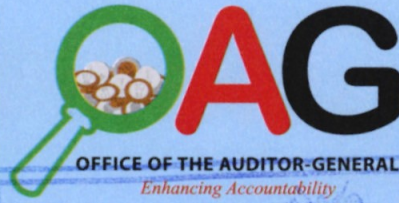


REPUBLIC OF KENYA



REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 03 MAR 2026

DAY,
TUESDAY

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BY:

Hon. Naomi Wago, MP
Deputy Majority Whip

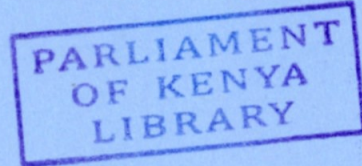
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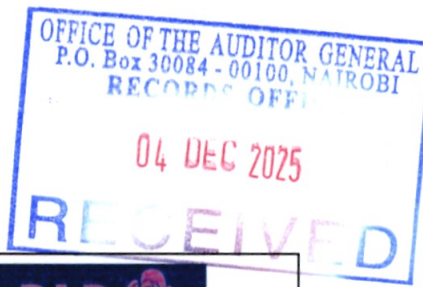
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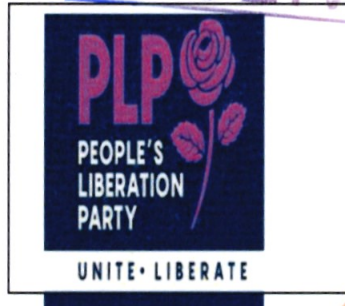


PEOPLE'S LIBERATION PARTY

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



Customized June 2025



(People's Liberation Party)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2025

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

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People's Liberation Party

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

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1. Acronyms and Definition of Key Terms

A: Acronyms

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

B: Definition of Key Terms

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

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

Comparative Year- Means the prior period.

2. Key Political Party Information and Management

(a) Background information

People's Liberation Party was fully registered under the Political Parties Act, CAP. 7D on 001, 2005. The Party is domiciled in Kenya and has 25 branches.

Vision

A Party of Choice for Most Kenyans.

Mission.

To be an all-inclusive Political Party Founded on the Rule of Law, Sustainably Managed and Championing the interests of the people.

Core Values

The Core Values of the Party are: - Justice, Integrity, Human dignity, Community, Equity, Economic Empowerment, and Social transformation.

(b) Principal Activities

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

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

(Customize (b) above and include the Party's vision, mission, and core objectives)

(c) Key Management

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

No.	Designation	Responsibility
1.	NDC/NGC;	The NDC is the supreme decision-making organ of the Party. It determines and articulates Party principles, policies, and

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No.	Designation	Responsibility
		<p>programs; approves amendments to the Constitution; assigns tasks to other Party organs; and promotes unity and full participation of members. The NDC meets once every five years, with special sessions convened when necessary.</p> <p>The NGC is the policy and oversight organ of the party between NDC meetings. It processes and approves policy matters, amends the Constitution (subject to NDC ratification), examines and approves audited accounts, receives reports from the NEC, and approves the annual budget of the Party. It meets at least once annually.</p>
2.	NEC	<p>Is the governing body of the party with full mandate on matters of policy formulation, implementation and supervision of the administrative structure at all levels, appoints party representatives to external organizations, oversees the execution of party programs, which the party, determines the terms and conditions of service of the secretariat staff and other employees. And provides overall leadership and direction to ensure effective governance of the Party.</p>
3.	SG	<p>The Secretary General (SG) is the chief administrator and record-keeper of the Party. The SG coordinates all Party meetings, documentation, and Secretariat</p>

People's Liberation Party

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

No.	Designation	Responsibility
		functions, ensures compliance with the Party Constitution, and serves as the primary communication link between Party organs.
4.	Treasurer	The National Treasurer is the chief custodian of the Party's finances. The Treasurer coordinates resource mobilization and fundraising activities, oversees financial transactions, ensures proper maintenance of accounts and records, prepares and submits financial statements to the NEC, circulates audited annual accounts, and ensures accountability and transparency in all financial matters of the Party.

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(d) Fiduciary Management

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

No.	Designation	Name
1.	Secretary General	Asha Bashir
2.	Head of Finance	Wanja Mbugua
3.	Executive Director	Ag. Rosa Wangu

(e) Fiduciary Oversight Arrangements

The People's Liberation Party (PLP) is committed to ensuring accountability, transparency, and compliance in the management of its financial and operational resources. Fiduciary oversight is exercised through a combination of statutory, internal, and parliamentary mechanisms, as outlined below:

1. Registrar of Political Parties (ORPP)

The Office of the Registrar of Political Parties provides external oversight by ensuring that the Party complies with the **Political Parties Act, Cap. 7D**, and all related regulations. This includes oversight of Party registration, funding through the Political Parties Fund (for eligible parties), submission of annual returns, and enforcement of transparency and accountability in Party operations.

2. Governing Body / NEC

The NEC is the governing body of the Party and holds primary responsibility for financial oversight and resource mobilization. It approves budgets, supervises implementation of financial policies, monitors expenditure, and ensures compliance with internal controls. The NEC also provides strategic direction and reports to the National Governing Council (NGC) and the National Delegates Convention (NDC).

3. Finance Committee

The Finance Committee oversees the preparation of budgets, monitors revenue collection (including membership subscriptions, donations, and grants), and ensures that expenditure aligns with approved allocations. The Committee also reviews financial reports and provides recommendations to the NEC for decision-making.

4. Audit and Risk Committee

The Audit and Risk Committee plays an independent oversight role by ensuring that financial statements are accurate, risks are managed, and internal controls are effective. It reviews external

audit findings, ensures implementation of recommendations, and reports to the NEC on risk management and accountability.

5. Parliamentary Oversight Committees

As provided for under national laws, Parliamentary Committees such as the Public Accounts Committee (PAC) and the Committee on Political Parties Funding provide additional oversight of the Party's use of public funds (where applicable). These committees scrutinize the Party's audited accounts, verify compliance with the law, and ensure public funds are used responsibly.

6. Other Oversight Arrangements

Beyond the formal structures, the Party encourages **internal democracy, member participation, and stakeholder engagement** as additional oversight mechanisms. Regular reporting to members during conventions, internal audits, and adherence to procurement and ethical standards ensure that fiduciary responsibilities are upheld across all Party levels.

(f) Party Headquarters

P.O. Box 34200 - 00100

Liberation House

Woodlands Road

Nairobi, KENYA

(g) Party Contacts

Telephone: (254) 737035979

E-mail: plpkenya001@gmail.com

Website: plpkenya.com

(h) Party Bankers

1. Co-operative Bank of Kenya
Nairobi Business Centre Branch
P.O. Box 19555 - 00202
Ngong Road, Nairobi

(i) Independent Auditor

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

(j) Principal Legal Adviser

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

Party Legal Advisor

Jane Nyaboke Njagi
P. O. Box
Nairobi, Kenya

3. The National Executive Council/Committee

In this section, Political Parties should provide details for all National Executive Council/Equivalent organ members. This section shall provide the names, positions, Date of assumption of office, and Gender. Where a member has exited, indicate the date when the member ceased to serve.

No.	Name	Position	Date of assumption of office	Gender
1.	Hon. Martha Karua	Chairperson	18/02/2022	Female
2.	Kabala Kelvin Kile	Deputy Chairperson	18/02/2022	Male
3.	Asha Bashir	Secretary General	26/10/2023	Female
4.	Asha Bashir	Deputy Secretary General	18/02/2022	Female
5.	Hon. Fatuma Abass	Treasurer	18/02/2022	Female
6.	Ribathi Paul Gichuke	Organizing Secretary	Exited	Male
7.	Francis Mwongera	Deputy Organizing Secretary	18/02/2022	Male
8.	Rosa Wangu	Women Leader	18/02/2022	Female
9.	Joyce Mwakireti	Deputy Women Leader	18/02/2022	Female
10.	Haniel Murimi	Youth Leader	30/01/2025	Male
11.	Harriet Wanjiru	Deputy Youth Leader	30/01/2025	Female
12.	Catherine Muthoni Kihara	Representative of People With Disabilities	18/02/2022	Female
13.	Richard Lemarkat Legantu	Representative of Minorities and Marginalized	18/02/2022	Male

4. Key Management/Secretariat Team

Name	Position	Responsibility
Asha Bashir	Secretary General	Accounting Officer/ Secretary to the NEC
Ag. Rosa Wangu	Executive Director	Head of Secretariat
Wanja Mbugua	Finance Manager	Heads Finance & Accounts
Mr. Kabala Kile	Head of Operations	

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5. Chairman's Statement

1. Introduction

The 2024/2025 financial year marked a pivotal period for the party, as the primary focus was the successful execution of a comprehensive rebranding exercise. This strategic rebranding aimed at repositioning the party to reflect its renewed vision, values, and future direction in the dynamic political landscape of the country.

2. Rebranding Process

The rebranding process commenced with consultations involving the National Executive Council (NEC) and external branding consultants. These engagements focused on identifying a new party name, colours, symbols, and slogans that align with the party's mission and aspirations.

Key milestones in the rebranding process included:

- **Approval of New IdPeople's Liberation Party**
On 28th November 2024, during the National Governing Council (NGC) and National Delegates Convention (NDC), party members approved the change of the party's name from Narc Kenya to People's Liberation Party.

The party's slogan was also changed from "One Kenya, One Nation, One People" to:

- English: "Unite, Liberate"
 - Swahili: "Tuungane, Tujikomboe"
- **Official Notice to Members**
A public notice was published on 2nd December 2024, informing members of the intended rebrand and inviting their feedback and comments.
 - **Brand Development Activities**
Following approval, the party embarked on the implementation phase, which included:
 - Design of a new logo
 - Repainting of party offices
 - Development and publication of a comprehensive brand book
 - **Brand Reveal Event**
The official brand reveal took place on 27th February 2025 at the party headquarters. The event was attended by over 1,000 members and supporters, including prominent leaders from other opposition parties.

3. Digital Transformation and Communications

- **Website Launch**
A new website was developed and launched, reflecting the new party colours—Purple, Lilac, and White.

The website features:

- Online membership registration
- A donation portal
- Information on party ideology, leadership, and upcoming events

4. Organizational Development

- **Membership Drive and Branch Expansion**
An ongoing nationwide membership recruitment campaign was launched alongside the establishment of new branch offices to increase grassroots presence and political reach.
- **Amendments to Party Constitution**
In response to evolving political dynamics, the party leadership proposed amendments to expand the structure of the NEC to include a broader range of talents and promote inclusivity.

These amendments were adopted at a Special General Assembly held on 26th September 2025.

5. Political Alliances and Strategy

The People's Liberation Party has formally joined other like-minded political entities to form the United Opposition, a strategic coalition aimed at mounting a formidable challenge in the upcoming general elections. This alliance is committed to democratic governance and transformational leadership.

6. Challenges

The party faced several challenges during the reporting period, including:

- **High Staff Turnover**
The organization experienced a notable turnover in personnel, impacting continuity in some operational areas.
- **Resource Constraints**
Limited financial and material resources hindered the pace of implementation of some initiatives.

These challenges are currently being addressed through strategic recruitment and improved resource mobilization efforts.

7. Opportunities and Outlook

Despite the challenges, the party has made significant strides and met its key targets for the financial year. Notable achievements include:

- Successful rebrand and relaunch of the party
- Strengthened digital presence
- Expanded party infrastructure
- Renewed public interest and membership growth

Going forward, the party intends to build on these gains, deepen public engagement, and strengthen internal structures in preparation for the next general election.

8. Conclusion

The 2024/2025 financial year has been a transformative period for the People's Liberation Party. With renewed idPeople's Liberation Party, strategic alliances, and an invigorated membership base, the party is well-positioned to play a central role in shaping the future political direction of the country.

The leadership remains committed to building a strong, inclusive, and forward-looking movement for all.

Prepared by:



Hon. Martha Karua SC

National Chair

People's Liberation Party

For and on behalf of the National Executive Council

Dated: 4th December 2025

6. Report of the Secretary-General

As the Secretary-General of People's Liberation Party, I am pleased to present this report highlighting the operational and financial performance of the Party for the year under review.

1. Operational Performance

The Party recorded notable progress in membership growth, grassroots engagement, institutional strengthening, and a successful rebranding initiative during the year.

Membership Recruitment

The Party has successfully recruited members across all counties through its official website and the ORPP USSD Code *509#. This digital approach has enhanced accessibility, enabling members from diverse regions to join conveniently. As a result, the Party has registered steady growth in its membership base, broadened its reach to previously underserved areas, and strengthened its visibility at both the grassroots and national level.

Rebranding and People's Liberation Party

A key highlight of the year was the successful rebranding of the Party, undertaken to strengthen its People's Liberation Party and visibility nationwide. The rebranding exercise involved the adoption of a refreshed image, revitalized symbols, and a consistent communication style that resonates with citizens across the country. This initiative has significantly enhanced the Party's public profile and reinforced its commitment to modern, inclusive, and issue-based politics.

Office Establishment and Expansion

In line with the rebranding efforts, the Party established and rebranded 27 offices across the country. These offices have deepened grassroots presence, improved accessibility to members, and enhanced coordination with local structures.

Grassroots Structures and Elections

The Party continues to strengthen grassroots structures through local elections and the opening of new offices to expand its national presence. These efforts have not only energized the membership but also created stronger linkages between the national leadership and county structures, laying a solid foundation for effective mobilization and future electoral success.

Communications and Public Engagement

To further support the rebranding drive, the Party enhanced its communication strategy by leveraging media platforms, public forums, and social media engagement. These initiatives have

increased visibility, shaped public perception, and enabled the Party to connect more effectively with citizens across all regions.

2. Financial Performance

The Party operated within an approved budget of 10,190,464.

Revenue received: The Party's revenue streams comprised membership subscriptions, donations and allocations from the Political Parties Fund.

Expenditure: Expenditure was primarily directed toward office operations, grassroots mobilization, rebranding activities, communication, and member engagement. All spending adhered to the approved budget allocations and the principles of accountability and transparency.

3. Conclusion

The year under review was marked by successful rebranding, expansion of grassroots presence, and growth in membership across all regions. **These achievements underscore the Party's** commitment to building a strong, inclusive, and accountable institution capable of delivering on its mission and vision.

I extend my appreciation to our members, leaders, partners, and supporters for their unwavering **commitment and contribution**. **Together**, we shall continue to build momentum for the Party's future electoral success and its role in advancing democratic governance in Kenya.



Asha Bashir

Secretary-General

Dated: 4th December 2025

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

7. Statement of Performance against Predetermined Objectives for FY 2024/20x25-1

The People's Liberation Party (PLP) has a Strategic Plan covering the period 2020–2025. Implementation of the Strategic Plan is achieved through annual work plans, which outline specific activities and targets for each year. The table below presents the Party's performance against predetermined objectives for the financial year 2024/2025.

The Political Party has a strategic plan running from Year 2020 to Year 2025. The Strategic Plan is implemented in annual work plans. The performance of the Party during the year is presented in the table below:

No	Program/Activity	Key Performance Indicator	Target	Achievement	Remarks
1.	Membership Recruitment	No of Members	10000	2000	
2.	Branch Expansion & Rebranding	Operationalize and rebrand 30 county offices	30	25	
3.	Governance & NEC Effectiveness	Hold NEC meetings; review strategic plan	2	2	
4.	Grassroots Structures and Elections	Conduct engagements with County grassroots and partners	10	5	
5.	Communications and Public Engagement	Roll out Party rebranding	Rebranding, 8media appearances, 10public	Rebranding completed, 6media appearances,	

People's Liberation Party
Annual Report and Financial Statements for the year ended June 30, 2025.

		campaign; enhance visibility through media, forums, and digital platforms	forums and digital engagements	8public forums and digital engagements	
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Narrative Summary:

Overall, the Party achieved notable success in membership recruitment and branch rebranding, while progress in grassroots elections remains preparatory. Financial and governance objectives were partially met, though constrained by limited resources. The Party remains committed to fulfilling its 2020–2025 Strategic Plan and leveraging lessons learned during FY 2024/2025 to improve performance in subsequent years.

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8. Governance Statement

The governance of the People's Liberation Party (PLP) is anchored on principles of democracy, accountability, and inclusivity, as provided in the Party Constitution. The Party is structured to ensure that decision-making and implementation processes are consultative, transparent, and representative of members from the grassroots to the national level.

The Party structure is presented in the organogram

Level 1- Polling Centre



Level 2 - Ward (County Assembly Representation Area)



Level 3- Sub- Branch (Constituency)



Level 4 - Branch (County)



Level 5- National

- a) National Delegates Convention (NDC)
- b) National Governing Council (NGC)
- c) National Executive Committee (NEC)
- d) National Management Committee (NMC)
- e) National Elections Board (NEB)
- f) The Commissions/Committees
- g) National Assembly caucus
- h) Senate caucus
- i) Governors caucus
- j) County assembly caucus
- k) National Secretariat
- l) Advisory Council

Which illustrates the governance arrangements across five levels: the Polling Centre, Ward, Constituency (Sub-branch), County (Branch), and National level. At the apex of this structure is the National Delegates Convention (NDC), which delegates authority to the National Governing Council (NGC), the National Executive Committee (NEC), and the National Management

Committee (NMC) to oversee the Party's day-to-day operations. In addition, specialized committees and commissions have been established to strengthen oversight, promote accountability, and ensure compliance with both the Party Constitution and the Constitution of Kenya.

The National Delegates Convention (NDC)

The NDC is the supreme decision-making organ of the Party. Its composition includes six Branch Executive Committee members, Sub-branch Chairpersons, members of the National Assembly Caucus, the Senate Caucus, the Governors Caucus, and the County Assembly Caucus. The Convention is mandated to determine and articulate the principles, policies, and programs of the Party, mobilize citizens to participate in political and social development, and promote national unity in line with the values of public governance.

The NDC is ordinarily convened once every five years. However, special sessions may be held as determined by the National Chairperson in consultation with the NMC, or through a resolution supported by two-thirds of the NEC. In convening the NDC, the Secretary General, in consultation with the National Chairperson, is required to give sufficient public notice and publish the agenda of the meeting in the national media.

The National Governing Council (NGC)

The NGC is the standing committee of the NDC and acts as the link between the NDC and the NEC. It consists of the NEC, the National Assembly and Senate Caucuses, Branch and Sub-branch Chairpersons, Governors Caucus, and the National Secretariat. The NGC is mandated to process policy proposals for consideration by the NDC, approve annual budgets, examine audited accounts, consider annual reports, and ratify Party regulations. It also has the authority to amend the Party Constitution between NDC meetings, subject to ratification at the subsequent NDC.

The NGC meets at least once every year and ensures that policies adopted by the NDC are implemented, monitored, and aligned with the Party's mission.

The National Executive Committee (NEC)

The NEC is the governing body of the Party and is responsible for policy formulation, supervision of daily operations, and overall Party management. Its membership includes the National Chairperson, Deputy Chairperson, Secretary General, Deputy Secretary General, National Treasurer, National Organizing Secretary, Women's Leader, Youth Leader, Persons with Disability Leader, Minority and Marginalized Groups Leader, Secretaries to various policy portfolios, and the Party Executive Director as an ex-officio member.

The NEC is mandated to formulate policies for consideration by the NGC and NDC, supervise the Secretariat, mobilize resources, implement Party decisions, and monitor the performance of all Party organs. It also plays an advisory and oversight role in elections and nominations, and is responsible for appointing Party representatives to external organizations. NEC meetings are convened regularly by the Chairperson or the Secretary General, with provisions for special meetings as necessary.

Committees and Specialized Organs

To ensure effective governance, the NEC has established several committees and commissions. These include:

- **Dispute Resolution Committee** – Handles internal disputes at Sub-branch, Branch, and National levels, with appeal mechanisms to ensure fairness and finality.
- **Disciplinary Committee** – Enforces discipline among members and leaders, applying sanctions such as reprimands, suspension, expulsion, or recall from office, in line with the Constitution.
- **National Elections and Nominations Board (NEB)** – An independent organ responsible for overseeing Party elections and nominations. It ensures that internal electoral processes are free, fair, and transparent.
- **Finance Committee** – Oversees financial management, resource mobilization, and ensures compliance with the Political Parties Act and the Constitution of Kenya.
- **Audit and Risk Committee** – Provides independent oversight through audits, risk management, and financial reporting, ensuring accountability and transparency.
- **Other committees and leagues** – Such as the **Women's League, Youth League, and the Advisory Council**, which enhance representation and policy development across different sectors of membership.

Governance Principles

The governance of the People's Liberation Party is underpinned by key principles. First, democracy and participation are central, with members actively engaged in decision-making at all levels. Second, transparency and accountability are ensured through budget approvals, regular audits, and published financial reports. Third, inclusivity is upheld through affirmative action, guaranteeing the representation of women, youth, persons with disabilities, minorities, and marginalized groups. Finally, the Party is committed to the rule of law and integrity, requiring that all leaders and officials meet the standards set by Chapter Six of the Constitution of Kenya.

Through this governance framework, the Party seeks to institutionalize internal democracy, enhance accountability, and build strong, people-centered political structures that advance its mission of liberation, unity, and transformative leadership.

9. Management Discussion and Analysis

The People's Liberation Party (PLP) has continued to make significant strides in strengthening its institutional framework, broadening its membership base, and enhancing its financial stability over the past [three/five] years. This section presents an analysis of the Party's performance, highlighting key trends in membership growth, financial management, representation, and organizational development.

Membership Growth

Over the reporting period, Party membership has steadily increased as a result of deliberate recruitment strategies. These included the use of the official Party website, the ORPP USSD Code *509#, grassroots mobilization drives, and targeted outreach to special interest groups (SIGs) such as women, youth, persons with disabilities, and marginalized communities.

This upward trend demonstrates growing confidence in the Party's vision and policies, as well as the effectiveness of its digital and grassroots recruitment initiatives.

Budget Trends

The Party's annual budgets have reflected a progressive increase in planned activities and organizational expansion. The budgets have supported rebranding, branch establishment, NDC, civic education programs, and the strengthening of the Secretariat.

The increase in budget allocations aligns with the Party's growth strategy and commitment to building sustainable structures.

Revenue and Funding Sources

The Party has derived its income from a combination of statutory allocations (for funded parties), membership subscriptions, voluntary contributions, and donations from well-wishers.

The Party has progressively diversified its revenue streams while ensuring compliance with the Political Parties Act and internal accountability mechanisms.

Representation and Elected Leaders

PLP's representation at both national and county levels has been steadily growing, reflecting the confidence of citizens in the Party's vision and agenda. Importantly, the Party has also prioritized the inclusion of special interest groups (SIGs) — including women, youth, persons with disabilities, and marginalized communities — in line with its constitutional commitment to inclusivity.

❖ **Year 2022:** 11 MCAs, 6 SIG representatives

This growth reflects the Party's efforts in supporting candidates during elections, conducting fair nominations, and enhancing grassroots capacity.

Establishment of Branches

Branch expansion has been central to the Party's strategy of increasing visibility, enhancing coordination, and strengthening its grassroots presence. PLP branches serve as key focal points for member engagement, policy dissemination, mobilization, and the implementation of Party programs at the county and constituency levels.

- ✧ **Year 2024:** 24 branches established and operational
- ✧ **Year 2025:** 27 branches rebranded and operationalized

The rebranding and standardization of these branches is expected to further entrench the Party's presence nationwide by providing uniform structures, improving service delivery to members, and ensuring consistent communication between the national leadership and grassroots units. This expansion also supports the Party's broader objective of building sustainable political structures that can effectively drive policy advocacy and electoral success.

Disputes Resolved and Internal Cohesion

The Party has continued to make progress in institutionalizing internal dispute resolution mechanisms in line with its Constitution and governance principles. Through the Dispute Resolution Committee and the Disciplinary Committee, several cases involving nomination disputes, branch leadership conflicts, and disciplinary issues have been addressed in a structured and impartial manner. This approach has reinforced internal democracy, promoted fairness, and strengthened Party cohesion across all levels.

- ✧ **Year 2023:** 1 Youth League dispute resolved

By ensuring that disputes are resolved internally and amicably, the Party has not only reduced the risk of prolonged conflicts but also enhanced the trust of members in its governance systems. This foundation of fairness and transparency provides stability as the Party expands its membership base and prepares for greater political participation.

Conclusion

Overall, the analysis shows that the People's Liberation Party has registered steady progress across all key indicators: membership growth, financial management, representation, and branch establishment. While challenges such as resource mobilization and political competition remain, the Party has laid a strong foundation for sustainable growth and influence in Kenya's political landscape.

The continued focus on transparency, inclusivity, and grassroots empowerment positions PLP as a credible, democratic, and people-centered political party ready to play a transformative role in the country's governance.

10. Environmental and Sustainability Reporting

i) Sustainability Strategy and Profile

The People's Liberation Party (PLP) recognizes sustainability as a core element of its governance, operations, and public engagement. Guided by international best practices and national legal frameworks, the Party seeks to align its political activities with environmental stewardship, social responsibility, and economic accountability.

In an evolving macroeconomic and political environment, PLP has prioritized sustainability initiatives that reduce operational impact, promote inclusivity, and ensure resilience. While progress has been made in areas such as resource efficiency, branch rebranding, and community-based projects, the Party acknowledges that challenges remain, including limited resources to scale sustainability programs.

ii) Environmental Performance

The Party is guided by its **Environmental and Social Responsibility Policy**, which emphasizes responsible resource use, waste reduction, and biodiversity protection. At the Secretariat and branch level, efforts have been made to digitize processes (e.g., membership recruitment via website and USSD), thereby reducing paper usage. The Party has also implemented waste management practices such as recycling and the adoption of energy-efficient equipment.

Key successes include increased awareness among staff and members, while shortcomings include limited capacity to measure environmental impact at the grassroots. Moving forward, PLP aims to standardize green practices across all 27 county offices as part of its rebranding and modernization program.

iii) Employee Welfare

The Party remains committed to fair labor practices, guided by policies that ensure merit-based hiring, gender balance, and inclusivity of youth, persons with disabilities, and marginalized groups. Staff engagement is continuous through periodic consultations, capacity-building workshops, and training opportunities. Career progression is supported through skills development programs, while performance appraisal and recognition systems are being institutionalized to improve productivity and staff morale.

a) Responsible Supply Chain and Supplier Relations: PLP ensures fair procurement by honoring contractual obligations, engaging suppliers transparently, and adhering to responsible payment practices.

b) Responsible Marketing and Advertising: The Party upholds ethical communication standards by ensuring that messaging is factual, non-discriminatory, and respectful of public trust.

c) Product Stewardship: The Party safeguards the rights of members and citizens by protecting personal data, ensuring transparent electoral processes, and upholding the highest standards of accountability.

iv) Corporate Social Responsibility (CSR) and Community Engagements

The People's Liberation Party (PLP) acknowledges the importance of Corporate Social Responsibility (CSR) as part of its sustainability agenda. However, the Party has **not yet implemented formal CSR programs** during the reporting period, owing to limited resources and the prioritization of foundational activities such as rebranding, branch establishment, and membership recruitment.

Despite this, the Party recognizes the value of community engagement and is committed to incorporating CSR initiatives into its long-term strategy. Future plans include partnering with local communities in initiatives such as tree planting, civic education, and support to vulnerable groups. These programs will be **integrated into the Party's broader sustainability framework as resources allow**, with the aim of enhancing social impact and strengthening grassroots relationships.

APPROVED

11. Report of the National Executive Council/Committee

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

i) Principal activities

The principal activities of the Party are as reported

ii) Results

The results of the People's Liberation Party for the year ended June 30, 2025, are as set out.

iii) Council Members

The members of the Governing body/NEC who served during the year are as shown above. During the year 2022 members retired/ resigned and others were appointed with effect from 18th February 2022.

iv) Auditors

The Auditor-General is responsible for the statutory audit of the *People's Liberation Party* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015

By Order of the Council/Committee

Name Asha Bashir
Secretary General

12. Statement of the National Executive Council Responsibilities

Section 31 of the Political Parties Act Cap 7D and (Article 18 *of the Party's Constitution*) - require the National Executive Council (NEC) to prepare financial statements for each financial year that present a true and fair view of the state of affairs of the Party at the end of the financial year and of its operating results for that year. Article 18 further provides for the policy reporting documents and their regularity, including the manner and procedures through which they are to be developed, approved, and publicized.

In preparing these financial statements, the NEC is required to:

- Select suitable accounting policies and apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going-concern basis, unless it is inappropriate to presume that the Party will continue in operation.

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


- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Party;
- (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) Safeguarding the assets of the Party;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The NEC accepts responsibility for the Party's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and the Political Parties Act. The NEC is of the opinion that the Party's financial statements give a true and fair view of the state of the Party's transactions during the financial year ended June 30, 2025, and of the Party's financial position as at that date. The NEC further confirms the completeness of the accounting records maintained for the Party, which have been relied upon in the preparation of the Party's financial statements, as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the NEC assessed the Party's ability to continue as a going concern, in line with applicable accounting and regulatory requirements. Based on this assessment, the NEC confirms that the Party has adequate resources to remain operational. Nothing has come to the attention of the Directors to indicate that the *People's Liberation Party* will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Party's financial statements were approved by the Board on 29th September 2025 and signed on its behalf by:



Hon. Martha Karua

NEC Chairperson



Ms. Asha Bashir

Secretary General

REPUBLIC OF KENYA

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HEADQUARTERS
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON PEOPLE'S LIBERATION PARTY FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, 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

Qualified Opinion

I have audited the accompanying financial statements of People's Liberation Party set out on pages 1 to 57, 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, except for the effect of matters described in the Basis for Qualified Opinion Section of my report, the financial statements present fairly, in all material respects, the financial position of People's Liberation Party 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, (Revised 2022) and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Inaccuracies in the Financial Statement

Review of the financial statements presented for audit revealed the following inaccuracies:

1.1 Unbalanced Trial Balance

The trial balance reports a credit balance of Kshs.28,088,195 and a debit balance of Kshs.19,803,125, resulting in an unexplained variance of Kshs.8,285,070.

1.2 Variances in Opening Balances and Prior Year Adjustments

The statement of changes in net assets reflects opening accumulated surplus of Kshs.5,717,835, whereas the 2023/2024 audited financial statements indicate Kshs.12,006,123. Further, the statement includes prior year adjustments of Kshs.1,076,889, which were not supported by documentation. Further, Note. 23 reflects property, plant and equipment net book value of Kshs.484,466 as at 30 June 2024, while the 2023/2024 audited financial statements indicated a balance of Kshs.634,723, resulting in an unexplained variance of Kshs.150,257.

1.3 Unexplained Variances in Administrative Expenses

The statement of financial performance reflects the administrative expenses of kshs.9,713,284, while note 11 to the financial statements indicates an amount of kshs.9,593,031, resulting to an unreconciled variance of kshs.120,253. similarly, the recomputed amounts under note 11 total kshs.9,634,385, and kshs.8,885,067, for the financial years 2024/2025 and 2023/2024, respectively.

1.4 Statement of Cash Flows Variance

The statement of cash flows reflects cash flows from operating activities of Kshs.2,446,897, which is at variance with Kshs.2,604,668 reflected in Note 32 to the financial statements, resulting to an unexplained variance of Kshs.157,771. Further, Note 32 does not include changes in trade payables balance of Kshs.2,001,616 and deposits and prepayments of Kshs.4,800,000.

In the circumstances, the accuracy and completeness of the financial statements for the year ended 30 June, 2025 could not be confirmed.

2.0 Unsupported Cash and Bank Balances

The statement of financial position reflects cash and cash equivalents balance of Kshs.4,213,257 as disclosed in Note 19 to the financial statements. However, the balance was not supported by cash books and bank reconciliation statements.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.4,213,257 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the People's Liberation Party 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 qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matter

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 the Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during the audit of the Party in the financial year 2024/2025 revealed that numerous matters remained unresolved, as detailed in **Appendix 1**.

Other Information

The Management is responsible for the Other Information set out in pages iii to xi, which comprise of Key Party Information and Management, National Executive Council/Committee, Key Management/Secretariat Team, Chairman's Statement, Report of the Secretary General, Statement of Performance Against Predetermined Objectives, Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the National Executive Council/Committee and Statement of the National Executive Council Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Party's financial statements, my responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed,

If I conclude that there is a material misstatement of this Other Information, I am required to report that fact. Based on the audit procedures performed and the matters described in my Basis for Qualified Opinion, I confirm that Other Information is not materially inconsistent with the financial statements.

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

REPORT ON THE LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, 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 else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Late Submission of the Financial Statements

The financial statements for the financial year ended 30 June 2025 were submitted on 1 October 2025, which was after the statutory deadline of 31 August, 2025. This was contrary to Paragraph 1.8 of The National Treasury Circular Ref. No. AG.3/88 VOL VII (41) dated 4 December 2024, which required all public sector entities, at both National and County Governments, to prepare and submit annual financial statements by 31 August, 2025.

In the circumstances, the Party was in breach of The National Treasury's Circular.

2. Non-Compliance with Public Procurement and Asset Disposal Act, 2015

During the year under review, the Party incurred expenditures of Kshs.2,520,837 on media and publications and Kshs.840,700 on rallies and programs as disclosed in Notes 11 and 13 to the financial statements, respectively. However, the procurement of the services was not supported by evidence of a Tender Evaluation Report, documentation of the appointment of Evaluation Committee, or the approval of a professional opinion. This was contrary to Section 84(1) of the Public Procurement and Asset Disposal Act, 2015, which requires the Head of Procurement function of a procuring entity, alongside the report to the Evaluation Committee, to make secretariat comments, review the Tender Evaluation Report and provide a signed professional opinion to the Accounting Officer on the procurement or asset disposal proceedings.

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

3. Non-Compliance with Climate Change Financing Requirements

Review of documents provided for audit revealed that the Party had not designated a Unit or allocated financial resources in its budget towards Climate Change actions. This was contrary to Section 15(2)(a) of the Climate Change Act, 2016, which requires

mainstreaming of the Climate Change action plan and other statutory Climate Change functions and into sectoral strategies for implementation. Further, the Climate Change activities could not be traced to the administrative expenditure budget or environment and sustainability reporting in the annual report, contrary to The National Treasury Circular 13/2020, which requires the identification and reporting of Climate Change and environment-related allocations within the budgets of Government entities.

In the circumstances, Management was in breach of the law and The National Treasury's Circular.

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, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Lack of Internal Audit Function and Audit Committee

Assessment of the control environment revealed that the Party had not established an Internal Audit Function to review and monitor internal control processes. This was contrary to Section 73(3)(b) of the Public Finance Management Act, 2012, which requires every National Government entity to have arrangements for conducting internal audits in accordance with the guidelines issued by the Public Sector Accounting Standards Board. Further, the Party did not establish an Audit Committee contrary to Section 73(5) of the Public Finance Management Act, 2012, which states that every National Government public entity shall establish an Audit Committee whose composition and functions shall be as prescribed by the regulations.

In the circumstances, the effectiveness of internal controls and risk management measures put in place by Management could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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


Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015, and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

15 December 2025

Appendix 1

No.	Financial Year	Audit Issue
1	2023/2024	Incomplete Financial Statements
2	2023/2024	Inaccuracies in the Financial Statements
3	2023/2024	Variance In Revenue from Non-Exchange Transactions
4	2023/2024	Unsupported Membership Contribution and Donations
5	2023/2024	Unsupported Use of Goods and Services
6	2023/2024	Unsupported Cash and Cash Equivalents
7	2023/2024	Misstatement of Property, Plant and Equipment Balance
8	2023/2024	Unsupported Receivables
9	2023/2024	Unsupported Trade and Other Payables
10	2023/2024	Unsupported Balances in the Statement of Comparison of Budget and Actual Amounts
11	2023/2024	Budgetary Control and Performance
12	2022/2023 and 2023/2024	Non-Compliance with Public Procurement and Asset Disposal Act, 2015
13	2022/2023	Irregular Procurement of Election Materials
14	2022/2023	Failure to Adhere to Statutory Expenditure Limit
15	2022/2023 and 2023/2024	Failure to Establish Party Offices in at Least 24 Counties
16	2023/2024	Internal Control Weaknesses on Petty Cash Management
17	2023/2024	Lack of a Valid Lease Agreement
18	2022/2023 and 2023/2024	Weak Governance Structures and Lack of Policy Documents

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

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Revenue			
Transfers from Political Parties Fund (PPF)	6	7,314,720	3,864,431
Membership Fees	7	3,660,156	8,667,454
Public contributions and donations	8	-	-
Investment Income	9	2,026,005	-
Miscellaneous Revenue	10	-	1,610,000
Total Revenue		13,000,881	14,141,885
Expenses			
Administrative Expenses	11	9,713,284	9,070,622
Special Interest Groups expenses	12	-	-
Advocacy and Electoral expenses	13	840,700	4,435,071
Finance Costs	14	-	-
Total expenses		10,553,984	13,370,138
Other gains/(losses)			
Gain/Loss on sale of assets	15	-	-
Gain/Loss on foreign exchange transactions	16	-	-
Gain /Loss on fair value of investments	17	-	-
Impairment loss	18	-	-
Surplus/Deficit		2,446,897	771,747

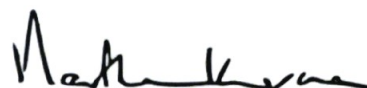
The notes set out on pages to 33 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 7 were signed on behalf of the NEC by:



Name: Asha Bashir
Secretary General



Name: Hon. Fatuma Abass
Treasurer



Name: Hon. Martha Karua
Chairman of the Party

Date

Date

Date

The Financials are to be signed by officials authorized by the applicable legislation.

People's Liberation Party

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

15 Statement of Financial Position as at 30 June 2025

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	19	4,213,257	2,124,059
Deposits & Prepayments	20	4,840,000	9,640,000
Inventories	21	-	-
Investments (current)	22	-	-
Total Current Assets		9,053,257	11,764,059
Non-Current Assets			
Investments	22	-	-
Property Plant and Equipment	23	428,567	634,723
Intangible Assets	24	-	-
Investment Property	25	-	-
Total Non- Current Assets		428,567	634,723
Total Assets (A)		9,481,824	12,398,782
Liabilities			
Current Liabilities			
Trade and Other Payables	26	2,394,275	392,659
Refundable Deposits from Customers	27	-	-
Current Provision	28	-	-
Finance Lease Obligation	29	-	-
Deferred Income	30	-	-
Current Portion of Borrowings	31	-	-
Total Current Liabilities		2,394,275	392,659
Non-Current Liabilities			
Accumulated Funds	28	7,087,549	12,006,123
Borrowings	31	-	-
Total Non- Current Liabilities		7,087,549	12,006,123
Total Liabilities (B)		9,481,823	12,398,782
Net Assets (A-B)		-	-
Represented by:			

People's Liberation Party

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

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Revaluation Reserves		5,717,541	11,234,376
Accumulated Surplus/deficits		2,446,896.84	771,747
Prior Year Adjustment		1,076,888.84	
Net Assets		7,087,549	12,006,123

The financial statements set out on pages 1 to 6 were signed on behalf of the NEC by:



Name: Asha Bashir
Secretary General

Date



Name: Hon. Fatuma Abass
Treasurer

Date



Name: Hon. Martha Karua
Chairman of the Party

Date

The Financials are to be signed by officials authorized by the applicable legislation.

APPROVED

People's Liberation Party

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			
Revaluation gain	-	11,243,376	11,243,376
Prior Year adjustment	-	-	-
Surplus/ deficit for the year	-	771,747	771,747
As at June 30, 2024	-	12,006,123	12,006,123
As at July 1, 2024	-	5,717,541	5,717,541
Revaluation gain	-	-	-
Prior year adjustment	-	1,076,889	1,076,889
Surplus/ (deficit) for the year	-	2,525,796	2,545,504
As at June 30, 2025	-	7,087,549	7,087,549

Note:

1. For items not common in the financial statements, the People's Liberation Party should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.
2. A prior-year adjustment should have an elaborate note describing what the amounts relate to. In such instances, a restatement of the opening balances is needed.

People's Liberation Party

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	2025-2024	2024-2023
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from Political Parties Fund (PPF)		7,314,720	3,864,431
Membership Fees		3,660,156	997,600
Public contributions and donations		-	-
Investment Income		26,005	7,669,854
Miscellaneous Revenue		2,000,000	1,610,000
Total receipts		13,000,881	14,141,885
Payments			
Administrative Expenses		9,713,284	8,935,067
Special Interest Groups expenses		-	-
Advocacy and Electoral expenses		840,700	4,435,071
Finance Costs		-	-
Total payments		10,553,984	13,370,138
Net cash flows from/(used in) operating activities	32	2,446,897	771,748
Cash flows from investing activities			
Purchase of PPE and Intangible assets		(23,000)	(130,300)
Proceeds from sale of PPE		-	669,854
Purchase of investments		-	1,500,000
Sale of investments		-	7,000,000
Net cash flows from/(used in) investing activities		(23,000)	7,538,524
Cash flows from financing activities			
Prior year adjustment		-	-
Repayment of borrowings		-	-
Net cash flows from financing Activities		-	-
Net increase/(decrease) in cash & Cash equivalents		2,502,796	(563,341)
Cash and cash equivalents at 1 July	19	2,124,401	2,687,401
Cash and cash equivalents at 30 June	19	4,213,257	2,124,060

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)	4,000,000	3,314,719	7,314,719	7,314,719	-	0%
Membership Fees	2,000,000	-	2,000,000	3,660,156	(1,660,156)	0%
Public contributions and donations	11,000,000	-	11,000,000	-	11,000,000	-
Investment Income	-	-	-	26,005	26,005	-
Miscellaneous Revenue	2,400,000	-	2,400,000	2,000,000	400,000	83.3%
Total	19,400,000	3,314,719	12,714,719	13,000,881	9,765,849	102%
Payments						
Administrative Expenses	8,221,580	-	8,221,580	9,593,031	(1,371,451)	116%
Special Interest Groups expenses	6,600,000	-	6,600,000	-	6,600,000	-
Advocacy and Electoral expenses	3,631,000	-	3,631,000	840,700	2,790,300	23%
Finance Costs	-	-	-	-	-	-
Purchase of Assets	-	-	-	-	-	-
Purchase of Intangible Assets	490,000	-	490,000	-	-	-
Others specify	-	-	-			
Total Expenditure	18,942,580	-	18,942,580	10,433,731	8,018,849	-
Surplus for the period	457,420	-	(6,227,861)	A	1,747,000	-

People's Liberation Party

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

(Budget carryovers should not include third-party funds such as contractors' retention.)*

Budget notes

1. Provide a commentary on significant underutilization (below 90% of utilization) and any overutilization (IPSAS 24.14)
2. Explain changes between the original and final budget, indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)
3. Where the total of actual on a comparable basis does not tie to the statement of financial performance totals due to differences in accounting basis (budget is cash basis, statement of financial performance is accrual) provide a reconciliation.

Budget Reconciliation

No	Description	Kshs
	Actual Surplus Amounts as per the statement of Budget	A
1	Reason for differences	On-going programs
2	Reason for differences	-
3	Reason for differences	-
4	Reason for differences	-
	Closing Cash and Cash Equivalent as per the statement of Cash flows	4,213,257

19. Notes to the Financial Statements

1. General Information

PLP party 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, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

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

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

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

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

Standard	Effective date and impact:
Equipment	<p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p><i>State the expected impact of the standard to the People's Liberation Party if relevant</i></p>
IPSAS 46: Measurement	<p>Applicable 1st January 2025</p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>State the expected impact of the standard to the People's Liberation Party if relevant</i></p>
IPSAS 47: Revenue	<p>Applicable 1st January 2026</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</p>

Standard	Effective date and impact:
	<p>under one standard. The objective of the standard is to establish the principles that an People's Liberation 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> <p><i>State the expected impact of the standard to the People's Liberation Party if relevant</i></p>
<p>IPSAS 48: Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>State the expected impact of the standard to the People's Liberation Party if relevant</i></p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>State the expected impact of the standard to the People's Liberation Party if relevant</i></p>
<p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p>	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.

Standard	Effective date and impact:
	<p>iii. Disclosures that identify and explain the amounts in the People's Liberation 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.</p> <p><i>State the expected impact of the standard to the People's Liberation Party if relevant</i></p>

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

	<p>e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p><i>State the expected impact of the standard to the People's Liberation Party if relevant</i></p>
<p>IPSAS 46: Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> ii. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. iii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iv. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>State the expected impact of the standard to the People's Liberation Party if relevant</i></p>
<p>IPSAS 47: Revenue</p>	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an People's Liberation 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> <p><i>State the expected impact of the standard to the People's Liberation Party if relevant</i></p>
<p>IPSAS 48: Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider</p>

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	<p>shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>State the expected impact of the standard to the People's Liberation Party if relevant</i></p>
IPSAS 49: Retirement Benefit Plans	<p>Applicable 1st January 2026</p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>State the expected impact of the standard to the People's Liberation Party if relevant</i></p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none">iv. Limited improvements to existing accounting practices for exploration and evaluation expenditures.v. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.vi. Disclosures that identify and explain the amounts in the People's Liberation 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. <p><i>State the expected impact of the standard to the People's Liberation Party if relevant</i></p>

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iii. Early adoption of standards

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

(When an IPSAS becomes effective on 1st January 2025, it is applicable in Kenya from 1st July 2025)

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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 People's Liberation 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 People's Liberation Party's right to receive payments is established.

Rental income

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

b) Budget information

The original budget for the Current FY was approved by the National Assembly on -. 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 ***People's Liberation Party*** upon receiving the respective approvals in order to conclude the final budget.

Budget information (continued)

The *People's Liberation 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. 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 **People's Liberation 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 *People's Liberation 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 *People's Liberation 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 *People's Liberation 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 *People's Liberation Party*. Operating lease payments are 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 *People's Liberation Party* expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the *People's Liberation 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.

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 People's Liberation Party does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements.* A financial instrument is any contract that gives rise to a financial asset of one People's Liberation Party and a financial liability or equity instrument of another People's Liberation Party. At initial recognition, the People's Liberation 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 People's Liberation 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 People's Liberation 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 **People's Liberation Party** has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the People's Liberation 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.

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 People's Liberation 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 People's Liberation 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 People's Liberation Party recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note xx*.

b) Financial liabilities

Classification

The People's Liberation 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 *People's Liberation Party*.

j) Provisions

Provisions are recognized when the *People's Liberation 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 *People's Liberation 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 *People's Liberation 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 *People's Liberation 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 *People's Liberation 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.

m) Nature and purpose of reserves

The People's Liberation Party creates and maintains reserves in terms of specific requirements.

Changes in accounting policies and estimates

The People's Liberation 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.

n) Employee benefits

Retirement benefit plans

The *People's Liberation Party* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an People's Liberation Party pays fixed contributions into a separate **People's Liberation 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.

o) 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)

p) 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.

q) Related parties

The *People's Liberation Party* regards a related party as a person or *People's Liberation Party* with the ability to exert control individually or jointly, or to exercise significant influence over the *People's Liberation 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.

r) 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.

s) Comparative figures

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

t) 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 **People's Liberation 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 **People's Liberation 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 **People's Liberation 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.

People's Liberation Party

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Notes to the Financial Statements (Continued)

6. Transfers from Political Parties Fund (PPF)

Description	2024-2025	2023-2024
	Kshs	Kshs
Operational Grant	7,314,720	3,864,431
Other Grants	-	-
Total	7,314,720	3,864,431

7. Membership Fees

Description	2024-2025	2023-2024
	Kshs	Kshs
Nomination fees	-	-
Subscription fees	3,660,156	222,600
Penalties and fines	-	-
Others (specify)	-	2,385,000
Total	3,660,156	2,607,600

8. Public Contributions and Donations

Description	2024-2025	2023-2024
	Kshs	Kshs
Party Fundraising events	-	-
Founder Members contributions	-	-
Others (specify)	-	-
Total	-	-

9. Investment Income

Description	2024-2025	2023-2024
	KShs	KShs
Interest income	26,005	1,500,000
Rental Income	2,000,000	1,610,000
Dividends Income	-	-
Others specify	-	-
Total Investment Income	2,026,005	3,110,000

10. Miscellaneous Revenue

Description	2024-2025	2023-2024
	KShs	KShs
Sale of Merchandise	-	-
Hire of Grounds/Halls	-	-
Hire of Vehicles	-	-
Rendering of services	-	-
Others specify	-	-
Total Miscellaneous Revenue	-	-

11. Administrative Expenses

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Salaries and Wages	11(a)	2,731,817	3,628,168
Office Rent		3,000,000	3,340,000
Transport & Fuel		214,771	113,392
Stationaries & printing		15,100	32,950
Audit Fee		-	50,000
Media & publications		2,520,837	40,502
Consumables		663,999	988,969
Travel and accommodations		-	-
Utilities	11(b)	41,900	78,869
Professional Fees	11(c)	100,000	430,000
Security		-	-
Communication Charges		2,000	-
Courier and Postage		-	5,400
Insurance		-	-
Depreciation		78,899	85,555
Subscriptions to Professional bodies		-	-
Bank charges		41,354	22,267
Others (ICT)		221,208	40,685
Repairs & Maintenance		2,500	78,310
Rallies & Programs		-	-
Total Administrative Expenses		9,593,031	8,935,067

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11(a) Salaries and Wages

Description	2024-2025	2023-2024
	Kshs	Kshs
Salaries and wages	2,731,817	3,628,168
Employer contribution to health insurance schemes	-	-
Employer contribution to pension schemes	-	-
Volunteer allowances	-	-
Housing benefits and allowances	-	-
Overtime payments	-	-
Performance and other bonuses	-	-
Social contributions	-	-
Gratuity	-	-
Other employee related costs *	-	-
Total Salaries and Wages	2,731,817	3,628,168

* Other employee-related costs- please specify and provide a brief explanation for these costs.

11(b) Utilities

Description	2024-2025	2023-2024
	Kshs	Kshs
Water & Sewerage	36,900	78,869
Electricity	5,000	-
Garbage Collections	-	-
Others Specify	-	-
Total Utilities	41,900	78,869

11(c) Professional Fees

Description	2024-2025	2023-2024
	Kshs	Kshs
Audit	100,000	430,000
Legal	-	-
Accountancy	-	-
Others Specify	-	-
Total Professional Fees	100,000	430,000

12. Special Interest Groups

Description	2024-2025	2023-2024
	Kshs	Kshs
Transport	-	-
Conference Facility	-	-
Food and Refreshment	-	-
Stationery	-	-
Accommodation	-	-
Caps/ T-shirts	-	-
Venue Hire	-	-
Public Address Equipment	-	-
Televising	-	-
Other Costs	-	-
Total	-	-

13. Advocacy and Electoral Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
Media and Publicity	-	-
Grassroot Election	-	-
Advertisement	-	-
Barazas	-	-
Printing Cost	-	-
Rallies & Programs	840,700	4,435,071
Total	840,700	4,435,071

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14. Finance Costs

Description	2024-2025	2023-2024
	Kshs	Kshs
Borrowings (amortized cost) *	-	-
Finance leases (amortized cost)	-	-
Unwinding of discount on lease liabilities	-	-
Interest on bank overdrafts	-	-
Interest on loans from commercial banks	-	-
Total finance costs	-	-

15. Gain on Sale of Assets

Description	2024-2025	2023-2024
	Kshs	Kshs
	-	-
Property, plant and equipment	-	-
Intangible assets	-	-
Other assets not capitalised	-	-
Total gain on sale of assets	-	-

16. Gain/Loss on foreign exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
specify	-	-
	-	-
Total	-	-

17. Gain/ (loss) on Fair Value Investments

Description	2024-2025	2023-2024
	Kshs	Kshs
specify	-	-
	-	-
Total	-	-

Notes to the Financial Statements (Continued)

18. Impairment Loss

Description	2024-2025	2023-2024
	Kshs	Kshs
PPE	-	-
Intangible Assets	-	-
Others specify	-	-
Total	-	-

Provide brief explanation on the impairment loss)

19. Cash and Cash Equivalents

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Account	4,213,257	624,059.26
Savings Account	-	-
On - Call Deposits	-	1,500,000
Fixed Deposits Account	-	-
Others (Specify)	-	-
Total Cash and Cash Equivalents	4,213,257	2,124,059.26

Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	2024-2025	2023-2024
		Kshs	Kshs
a) Current Account			
Co-operative Bank		4,213,257	443,130.26
Sub- Total		4,213,257	-
b) On - Call Deposits			
Co-operative Bank		-	1,500,000
Sub- Total		-	-
c) Fixed Deposits Account			
Co-operative Bank		-	-
Sub- Total		-	-
d) Others (Specify)			
Mobile Money Accounts		-	180,929
Sub- Total		-	-
Grand Total		4,213,257	2,124,059.26

Notes to the Financial Statements (Continued)

20. Receivables and advances

Description	2024-2025	2023-2024
	Kshs	Kshs
Receivables		
Deposits & Prepayments	4,840,000	9,640,000
		-
Total Current Receivables	4,840,000	9,640,000

21. Inventories

Description	2024-2025	2023-2024
	Kshs	Kshs
Consumable stores	-	-
Medical supplies	-	-
Spare parts and meters	-	-
Water for distribution	-	-
Other goods held for resale	-	-
Catering	-	-
Less: allowance for impairment	-	-
Total inventories at the lower of cost and net realizable value	-	-

(Provide brief explanation on inventories)

Detailed disclosure on inventories

	2024-2025	2023-2024
Opening balance	-	-
Additional Inventory in the year	-	-
Inventory expensed in the year	-	-
Write-downs in the year	-	-
Others specify	-	-
Closing balance	-	-

People's Liberation Party

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Notes to the Financial Statements (Continued)

22. Investments

Description	2024-2025	2023-2024
	Kshs	Kshs
a) Investment in Treasury bills and bonds		
Financial institution		
CBK	-	-
CBK	-	-
Sub- total	-	-
b) Investment with Financial Institutions		
Co-op Bank	-	1,500,000
Sub- total	-	-
c) Equity investments (specify)		
Equity/ shares in People's Liberation Party -	-	-
Sub- total	-	-
Grand Total	-	-
Categorization of Investments		
Current Investments	-	-
Longterm Investments	-	-
Grand total	-	1,500,000

(People's Liberation Party should disclose whether the fixed investment financial assets are measured at amortised cost or at fair value through changes in net assets/ equity) Investments in equity should be measured at fair value through surplus or deficit. Other information to be disclosed includes: the interest rates, maturity dates, valuation methodology, and impairment of these investments.

d) Movement of Equity Investments

People's Liberation Party

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

Impairment allowance/ provision	2024-2025	2023-2024
	Kshs	Kshs
At the beginning of the year	-	-
Purchase of investments in the year	-	-
Sale of investments during the year	-	-
Gain/(loss) in fair value of investments through surplus or deficit	-	-
At the end of the year	-	-

e) Shareholding in other entities

For investments in equity share listed under note 33 above, list down the equity investments under the following categories:

Name of People's Liberation Party where investment is held	No of shares			Nominal value of shares	Fair value of shares	Fair value of shares
	Direct shareholding	Indirect shareholding	Effective shareholding		Current year	Comparative year
	%	%	%	Kshs	Kshs	Kshs
People's Liberation Party A	-	-	-	-	-	-
	-	-	-	-	-	-

People's Liberation Party

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

23. Property, Plant and Equipment

Cost Depreciation Rate	Land	Buildings	Motor vehicles	Furniture and fittings	Computer & Electronics	Office Equipment	Total
		25%	25%	10%	25%	10%	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As At 1 July 2023	-	-	-	496,970	281,200	184,013	962,183
Additions	-	-	-	-	130,300	-	130,300
Disposals)-()-()-(-	-	-	-
Transfers/Adjustments	-	-	-	-	-	-	-
Revaluation Adjustments	-	-	-	-	-	-	-
As at 30 th June 2024	-	-	-	496,970	411,500	184,013	1,092,483
As 1 st July 2024	-	-	-	496,970	411,500	184,013	1,092,483
Additions	-	-	-	23,000	-	-	23,000
Disposals)-()-()-(-	-	-	-
Transfer/Adjustments)-()-()-(-	-	-	-
Revaluation adjustments	-	-	-	-	-	-	-
As at 30 th June 2025	-	-	-	519,970	411,500	184,013	1,115,483
Depreciation And Impairment							
At 1 July 2024	-)-()-(219,453	223,816	164,748	608,017
Depreciation	-)-()-(30,052	46,921	1,926	78,899
Impairment	-)-(-	-	-	-	-
Transfers/ Adjustments	-)-()-(-	-	-	-

People's Liberation Party

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

Cost Depreciation Rate	Land	Buildings	Motor vehicles	Furniture and fittings	Computer & Electronics	Office Equipment	Total
		25%	25%	10%	25%	10%	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As At 30 th June 2024	-	-	-	219,453	223,816	164,748	608,017
As at 1 st July 2024				219,453	223,816	164,748	608,017
Depreciation	-	-	-	30,052	46,921	1,926	78,899
Disposals	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-
As at 30 th June 2025		-	-	249,504	270,737	166,675	686,916
Net Book Values							
As at 30 th June 2024	-	-	-	277,517	187,684	19,265	484,466
As at 30 th June 2025	-	-	-	270,466	140,763	17,338	428,467

(Include a brief description of WIP as a footer.)

APPROVED

Valuation

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

25 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	-	-	-
Computers And Related Equipment	-	-	-
Office Equipment, Furniture, And Fittings	-	-	-
Total	-	-	-

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

Description	Cost or valuation	Normal annual depreciation charge
Plant and Machinery	-	-
Motor Vehicles including Motorcycles	-	-
Computers and Related Equipment	-	-
Office Equipment, Furniture and Fittings	-	-
Total	-	-

People's Liberation Party**Annual Report and Financial Statements for the year ended June 30, 2025.****24. Intangible Assets**

Description	2024-2025	2023-2024
	Kshs	Kshs
Cost		
At beginning of the year	-	-
Additions	-	-
At end of the year	-	-
Additions—internal development	-	-
At end of the year	-	-
Amortization and impairment		
At beginning of the year	-	-
Amortization	-	-
At end of the year	-	-
Impairment loss	-	-
At end of the year	-	-
NBV	-	-

25. Investment Property

Description	2024-2025	2023-2024
	Kshs	Kshs
At beginning of the year	-	-
Additions	-	-
Disposal during the year	-	-
Depreciation	-	-
Impairment	-	-
Gain/(loss) in fair value (if fair value is elected)	-	-
At end of the year	-	-

(For investment property held at fair value, changes in fair value should go through the statement of financial performance. Where cost model is elected, depreciation and impairment should be charged. Investment measured at fair value should be evaluated at the end of the reporting period for changes in fair value.). People's Liberation Party should disclose the independent valuers, rental income from the investment property if any and the direct costs attributed to the investment property. Any charges on the investment property as well as any difficulty in classifying this asset as an investment property.

Notes to the Financial Statements (Continued)

26. Trade and Other Payables

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Trade payables	2,394,275		392,659	
Other payables	-		-	
Total trade and other payables	2,394,275		392,659	
Ageing analysis: (Trade and other payables)	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	2,394,275	100%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	2,394,275	100%	-	

(Provide brief explanation)

27. Refundable Deposits and Prepayments from Customers

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Customer deposits	-		-	
Prepayments	-		-	
Other deposits (HQ Rent deposit)	4,840,000		-	
Total deposits	4,840,000		-	
Ageing analysis: (Refundable deposits)	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	4,840,000	100%	-	%
Total	4,840,000	100%	-	

(Provide brief explanation)

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Notes to the Financial Statements (Continued)

28. Current Provisions

Description	Leave provision	Bonus provision	Gratuity Provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
Balance b/f	-	-	-	-	-
Additional provisions	-	-	-	-	-
Provision utilised	-	-	-	-	-
Change due to discount and time value for money	-	-	-	-	-
Transfers from non-current provisions	-	-	-	-	-
Total provisions year end	-	-	-	-	-

29. Finance Lease Obligation

Description	2024-2025	2023-2024
	Kshs	Kshs
At the start of the year	-	-
Discount interest on lease liability	-	-
Paid during the year	-	-
At end of the year	-	-

Maturity Analysis

Period	Amount (Kshs)
Year 1	-
Year 2	-
Year 3	-
Year 4	-
Year 5 And Onwards	-
Less: Unearned Interest	-
Total	-

Analysed as:

Description	Amount (Kshs)
Current	-
Non- Current	-
Total	-

(Provide brief explanation)

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Notes to the Financial Statements (Continued)

The deferred income movement is as follows:

30. Deferred Income

Description	2024-2025	2023-2024
	Kshs	Kshs
National Government	-	-
International Funders	-	-
Public Contributions and Donations	-	-
Total Deferred Income	-	-

(Provide brief explanation)

	National government	International funders	Public contributions and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance Brought Forward	-	-	-	-
Additions	-	-	-	-
Transfers To Capital Fund	-	-	-	-
Transfers To Income Statement	-	-	-	-
Other Transfers	-	-	-	-
Balance Carried Forward	-	-	-	-

31. Borrowings

Description	2024-2025	2023-2024
	Kshs	Kshs
Balance at beginning of the year	-	-
borrowings during the year	-	-
Repayments during the year	-	-
Balance at end of the year	-	-
Borrowings - Current	-	-
Borrowings - Longterm	-	-
Total Borrowings	-	-

Notes to the Financial Statements (Continued)

32. Cash Generated from Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Surplus for the year	2,525,796	771,747
Adjusted for:		
Depreciation	78,899	85,555
Non-cash grants received	(-)	(-)
Contributed assets	(-)	(-)
Impairment	-	-
Gains and losses on disposal of assets	(-)	(-)
Contribution to provisions	-	-
Contribution to impairment allowance	-	-
Working capital adjustments	2,604,668	857,302
Increase in inventory	(-)	(-)
Increase in receivables	(-)	(-)
Increase in deferred income	-	-
Increase in payables	-	-
Increase in payments received in advance	-	-
Net cash flow from operating activities	2,604,668	857,302

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

33. Financial Risk Management

The People's Liberation Party's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The People's Liberation 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 People's Liberation 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 People's Liberation Party's financial risk management objectives and policies are detailed below:

People's Liberation Party

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i) Credit risk

The People's Liberation 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 People's Liberation 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 People's Liberation 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	-	-	-	-
Total	-	-	-	-
As at 30 June (Previous FY)				
Receivables	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-

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

Financial Risk Management

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

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the People's Liberation Party's directors, who have built an appropriate liquidity risk management framework for the management of the People's Liberation Party's short, medium and long-term funding and liquidity management requirements. The People's Liberation Party manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the People's Liberation 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	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	-	-	-
As at 30th June (Previous FY)				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	-	-	-

Notes to the Financial Statements (Continued)

Financial Risk Management

iii) Market risk

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

a) Foreign currency risk

The *People's Liberation 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 *People's Liberation 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.

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Notes to the Financial Statements (Continued)

Financial Risk Management

Financial Risk Management

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

Current FY

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30th June 2025			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities			
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

Foreign currency sensitivity analysis

Current FY

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30th June 2025			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities			
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

Notes to the Financial Statements (Continued)

Financial Risk Management

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

Description	Change in currency rate	Effect on Profit before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs
Current FY			
Euro	-	-	-
USD	-	-	-
Previous FY			
Euro	-	-	-
USD	-	-	-

b) Interest rate risk

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

Management of interest rate risk

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

Financial Risk Management

Sensitivity analysis

The People's Liberation Party analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the

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same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs (Current FY: Kshs). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs (Current FY – Kshs)

Notes to the Financial Statements (Continued)

Financial Risk Management

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the *People's Liberation Party's* market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The *People's Liberation Party* considers relevant and observable market prices in its valuations where possible.

Notes to the Financial Statements (Continued)

Financial Risk Management

The following table shows an analysis of financial and non-financial instruments recorded at fair value by level of the fair value hierarchy:

Description	Level 1	Level 2	Level 3	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June (Current FY)				
Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets				
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-
As at 30th June (Previous FY)				
Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets				
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-

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

iv) Capital Risk Management

The objective of the People's Liberation Party's capital risk management is to safeguard the People's Liberation Party's ability to continue as a going concern. The People's Liberation Party capital structure comprises of the following funds:

Description	2024-2025	2023-2024
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	-	-
Total Funds	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	-	-
Net Debt/(Excess Cash And Cash Equivalents)	-	-
Gearing	-	-

Notes to the Financial Statements (Continued)

34. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the *People's Liberation 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	2024-2025	Insert Comparative FY
	Kshs	Kshs
a) Grants /transfers from the government		
Grants from Political Parties Fund	-	-
Other grants	-	-
		-
Total	-	-
b) Key management compensation		
Allowances to NEC Members	-	-
Compensation to key management	-	-
Total	-	-

35. Contingent Assets and Contingent Liabilities

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

36. Events after the Reporting Period

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

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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	Incomplete Financial Statements	The issues raised have been actioned upon in the submitted financials	Resolved	
2	Inaccuracies in the Financial Statements	The financial statements were reinstated and the same together with respective ledgers and files submitted to OAG in April 2025	Resolved	
3	Variances in revenue from Non-Exchange Transactions	The financial statements were reinstated and the same together with respective ledgers and files submitted to OAG in April 2025	Resolved	
4	Unsupported Membership Contribution and Donations	The financial statements were reinstated and the same together with respective ledgers and files submitted to OAG in April 2025	Resolved	
5	Unsupported Use of Goods and Services	The supporting documents and files were submitted to OAG in our reinstated financials in April 2025	Resolved and process is enhanced as an ongoing process	

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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)
6	Unsupported Cash and Cash Equivalents	The bank certificate from banks were submitted together with the files	Board of survey have been constituted as at the current financial year, and a reconciliation software onboarded	
7	Misstatement of Property, Plant and Equipment Balance	Updated and corrected Asset register have been submitted	Resolved	
8	Unsupported Receivables	The financial statements were reinstated and the same together with respective ledgers and supporting documents were attached to files submitted to OAG in April 2025	Resolved	
9	Unsupported Trade and Other Payables	The financial statements were reinstated and the same together with respective ledgers and supporting documents were attached to files submitted to OAG in April 2025	Resolved	
10	Unsupported Balances in the statement of comparison of budget and actual	The financial statements were reinstated and the same together with respective ledgers and supporting documents were attached to files submitted to OAG in April 2025	Resolved	

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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	Non-Compliance with Public Procurement and Asset Disposal Act 2015	A procurement committee was set and a list of suppliers vetted, this has been submitted	Resolved and will keep updating the supplier list	
2	Failure to Establish Party Offices in at least 24 Counties	We have established the required offices and the leases have been submitted to OAG and ORPP	Executed	
1	Internal Control Weakness on Petty Cash Management	An audit committee and a finance committee has been constituted	Resolved	
2	Lack of a Valid Lease Agreement	This was submitted to OAG in our April 2025 reports	Resolved	
3	Weak Governance Structures and Lack of Policy Documents	This was submitted to OAG in our April 2025 reports	Resolved	

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report.
- (ii) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that Management signs;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your People's Liberation 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.

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Asha Bashir

Secretary General

Date: 4th December, 2025

APPROVED

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Appendix II: Transfers from Political Parties Fund

No	Source of Funds (People's Liberation Party)	Amount	Date Received	Financial Year the funds relates to
1	Political Parties Fund	1,024,256	20/06/2024	2023/2024
2	Political Parties Fund	1,828,679.75	22/01/2025	2024/2025
3	Political Parties Fund	1,828,679.75	29/01/2025	2024/2025
4	Political Parties Fund	1,828,679.75	16/06/2025	2024/2025
5	Political Parties Fund	804,424.75	20/06/2025	2024/2025

APPROVED