The NEW Democrats (T.N.D)

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2025**

**MELLA-ALING & ASSOCIATES,
CERTIFIED PUBLIC ACCOUNTANTS,
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THE NEW DEMOCRATS PARTY
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2025

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THE NEW DEMOCRATS PARTY
PARTY'S INFORMATION
FOR THE YEAR ENDED 30TH JUNE 2025

1. **PART OFFICIALS**
The office bearers during the period were:

Position:		**Member:**
Hon. David Sudi	:	Party Leader
Hon. Daniel Musembi	:	Secretary General
Hon. Frederick Muthanya	:	Treasurer

2. **PRINCIPAL PLACE OF OPERATION:**
Tudor Estate,Tom Mboya Avenue
P. O. Box 43428 - 80100
Mombasa-Kenya

3. **AUDITORS:**
Mella-Aling & Associates
Certified Public Accountants
P. O. Box 2953-00200
Nairobi-Kenya
E-MAIL: office@mellaaling.co.ke

4. **BANKERS:**
National Bank of Kenya Limited
Mombasa Branch.

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THE NEW DEMOCRATS PARTY

REPORT OF THE NATIONAL PARTY OFFICIALS

The National Party Officials submits their Report together with Audited Financial Statements for the year ended 30th June 2025 which disclose the state of affairs of the party.

PRINCIPAL ACTIVITIES

The principal goal of the party is to influence the process of governance in the Republic of Kenya and to promote and advance the civil, political ,economic, social and cultural welfare of all Kenyans.

RESULTS

The results for the period are set out on page 7.

NATIONAL PARTY OFFICIALS

The National Party Officials who held office during the period and to the date of this report are listed on page 2.

AUDITORS:

Mella-Aling & Associates was appointed as the Auditors during the period and have expressed their willingness to continue in Office.

BY ORDER OF THE NATIONAL PARTY OFFICIALS

Hon. David Sudi
(Party Leader)

Date ....28/11/.....2025

THE NEW DEMOCRATS PARTY

STATEMENT OF NATIONAL PARTY OFFICALS' RESPONSIBILITIES

FOR THE YEAR ENDED 30TH JUNE 2025

The National Party Officials are required to prepare Financial Statements for each financial year that gives a true and fair view of the financial position of the party as at the end of the financial year and of its Financial Performance for the year. The National Party Officials are also required to ensure that the party Keeps proper accounting records that: (a) show and explain the transactions of the party; (b) disclose, with reasonable accuracy, the financial position of the party; and (c) enable the National Party Officials to ensure that the financial statement are prepared in accordance with International Financial Reporting Standards.

The National Party Officials accept responsibility for the preparation and presentation of the Financial Statements in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities. They also accept responsibility for:

(i) designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of Financial Statements that are free from material misstatement, whether due to fraud or error:

(ii) selecting suitable accounting policies and applying them consistently; and

(iii) making accounting estimates and judgments that are reasonable in the circumstances.

Having made an assessment of the party's ability to continue as going concern, the National Party Officials is not aware of any material uncertainties related to events or conditions that may cast doubt upon the party's ability to continue as a going concern.

The National Party Officials acknowledge that the independent audit of the Financial Statements does not relieve them of their responsibilities.

Approved by the National Party Officials on....28/11....2025 and signed on its behalf by:

Hon. David Sudi
(Party Leader)

Hon. Daniel Musembi
(Secretary General)

Hon. Frederick Muthangya
(Treasurer)

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Mella-Aling & Associates
Certified Public Accountants

Suite No. 31, 4th floor, Epren Square, Mumias South Rd, P.O. Box 2953,00200- Nairobi
Tel: 0721 750 969 , 0722 752 067, Email: office@mellaaling.co.ke

REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF THE NEW DEMOCRATS PARTY
FOR THE YEAR ENDED 30TH JUNE 2025

Opinion:

We have audited the accompanying Financial Statements of New Democrats Party set out on pages 7-12, which comprise the Statement of Financial Position as at 30th June 2025, the Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flows for the period then ended and notes, including a summary of significant accounting policies.

In our opinion the accompanying Financial Statements give a true and fair view of the Financial position of the party as at 30th June 2025 and of its financial performance and Cash Flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities.

Basis for Opinion:

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the Financial Statements section of our report. We are independent of the Association in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the Financial Statements in Kenya, and we have fulfilled our responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information:

The National Party Officials are responsible for the other information. Other information comprises the information included in the Report, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

National Party Officials' Responsibilities for the Financial Statements:

The National Party Officials are responsible for the preparation and fair presentation of the Financial Statements that give a true and fair view in accordance with International Financial Reporting Standard for Small and Medium-sized Entities , and for such internal control as the management committee determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the National Party Officials are 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 the committee either intend to liquidate the party or to cease operations, or have no realistic alternative but to do so.

D.N. ALING CPA (K) CPS (K) BCOM (HONS). M.A(BIBLICAL STUDIES) A.O. ORUKO CPA (K) BCOM (HONS) MBA (FINANCE)

REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF THE NEW DEMOCRATS PARTY
FOR THE YEAR ENDED 30TH JUNE 2025

Auditor's Responsibilities for the Audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis of our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the party's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the party's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the party to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We communicate with those charged with governance regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we may identify during our audit.

The engagement Partner responsible for the audit resulting in independent Auditor's Report was CPA Ayub Ouma Oruko P/2025.

Mella – Aling & Associates
Certified Public Accountants

For and on behalf of
Mella-Aling & Associates
Certified Public Accountants
Nairobi, Kenya

Date: ....22/11.......2025

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THE NEW DEMOCRATS PARTY

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2025

	2025 Kshs.	2024 Kshs.
INCOME:		
Voluntary Contribution	2,487,600	2,586,300
Members Fees	287,600	391,400
	2,775,200	**2,977,700**
EXPENDITURE:		
Administrative Expenses		
Wages	520,000	590,000
Printing, Stationery & Photocopy	98,087	113,434
Office Rent	1,200,000	1,200,000
Transport & Accommodation	719,680	723,412
General Office Expenses	72,873	74,526
Consultancy	100,000	120,000
Repairs & Maintenance	22,877	28,716
Bank Charges	9,872	10,614
Depreciation	3,801	4,397
Total Expenditure	**2,747,190**	**2,865,099**
Surplus for the period	**28,010**	**112,601**

THE NEW DEMOCRATS PARTY
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2025

	Notes	2025 Kshs.	2024 Kshs.
EQUITY			
Revenue Reserve		(5,089,159)	(5,117,169)
Capital Injection		3,589,000	3,589,000
		(1,500,159)	**(1,528,169)**
REPRESENTED BY:			
NON-CURRENT ASSETS			
Property and Equipment	5	25,758	29,559
CURRENT ASSETS			
Cash and Cash Equivalents		8,089	7,654
Accounts Receivables	6	90,000	90,000
		98,089	**97,654**
CURRENT LIABILITIES			
Accounts Payable	3	1,624,006	1,655,382
		1,624,006	**1,655,382**
NET CURRENT LIABILITIES		**(1,525,917)**	**(1,557,728)**
TOTAL NET LIABILITIES		**(1,500,159)**	**(1,528,169)**

The Financial Statement on Pages 7 to 12 were approved by the National Party Officials on..........28/11..........2025 and signed on its behalf by:

Hon. David Sudi
(Party Leader)

Hon. Daniel Musembi
(Secretary General)

Hon. Frederick Muthangya
(Treasurer)

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THE NEW DEMOCRATS PARTY

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30TH JUNE 2025

Year ended 30th June 2025:

	General Fund Kshs.	Total Kshs.
At 1 July 2024	(5,117,169)	(5,117,169)
Surplus for the year	28,010	28,010
At 30th June 2025	**(5,089,159)**	**(5,089,159)**

Year ended 30th June 2024:

	General Fund Kshs.	Total Kshs.
At 1 July 2023	(5,229,770)	(5,229,770)
Surplus for the year	112,601	112,601
At 30th June 2024	**(5,117,169)**	**(5,117,169)**

THE NEW DEMOCRATS PARTY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2025

	2025 Kshs.	2024 Kshs.
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus/Deficit during the period	28,010	112,601
Adjustment for depreciation	3,801	4,397
	31,811	**116,998**
(Decrease) in Accounts Payables	(31,376)	(113,752)
Cash Generated from Operations	**435**	**3,246**
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash Injection	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	435	3,246
CASH AND CASH EQUIVALENTS AT THE START	7,654	4,408
CASH AND CASH EQUIVALENTS AT THE END	**8,089**	**7,654**

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THE NEW DEMOCRATS PARTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS).

The principal accounting policies adopted in the preparation of these Financial Statements are set out below:

(a) Basis of Preparation:

The Financial Statements are prepared in compliance with International Financial Reporting Standards (IFRS).

The financial Statements are presented in the functional currency, Kenya Shillings (Kshs) and are prepared under the historical cost basis of accounting.

The preparation of financial statements is in conformity with International Financial Reporting Standards which requires the use of estimates and assumptions. It also requires Management to exercise judgment in the process of applying the Association's accounting policies. Although these estimates are based on the Committee's best best knowledge of current events and actions, actual results may differ from those estimates.

(b) Revenue Recognition:

Revenue comprise membership fees and donations which are recognized as follows:

Subscriptions received or receivable from members
Donations is recognised when the monetary value can be measured with sufficient reliability ,there is reasonable assurance of receipt and conditions for receipt, if any have been met. Members fee is recognized when the amount is due.

(C) Property Equipment:

The committee makes estimates in determining the depreciation rates for equipment. The rates used are set out in the accounting policy for equipment. All categories of equipment are initially recognised at historical cost. All other items of equipment are stated at historical cost less accumulated depreciation. Subsequent cost are included in the assets' carrying value only when it's probable that future economic benefits associated with these costs will flow to the party and the cost can be reliably measured. Repairs and Maintenance cost are charged to the Statement of Comprehensive Income in the year to which they relate.

Depreciation is calculated using the reducing balance method to write down their cost or revalued amounts to their residual values over their estimated useful lives using the following annual rates:

Computer	30%
Furniture & Fittings	12.5%

(c) Receivables:

Receivables are recognized at their anticipated value. Provision for impairment is recognized in the Statement of Comprehensive Income in the year when recovery of the amount due as per the original terms is doubtful. Receivable not collectible are written off in the Statement of Comprehensive Income. Subsequent recoveries of amounts previously written off are credited to the Statement of Comprehensive Income in the year of recovery.

(d) Provision

Provisions are recognised when the organization has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and the amount has been readily estimated.

(e) Payables

Payables are recognised initially at transaction price.They are obligations on the basis of normal credit terms and do not bear interest.

(f) Employees

The party employs casuals on a part time basis. There are currently no permanent employees.

2. TAXATION

Taxation has not been provided because the incomes are tax exempt.

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3. ACCOUNTS PAYABLE

	2025 Kshs.	2024 Kshs.
Accrued Rent Expenses	1,624,006	1,655,382
	1,624,006	1,655,382

4. COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform with changes in presentation in current year.

5. PROPERTY & EQUIPMENT

	Computers Kshs.	Furniture & Fittings Kshs.	Total Kshs.
At 1 July 2024			
Cost or Valuation	54,500	195,000	249,500
Accumulated Depreciation	53,889	166,052	219,941
Net Carrying Amount	611	28,948	29,559
30 June 2025			
Opening Carrying Amounts	611	28,948	29,559
Additions	-	-	-
Charge for the Year	183	3,618	3,801
Closing Carrying Amount	428	25,330	25,758
At 30 June 2024			
Cost or Valuation	54,500	195,000	249,500
Accumulated Depreciation	54,072	169,670	223,742
Net Carrying Amount	428	25,330	25,758
At 1 July 2025			
Cost or Valuation	54,500	195,000	249,500
Accumulated Depreciation	53,627	161,917	215,544
Net Carrying Amount	873	33,083	33,956
30 June 2024			
Opening Carrying Amounts	873	33,083	33,956
Additions	-	-	-
Charge for the Year	262	4,135	4,397
Closing Carrying Amount	611	28,948	29,559
At 30 June 2024			
Cost or Valuation	54,500	195,000	249,500
Accumulated Depreciation	53,889	166,052	219,941
Net Carrying Amount	611	28,948	29,559

6. ACCOUNTS RECEIVABLES

	2025 Kshs.	2024 Kshs.
Rent Deposit	90,000	90,000
	90,000	90,000