts		32,942,270	22,017,132
Payments			
Administrative Expenses	10	5,480,256	8,049,539
Special Interest Groups expenses	11	14,132,673	-
Advocacy and Electoral expenses	12	-	2,371,140
Total payments		19,612,929	10,420,679
Net cash flows from/(used in) operating activities	17	13,329,341	11,596,453
Cash flows from investing activities			
Purchase of PPE and Intangible assets	15	(283,000)	-
Net cash flows from/(used in) investing activities		(283,000)	-
Cash flows from financing activities		-	-
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Net cash flows from financing Activities		-	-
Net increase/(decrease) in cash & Cash equivalents		13,046,341	11,596,453
Cash and cash equivalents at 1 July 2024	13	23,597,881	12,001,428
Cash and cash equivalents at 30 June 2025	13	36,644,222	23,597,881



FORD FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
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	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Carry Overs from the Previous Period		-	-	-	-	
Receipts						
Transfers from Political Parties Fund (PPF)	25,025,167	-	25,025,167	25,025,167	-	100%
Membership Fees	6,399,643	-	6,399,643	6,399,643	-	100%
Investment Income	1,207,460	-	1,207,460	1,207,460	-	100%
Miscellaneous Revenue	310,000	-	310,000	310,000	-	100%
Total	32,942,270	-	32,942,270	32,942,270	-	100%
Payments						
Administrative Expenses	12,000,000	-	12,000,000	9,549,768	-	80%
Special Interest Groups expenses	20,942,270	-	20,942,270	14,132,673	-	67%
Advocacy and Electoral expenses	-	-	-	-	-	-
Total Expenditure	32,942,270	-	32,942,270	23,682,441	-	
Surplus for the period	-	-	-	9,259,829	-	-



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

Budget Reconciliation

S/No.	Description	Kshs
	Actual Surplus/deficit amounts as per the statement of Budget	9,259,829
1	Purchase of PPE and Intangible assets	(283,000)
2	Receivables and advances	3,524,920
3	Trade & other payables	353,060
4	Depreciation	191,532
5	Bank balance b/fwd	23,597,881
	Closing Cash and Cash Equivalent as per the statement of Cash flows	36,644,222



19. Notes to the Financial Statements

1. General Information

FORD - KENYA 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, the State Corporations Act (*include any other applicable legislation*), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

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

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

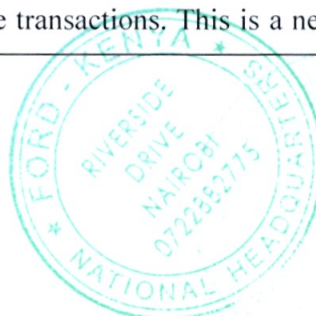
ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Party. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard.



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

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



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

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

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



Notes to the financial statements (continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from The Political Parties Fund

Revenues transfers from the Political Parties Fund are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Party and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance upon meeting the set conditions.

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the party.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Dividends

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



Notes to the financial statements (continued)

Rental income

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

b) Budget information

The original budget for the Current FY was approved by the NEC on 15th July 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the *party* upon receiving the respective approvals in order to conclude the final budget. Accordingly, the *party* did not record additional appropriations on the 2025 budget following the governing body's approval.

Budget information (continued)

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

c) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. *Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an 0-year period or investment property is measured at fair value with gains*



Notes to the financial statements (continued)

and losses recognised through surplus or deficit. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

d) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the 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.

e) Leases

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

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



Notes to the financial statements (continued)

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

f) Intangible assets

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

g) Research and development costs

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

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

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



Notes to the financial statements (continued)

h) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The party 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 party and a financial liability or equity instrument of another party. At initial recognition, the party measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

a) Financial assets

Classification of financial assets

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



Notes to the financial statements (continued)

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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



Notes to the financial statements (continued)

Fair value through surplus or deficit

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

Impairment

The party 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 party recognizes a loss allowance for such losses at each reporting date.

b) Financial liabilities

Classification

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

i) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *party*.



Notes to the financial statements (continued)

j) Provisions

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

k) Contingent liabilities

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

l) Contingent assets

The Party 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 Party in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.



Notes to the financial statements (continued)

m) Nature and purpose of reserves

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

n) Changes in accounting policies and estimates

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

o) Employee benefits

Retirement benefit plans

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

p) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.



Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

q) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed, and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

r) Related parties

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

s) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

t) Comparative figures

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

u) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025.



Summary of Significant Accounting Policies (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 40. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material. *(include provisions applicable for your organisation e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).*



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
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	FY 2024/2025	FY 2023/2023
	Kshs	Kshs
Operational Grant	25,025,167	13,220,777
Total	25,025,167	13,220,777

7. Membership fees

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Contributions from members of the National Assembly	5,188,000	4,340,000
Contributions from members of the County Assembly	1,211,643	1,136,355
Contributions from other party members	-	3,300,000
Total	6,399,643	8,776,355

8. Investment income

Description	FY 2024/2025	FY 2023/2024
	KShs	KShs
Interest income	1,207,460	-
Total Investment Income	1,207,460	-

9. Miscellaneous Revenue

Description	FY 2024/2025	FY 2023/2024
	KShs	KShs
Life membership fees	310,000	20,000
Total Miscellaneous Revenue	310,000	20,000



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

10. Administrative Expenses

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Salaries and Wages	10(a)	2,322,000	2,043,000
Office Rent		1,920,000	1,920,000
Telecommunication and Internet		-	4,500
Stationary & printing		2,102,000	150,000
Media & publications		305,924	324,480
Consumables		-	240,620
Travel and accommodations		-	310,000
Utilities	10(b)	367,756	103,035
Professional Fees	10(c)	800,000	-
Security		622,504	556,800
Communication Charges		-	120,000
Petty Cash		-	120,000
Depreciation		191,532	171,390
Bank charges		71,052	26,644
Other Expenses			435,500
Others - Party office Coordination		247,000	
Others - Blogging		600,000	50,000
Total Administrative Expenses - Financial Performance		9,549,768	6,575,969
Adjustments:			
Changes in trade payables	16	(353,060)	(79,960)
Changes in receivables and advances	14	(3,524,920)	1,724,920
Depreciation	15	(191,532)	(171,390)
Total Administrative Expenses - Statement of Cash Flows		5,480,256	8,049,539

10(a) Salaries and Wages

Description	2024-2025	2023-2024
	Kshs	Kshs
Salaries and wages	2,322,000	2,043,000
Total Salaries and Wages	2,322,000	2,043,000



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

10(b) Utilities

Description	2024-2025	2023-2024
	Kshs	Kshs
Water & Sewerage	12,117	103,035
Electricity	65,419	-
Others - Cleaning and Sanitation	52,000	-
Others - Office Internet	54,000	-
Others - Stationery	32,500	-
Others - Office tea	120,000	-
Others - Office drinking water	31,720	-
Total Utilities	367,756	103,035

10(c) Professional Fees

Description	2024-2025	2023-2024
	Kshs	Kshs
Accountancy	700,000	-
Others - Professional subscription	100,000	-
Total Professional Fees	800,000	-

11. Special Interest Groups

Description	2024-2025	2023-2024
	Kshs	Kshs
Youth Meetings	1,786,200	-
Conference Facility	3,210,300	-
Accommodation	5,031,000	-
Caps/ T-shirts	3,314,319	-
Meeting with persons with disability	510,000	-
Travel costs	280,854	-
Total	14,132,673	-

12. Advocacy and Electoral Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
Party advocacy and publication	-	2,371,140
Total	-	2,371,140



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

13. Cash and Cash Equivalents

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Account	4,644,221	23,597,881
Fixed Deposits Account	32,000,000	-
Total Cash and Cash Equivalents	36,644,221	23,597,881

Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
a) Current Account			
Co-operative Bank of Kenya	01120198767701	504,397	1,176,119
Co-operative Bank of Kenya	01120198767703	4,064,947	22,421,762
Co-operative Bank of Kenya	01120198767700	6,591	-
Co-operative Bank of Kenya	01120198767702	68,284	-
	Holding Account	32,000,000	-
Sub- Total		36,644,221	23,597,881
Grand Total		36,644,221	23,597,881

14. Receivables and advances

Description	2024-2025	2023-2024
	Kshs	Kshs
Accrued receivables from subscriptions MCAs	-	2,245,000
Accrued receivables from subscriptions MPs	-	1,273,920
Salary advance - Mr. Nyongesa	-	6,000
Total Receivables and advances	-	3,524,920



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

15. Property, Plant and Equipment

Cost	Furniture and fittings	Computers	Other Assets (Intangible)	Total
	12.50%	30%	12.50%	
	Kshs	Kshs	Kshs	Kshs
At 1 July 2024	464,362	334,291	24,227	822,880
Additions	-	203,000	80,000	283,000
As at 30th June 2025	464,362	537,291	104,227	1,105,880
Depreciation And Impairment				
At 1 July 2024	58,045	110,316	3,028	171,389
Depreciation	50,790	128,093	12,650	191,532
As At 30th June 2025	108,835	238,409	15,678	362,921
Net Book Values				
As at 30 th June 2024	406,317	223,975	21,199	651,491
As at 30th June 2025	355,527	298,883	88,549	742,959

16. Trade and Other Payables

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Staff salary - June 2024	-		178,500	
Publishing financial statements 2023-2024	-		68,440	
Accrued accounting fees	600,000			
Total trade and other payables	600,000		246,940	
Ageing analysis: (Trade and other payables)	2024-2025	% of the Total	2023-2024	% of the Total
Under one year	600,000	100%	246,940	100%
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (tie to above total)	600,000	100%	246,940	100%

Notes to the Financial Statements (Continued)

17. Cash Generated from Operations

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Surplus/Deficit for the year	9,259,829	13,070,023
Adjusted for:		
Depreciation	191,532	171,390
Non-cash grants received	-	-
Contributed assets	-	-
Impairment	-	-
Gains and losses on disposal of assets	-	-
Contribution to provisions	-	-
Contribution to impairment allowance	-	-
Working capital adjustments		
Increase in inventory	-	-
(Increase)/decrease in receivables	3,524,920	(1,724,920)
Increase in deferred income	-	-
Increase/(decrease) in payables	353,060	79,960
Increase in payments received in advance	-	-
Net cash flow from operating activities	13,329,341	11,596,453

18. Financial Risk Management

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

FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

Credit risk

The Party 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 Party's management based on prior experience and their assessment of the current economic environment.

Financial Risk Management

The carrying amount of financial assets recorded in the financial statements representing the Party'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	-	-	-	-
Bank balances	36,644,221	36,644,221	-	-
Total	36,644,221	36,644,221	-	-
As at 30 June 2024				
Receivables	3,524,920	3,524,920	-	-
Bank balances	23,597,881	23,597,881	-	-
Total	27,122,801	27,122,801	-	-



Notes to the Financial Statements (Continued)

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 Party has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The NEC sets the party's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

i) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Trade payables	-	600,000	-	600,000
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	600,000	-	600,000
As at 30th June 2024				
Trade payables	-	246,940	-	246,940
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	246,940	-	246,940



Notes to the Financial Statements (Continued)

Financial Risk Management

ii) Market risk

The *Party* has put in place an internal audit function to assist it in assessing the risk faced by the *Party* 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 *Party'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 *Party'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 *Party's* exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

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



Notes to the Financial Statements (Continued)

19. Related Party Disclosures

Nature of related party relationships

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

Related parties include:

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

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
a) Grants /transfers from the government		
Grants from Political Parties Fund	25,025,167	13,220,777
Other grants	-	-
	-	-
Total	25,025,167	13,220,777
b) Key management compensation		
Allowances to NEC Members	-	-
Compensation to key management	-	-
Total	-	-

20. Contingent Assets and Contingent Liabilities

There were no Contingent assets or liability held by the Party.

21. Events after the Reporting Period

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



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

20. Appendices

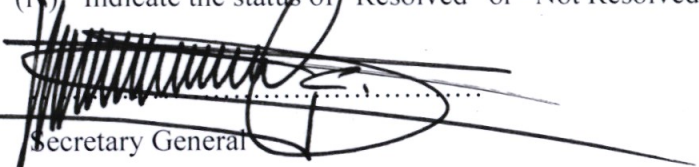
Appendix I: Implementation Status of Auditor-General’s Recommendations

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)
1.	Late submission of Financial Statements.	This happened due to loss of the accounting officer with limited time to prepare the books of account. It has been resolved since then.	Resolved	
2.	Failure to establish party offices in at least 24 counties.	The party has key figures defected or formed their own parties, thereby losing many offices to them in the run up to the last general election. The party has regained its strength and has now offices in 35 counties.	Resolved	
3.	Lack of a procurement function	All procurement functions now fall under the party national treasurer.	Resolved	
4.	Lack of approved policies and manuals	The party is still developing its revised policies and manuals.	Not resolved	FY 2025-2026

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 Party 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: 18-11-2025



FORUM FOR THE RESTORATION OF DEMOCRACY - KENYA (FORD - KENYA)
Annual Report and Financial Statements for the year ended June 30, 2025.

Appendix II: Transfers from Political Parties Fund

No	Source of Funds (Party)	Amount	Date Received	Financial Year the funds relates to
1.	Political Parties Fund	3,504,189.00	08/07/2024	FY 2024/25
2.	Political Parties Fund	6,256,291.75	29/10/2024	FY 2024/25
3.	Political Parties Fund	6,256,291.75	22/11/2024	FY 2024/25
4.	Political Parties Fund	6,256,291.75	03/03/2025	FY 2024/25
5.	Political Parties Fund	2,752,102.75	19/06/2025	FY 2024/25
	Total	25,025,167.00		

