

REPUBLIC OF KENYA



Enhancing Accountability



REPORT


OF

THE AUDITOR-GENERAL

ON

NATIONAL COMMUNICATION SECRETARIAT

**FOR THE YEAR ENDED
30 JUNE, 2024**

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	08 APR 2025
DAY:	Wednesday
TABLED BY:	Hon. Sylvanus Asaro, MP Majority Party Whip
CLERK-AT-THE-TABLE:	A. Shiwko

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
30 SEP 2024



NATIONAL COMMUNICATION SECRETARIAT

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDING

30TH JUNE 2024

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





**Annual Report and Financial Statements
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I. Acronyms and Abbreviations

AGPO	Access to Government Procurement Opportunities
AI	Artificial Intelligence
ATU	African Telecommunication Union
CA	Communications Authority of Kenya
CAMAT	Communications and Multimedia Appeals Tribunal
CEO	Chief Executive Officer
CFA	Community Forest Association
COMESA	Common Market for Eastern and Southern Africa
CSR	Corporate Social Responsibilities
EACO	East African Communication Organisation
ERP	Enterprise Resource Planning
FY	Financial Year
HR	Human Resources
ICT	Information Communication Technology
IMT	International Mobile Telecommunication
IRMPF	Institutional Risk Management Policy Framework
IT	Information Technology
ITU	International Telecommunication Union
ITU-D	International Telecommunication Union Development Sector
ITU-R	International Telecommunication Union Radiocommunication
IPSAS	International Public Sector Accounting Standards
KFS	Kenya Forest Services
KICA	Kenya Information and Communications Act
KIMC	Kenya Institute of Mass Communication
KTAIB	Kenya Transport Accident Investigation Bureau
KRA	Key Result Area
MDA	Ministry, Department and Agency
MICDE	Ministry of Information, Communication and the Digital Economy
MTEF	Medium Term Expenditure Framework
NASK	National Addressing System of Kenya
NCS	National Communication Secretariat
NT	The National Treasury
OSHA	Occupational Safety and Health Act of 2007
PAPU	Pan African Postal Union
PFM	Public Finance Management
POC	Postal Operations Council
PPADA	Public Procurement and Assets Disposal Act
PPE	Personal Protective Equipment
PPIP	Public Procurement Information Portal



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PS	Principal Secretary
PSASB	Public Sector Accounting Standards Board
PSC	Public Service Commission
SAGAs	Semi-Autonomous Government Agencies
SOP	Standard Operating Procedures
TNA	Training Needs Analysis
UAE	United Arabs Emirates
UAT	User Acceptance Testing
UNCTAD	United Nations Conference on Trade and Development
UPU	Universal Postal Union
WIBA	Work Injury Benefits Act
WIP	Work in Progress
WIPO	World Intellectual Property Organization
WP6	Working Party 6
WRC	World Radiocommunication Conference
WSIS	World Summit on the Information Society



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B: Glossary of Terms

Comparative Year- Means the prior period.

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the organisation

Secretariat – National Communication Secretariat

Inter Alia – Among others



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II. Key Entity Information and Management

(a) Background Information

The National Communication Secretariat (NCS) was established vide the Kenya Information and Communications Act, 1998, Section 84, on 1st October 1998. It was officially formed through Legal Notice 22 of February 1999. NCS is domiciled in Nairobi and has no branches. The Secretariat comprises of various divisions and departments: the Communication Radio Technology Division; the Communication Technology Division; Communication Legal Division; Communication Economics Division; Human Resource and Administration Department; Finance and Accounting Department; Internal Audit Department; Supply Chain Management Department and Information Technology (IT) Department.

(b) Principal Activities

The principal mandate of the Secretariat as defined in the Kenya Information and Communications Act, 1998, Section 84(2) is to advise the Government on the adoption of a communication policy which:-

1. promotes the benefits of technological development to all users of postal and telecommunication facilities;
2. fosters national security, economic prosperity and the delivery of critical social services through posts and telecommunications;
3. facilitates and contributes to the full development of competition and efficiency in the provision of services both within and outside Kenya; and
4. fosters full and efficient use of telecommunication resources including effective use of radio spectrum by the Government in a manner which encourages the most beneficial use thereof in the public interest.

Vision

A Trusted Hub for ICT Advisory Services

Mission

To Foster Efficient Use of ICT Resources Through Provision of Quality Policy Advisory Services to The Government

Core values

Integrity

Transparency

Patriotism

Inclusivity

Good Governance

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(c) Key Management

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

- The Communications Secretary (CEO); and
- The Management Team

NO.	DESIGNATION	NAME
1.	Communications Secretary (CEO), Acting	Eng. Vincent Adul, HSC
2.	Communications Technology Expert	Eng. Vincent Adul, HSC
3.	Communications Radio Technology Expert	Eng. Andrew Kemosi
4.	Communications Legal Expert	Victor B. Nzomo, Ph.D. HSC
5.	Communications Economic Expert	Mr. Paul Macharia

(d) Fiduciary Management

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

NO.	DESIGNATION	NAME
1.	Ag. Communications Secretary	Eng. Vincent O. Adul, HSC
2.	Communications Legal Expert	Victor B. Nzomo, (Ph.D), HSC
3.	Communications Radio Technology Expert	Eng. Andrew Kemosi
4.	Communications Economic Expert	Mr. Paul Macharia
5.	Human Resource & Administration Officer	CHRP Sally C. Mbaya
6.	Head of Supply Chain Management	Mrs. Emmah W. Gitere
7.	Ag. Accountant	CPA Salome N. Nyambura
8.	IT Officer	Mr. Kevin O. Nyapere



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(e) Fiduciary Oversight Arrangements

The Ministry of Information, Communications and the Digital Economy performs the oversight mandate over the functioning of the National Communication Secretariat.

The Secretariat has an internal auditor who reports functionally to the Ministerial Audit Committee thus providing fiduciary oversight of NCS.

(f) NCS Headquarters

9th Floor Transcom House
Community –Ngong Road
P. O. Box 10756 – 00100
Nairobi, KENYA

(g) NCS Contacts

Telephone: (254) 20 2719953
Email: info@ncs.go.ke
Website: www.ncs.go.ke

(h) NCS Bankers

Kenya Commercial Bank Ltd
Capital Hill Branch – 4025
P.O. Box 69695 - 00400
Nairobi, KENYA

(i) Independent Auditors

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

(j) Principal Legal Adviser

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

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III. Management Team



**Eng. Vincent Ofieno Adul, HSC
Communications Technology Expert and
Ag. Communications Secretary**



He holds a BSc in Electrical Engineering, MSc (Information Systems) and MSc (Electronic Engineering) from the University of Nairobi.

He is a Registered Engineer with the Engineers Board of Kenya, (EBK), Corporate Member of the Institute of Engineers of Kenya (IEK), Member of the Institute of Engineering Technology (MIET) of the UK and a Member of IEEE (MIEEE) (USA Region 8)

Eng. Vincent Adul is the Communication Technology Expert and was the Ag. Communications Secretary at National Communication Secretariat in the year under review.

The Communications Secretary is responsible for the day-to-day operations of the Secretariat ensuring the achievement of the mandate, objectives and strategy through formulation of policies, prudent management of resources, including financial and human resources and enhancing the corporate image of the Secretariat.

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	<p>Dr. Victor Nzomo is the Communications Legal Expert at National Communication Secretariat.</p> <p>The role is responsible for formulation of laws, regulations, guidelines and other national government instruments.</p>
<p>Dr. Victor Buziba Nzomo, HSC Communications Legal Expert</p> <p>He holds a Bachelor of Laws (LL.B) from University of South Africa and Master of Laws (LL.M) from University of Nairobi. He is a Member of the Law Society of Kenya (LSK).</p>	<p>Eng. Andrew Kemosi is the Communications Radio Technology Expert at National Communication Secretariat.</p> <p>The role is responsible for research, analysis and formulation of national broadcasting and radio frequency spectrum planning and management policies and strategies.</p>
	<p>Eng. Andrew Kemosi Communications Radio Technology Expert</p> <p>He holds a BSc in Electrical Engineering from the University of Nairobi. He is a Registered Engineer with the Engineers Board of Kenya (EBK), Corporate Member of the Institute of Engineers of Kenya (IEK).</p>

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Mr. Paul Gichuki Macharia
Communications Economic Expert

He is a holder of a Master of Arts Degree in Economics from Indira Gandhi National Open University and a Bachelor of Arts in Economics from the University of Nairobi.

Mr. Macharia is a registered member of Economists Society of Kenya (ESK)

Mr. Paul Gichuki Macharia is the Communications Economic Expert at the National Communication Secretariat.

The role is responsible for advisories pertaining to Digital Economy including E-Commerce, Postal and Courier Services. The Expert will also be responsible for the Planning and Research function for the Secretariat.



CHRP Sally Chanyisa Mbaya
Human Resource & Administration Officer

She holds an MSc in Entrepreneurship from Jomo Kenyatta University of Agriculture and Technology; a

CHRP Sally Chanyisa Mbaya is the Human Resource and Administration Officer at the National Communication Secretariat.

The HR & Administration Officer is responsible to the Communications Secretary for providing strategic leadership and direction in the coordination and management of the HR Management and Administration function including:- formulation, development, interpretation and review of policies, procedures, strategies, programs, guidelines and standards.

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BA in Communications from Daystar University; and is a Certified Human Resource Professional (CHRP-K).

She is a Practicing Member of the Institute of Human Resource Management (IHRM).



Mrs. Emmah Wairimu Gitere
Head of Supply Chain Management

She holds an MSc in Procurement & Logistics from Jomo Kenyatta University of Agriculture and Technology; a Bachelor's degree in Procurement and Supply Chain Management from Busoga University, Uganda.

She is a Registered and Licensed member of Kenya Institute of Supplies Management (KISM).

Ms. Emmah W. Gitere is the Head of Supply Chain Management at the National Communication Secretariat.

The role is responsible for the design, planning, execution, control and monitoring of supply chain activities which include procurement, purchasing, logistics, transportation, storage, stock control, contract management, distribution, with the objective of creating value to meet the objectives of the Secretariat.



CPA Salome Njambi Nyambura
Accountant

CPA Salome Nyambura is an Accountant Acting as Head of Finance and Accounts department at the National Communication Secretariat.

The Accountant is mandated to offer advice to the Communications Secretary in matters pertaining to Finance and Accounting in line with the Public Finance Management Act of 2012 and the Public Finance

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She is a certified public accountant (CPA-K). She holds a BSc. in Finance obtained from Kiriri Women's University of Science and Technology.

She is a member of the Institute of Certified Public Accountants of Kenya (ICPAK).

Regulation of 2015. The functions entails overseeing the development and maintenance of efficient financial management in accordance with the financial procedures of the Secretariat and international accounting standards.



Mr. Kevin Owino Nyapere
ICT Officer

He holds a Bachelor of Science in Information Technology from the KCA University

Mr. Kevin Nyapere is the IT Officer at National Communication Secretariat.

The Information Communications Technology (ICT) function entails the formulation, implementation, administration and management of the Secretariat's ICT strategy, systems and infrastructure.

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IV. Report of the Chief Executive Officer



During the year under review, National Communication Secretariat endeavoured to provide efficient, quality and timely ICT policy advisory services that seeks to promote the benefits of technological development to the people of Kenya and encourage rapid adoption of ICT in our daily activities. To benefit from new digital technologies, the Government has continued to develop and update its policy and regulatory framework for the sector. All these have been geared towards creating an enabling environment where all Kenyans can benefit from Information Communications and Technology.

In view of the forgoing, National Communication Secretariat participated in the development and review of various policy and regulatory frameworks *inter alia*:

1. Chaired the Committee charged with the responsibility of developing the Draft National Addressing System of Kenya Policy & Bill. The draft policy and Bill were finalised and presented to the Principal Secretary (PS) for onward transmission.
2. Co-chaired the Committee that developed and finalised the Policy on Access to Information and presented the draft policy to PS for onward transmission
3. Finalization of draft review and proposed amendments to the Kenya Information & Communications Act (KICA) and sixteen Regulations namely Compliance Monitoring Inspections and Enforcement; Numbering, Universal Access and Service; Consumer Protection; Postal and Courier Services; Importation, Type Approval & Distribution of Communications Equipment, Radiocommunication and Frequency Spectrum, Licensing and Quality of Service, Dispute Resolution, Fair Competition and Equality of Treatment, Tariffs, Electronic Certification and Domain Name Administration, Sim Card Regulations, Broadcasting Regulations, Access and Infrastructure Sharing Regulations, and Interconnection Regulations . The draft was presented to the PS for onward transmission
4. Membership of the Committee that finalised and launched the National E-Commerce Strategy and currently still a member of the committee to oversee its implementation
5. Membership of the technical team for Development of the National Communication Strategy.
6. Membership to the Kenya Transport Accident Investigation Bureau (KTAIB) which is developing the KTAIB Bill;
7. Membership of the Committee constituted to finalize the Kenya Institute of Mass Communication (KIMC) Bill;
8. Membership to Committee constituted to review of Media Council of Kenya Act 2023; and



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9. Membership of the Committee that reviewed and developed the Scheme of Service for Engineering, Technologists and Technicians cadre in the Public Service.

In addition, during the year in review, the Secretariat made great milestones towards achievement of its mandate in tandem with the Ministry's Strategic objectives and policies. In conjunction with the State Department for Broadcasting and Telecommunications, and the Communications Authority of Kenya (CA) among other stakeholders, the Secretariat contributed to the preparation of inputs for the Sector Working Group that was appointed by the Cabinet Secretary for Information, Communications, and the Digital Economy. The Sector Working Group was Gazetted by the Cabinet Secretary in September 2023 to review the existing Policies, Legislations, Regulations and Strategies in the Information, Communications and Digital Economy Sector to align them with best practices.

The Secretariat specifically contributed to the Spectrum Management Roadmap, as well as, institutional reforms necessary for the restructuring of the Ministry and the SAGAs. The Sector working group finalized their assignment and submitted the final report to the Cabinet Secretary of Information, Communications, and the Digital Economy on 12th June 2024. Currently, the Secretariat is awaiting the launch of the Sector Working Group report in order to embark on the development of a Public Communications Policy, among others, as per the recommendations.

To enhance its technical expertise and to keep up with global policy best practices development in the ICT sector, the Secretariat team represented Kenya government's positions at International ICT Policy formulation forums during the year under review. These forums included regional and international meetings held under the auspices of the International Telecommunication Union (ITU), Universal Postal Union (UPU), the African Telecommunications Union (ATU), the United Nations Conference on Trade and Development (UNCTAD); the Common Market for Eastern and Southern Africa (COMESA); and the East African Communications Organisation (EACO); among others.

The Secretariat formed part of the official Kenya delegation to International Telecommunications Union - World Radio Conference 2023 (ITU-R, WRC-23) held in Dubai (UAE) from 20th November to 15 December 2023 and executed the Final Act of the WRC-2023. The ITU-World Radiocommunication Conferences (WRC) are treaty-making Conferences held every three to four years. The aim of these conferences is to review, and, if necessary, revise the Radio Regulations, which is the international treaty governing the use of the radio-frequency spectrum and the geostationary-satellite and non-geostationary-satellite orbits

The Secretariat contributed towards the Ministry of Information, Communications and the Digital Economy participation in the deliberations of the ITU-D (BDT) Inaugural Meeting of the Digital Innovation Board Members of the Innovation and Entrepreneurship Alliance for Digital Development. This important innovation meeting under the auspices of the BDT took place 19-20 March 2024, in Geneva, Switzerland with online hybrid participation. The Kenya government had another team that was physically present in Geneva to represent them.



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The Secretariat also participated in the World Summit on Information Society (WSIS)+20 forum high level event from 27th to 31st May 2024 and Artificial Intelligence (AI) for Good Global Summit from 30th to 31st May 2024 held in Geneva, Switzerland.

During the period under review, the Secretariat finalized draft Strategic Plan (2023 – 2027) in line with the revised guidelines for the preparation of the 5th Generation strategic plans for MDAs. The proposed Strategic Plan will, among other things, ensure that the Secretariat delivers enhanced research-based policies and legal frameworks. To facilitate monitoring and evaluation of the Strategic objectives in the Plan and operationalize the Strategic Plan, the Secretariat developed and signed-off Work Plans, budgets, finalised its Institutional Risk Management Policy Framework (IRMPF) and its Procurement Plan. The Procurement Plan was submitted to the office of the Cabinet Secretary for approval in line with the PPADA and Regulations.

The Secretariat is committed to offering strategic policy advisory for the development and transformation of the ICT sector that will promote digital transformation of the Kenyan economy for the social and economic benefits of its people. To this end, it will be necessary to diversify its financial sources while continuing to adhere to public finance management practices. Therefore, there is need to enhance the statutory provisions governing the Secretariat's institutional framework to strengthen its capacity to deliver on its core mandate and will require the review the Kenya Information and Communications Act, 1998 the enabling legislation that created the institution.

To strengthen internal controls, improve administrative processes, internal policies, procedures and guidelines under Articles 10 and 232 of the Kenya Constitution 2010 on values and principles of good governance, the Secretariat developed the requisite internal policies and procedures to enhance the same going forward. The Secretariat is aligning itself with the government policy that aims at automating critical process and procedures the ongoing implementation and integration of its Enterprise Resources Planning (ERP) system. The ERP software will enable the Secretariat to manage its day-to-day operations such as accounting, procurement, human resource and administration, risk management activities, among others. This will contribute towards efficient and effective delivery of its services to both internal and external stakeholders.

Despite various challenges orchestrated by delayed budget remittances all these achievements were made possible due to the dedicated team of staff at the Secretariat. I take this opportunity to appreciate their efforts and commitment.


Eng. Vincent Adul, HSC
Ag. Communications Secretary

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V. Statement of NCS Performance against Predetermined Objectives for FY 2023/24

NCS achieved its performance targets set for the FY2023/24 period that were based on the predetermined objectives. NCS Strategy Model includes its Vision, Mission, Core Values and five Key Result Areas (Pillars). The five pillars are:-

1. Policy, legal and institutional frameworks
2. Research based policies and innovations
3. Human capacity development
4. Corporate development and governance
5. Financial resource management

NCS developed Annual Work Plans and strategic objectives based on the above five pillars. The workplan formed targets for the performance contract while all the activities were cascaded to departmental and individual performance appraisal targets. Assessment of the Management's performance against its Annual Work Plan was done on a quarterly basis and achievement was as indicated in the diagram below: -

Strategic Pillar / Key Result Area (KRA)	Objectives	Key Performance Indicators	Activities	Achievements
KRA 1 Policy, Legal and Institutional Framework	To develop and review ICT policies, legal and institutional frameworks	ICT Policies, and Strategies	Develop and review	<ol style="list-style-type: none"> 1. Draft National Access to Information Policy and Report 2. Draft National Addressing System of Kenya Policy and Bill 3. Contributed towards the deliberations and the final Report of the Sector Working Group Report on areas of the ICT sector that is awaiting presentation to the Cabinet Secretary 4. Draft KICA Regulations 5. Draft KIMC Bill 6. National E-Commerce Strategy 7. Kenya Transport Accident Investigation Bureau (KTAIB) Bill 2023

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KRA 1 Policy, Legal and Institutional Framework	To Establish Strategic partnerships and collaborations	Advisory opinions, Concept note	Prepare Briefs, advisories	<ol style="list-style-type: none"> 1. Brief on Frequency Allocation Assignment 2. Brief on Digital Transformation 3. Concept note on 3rd Summit on democracy. 4. Participation in Working party 5A and 5D for preparation of the ITU-R World Radiocommunications Conference 2023 5. Report for IMT 5G for Mobile and next generations technology and WP6 for broadcasting 6. Report of ITU-R WRC-23 and execution of the Final Acts for the Conference 7. Report ITU-R Interregional workshop. 8. Research paper on Mobile evolution and trends 9. Report – 41st PAPU council meeting. 10. UPU POC meeting report 11. Africa Internet Summit 2023 meeting report 12. Draft World Intellectual Property Organization (WIPO) Broadcasting Treaty
KRA 3 Human capacity development	To strengthen human resource management and development	SOP for Implementatio n of the NCS Mortgage Policy	Consultative meetings, workshops, stakeholder engagements	Standard Operating Procedure (SOP) and Guidelines to operationalise National Communications Secretariat's Mortgage Scheme
KRA 4 Corporate Development	To promote leadership and good	Cloud backup solution for disaster recovery	Procure and install Cloud Backup System	Successful implementation of a Cloud Back-up system

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and governance	corporate governance			
		Risk Management Framework	Stakeholder engagement and validation	Draft Institutional Risk Management Policy Framework developed.
		Reviewed strategic plan 2023-27	Alignment of the plan with government planning cycle	Draft Strategic Plan FY2023-2027 developed
		Approved annual workplans FY2024-25	Work planning	Approved Departmental Work plan 2024-2025
		Values and principles of good governance	Coordination of preparation of internal policies and procedures ahead of annual survey	*Approved Internal Policies, Procedures and Guidelines (<i>listed below this table</i>)
KRA 5 Financial Resource Management	To enhance financial management	Approved consolidated procurement plan 2023-24	Preparation and consolidation of departmental procurement plan reports	Procurement plan 2023-24 developed by Management and submitted to the office of the Cabinet Secretary for approval as per the PPADA and Regulations
		Up to date Asset Register	Maintain and update Asset Register	Asset register updated and details also captured within the Server environment
		Annual report and financial statements	Preparation of annual financial statements and reports	Annual Reports submitted as per the Statutory requirements
		Approved Budget FY2023-24	Preparation of FY2023-24 budget in line with NT	Approved budget FY2023-24



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			guidelines and workplans	
		Proposed budget FY2024-25 to 2026-27 MTEF Budget	Consolidation of FY2024-25 to 2026-27 Medium Term Budget	Submitted proposed Budget FY2024-25

***Approved Internal Policies, Procedures & Guidelines**

Resolved Client Service Charter; Customer Service Register; Coaching and Mentoring Policy; Communications Strategy; Grievance Handling Procedures; Exit Questionnaire; Flexible Working Arrangement; Talent Management Policy; Baseline infrastructure survey for ICT; NCS Access to Information Policy and Registration Forms; Gifts Registers; Complaints Register; Orientation and Induction Manual; Interview Scoring Criteria; Performance Reward and Sanction Guidelines; Assets and Liability Management Policy; Code of Ethics for Suppliers in public procurement and disposal, Code of Ethics for persons participating in public procurement; Public participation policy, NCS Stakeholders Register.



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VI. Corporate Governance Statement

The Secretariat complied with all Statutory requirements in its operations during the FY 2023/2024. These include *inter alia* the Constitution of Kenya 2010, Public Procurement and Asset Disposal Act 2015, Public Finance Management Act 2012, Kenya Information and Communication Act 1998, Data Protection Act 2019, Computer Misuse and Cyber Crime Act No. 5, 2018, the Employment Act (2007) among others.

In exercising the pillars of risk management and internal controls, the Secretariat Management Team supported the Audit function through the development of Internal Audit Policy and Procedures Manual, Internal Audit Charter; and the Institutional Risk Management Policy Framework.

The Secretariat adhered to the International Public Sector Accounting Standards (IPSAS) as required by the Public Sector Accounting Standards Board (PSASB) that have the legal mandate to guide financial reporting in the public sector through The National Treasury. To remain compliant the Secretariat ensured the timely submission of Annual Financial Reports to The National Treasury, in accordance with the requirements of Section 81 of the Public Finance Management Act, 2012. To ensure transparency, accountability and disclosure, the Secretariat continues to publish its Audited Annual Financial Reports on the website. The Secretariat in compliance with Article 10 and 232 of the Constitution, developed various internal policies, procedures and guidelines to ensure adherence to National Values and Principles of good governance, for satisfactory delivery of services to the public.



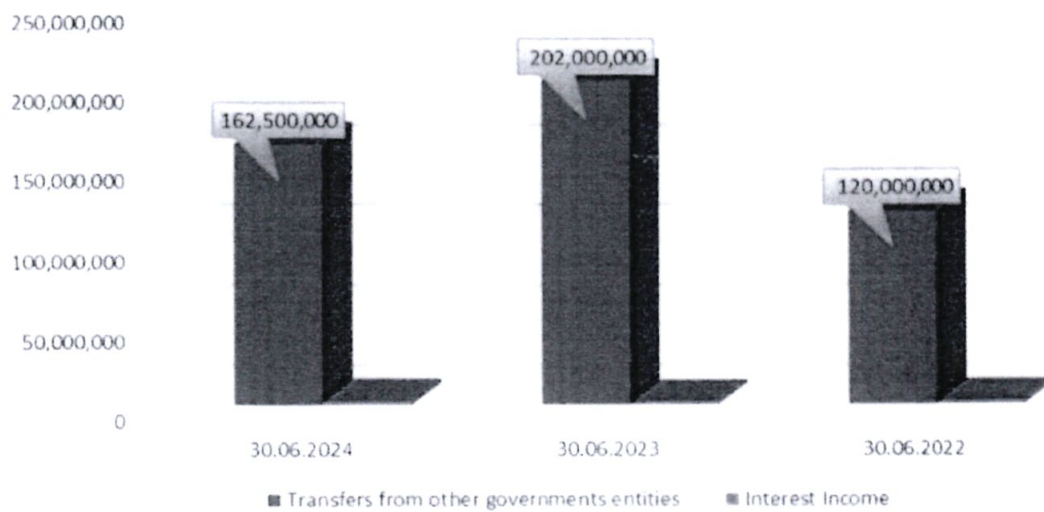
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VII. Management Discussion and Analysis

The Approved Budget for Secretariat for the year under review was KShs.162.5 million. However, the Ministry of Information, Communication and the Digital Economy (MICDE) remitted only KShs.121.875 million as at 30.06.2024. On 09.07.2024 the MICDE remitted to NCS KShs.40.625 million as outstanding budgetary allocation for NCS for the Financial Year 2023/24. In total, the MICDE remitted KShs.162.5 million to NCS.

The graph below shows a three-year analysis of the Government grants received by NCS.

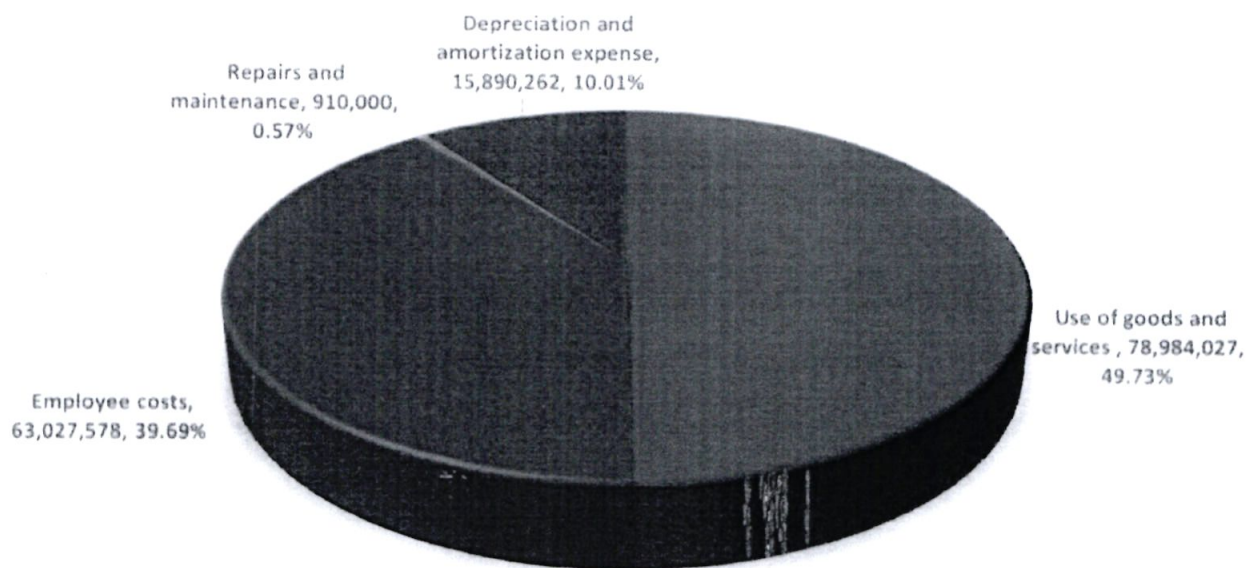
Statement of Financial Performance -3-year Budget Comparison



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The pie chart below shows that use of goods and services consumed the larger part of the budget followed by employee costs, depreciation and amortization expense and repairs and maintenance being the least consumer of the budget for the financial year under review.

**STATEMENT OF FINANCIAL PERFORMANCE - EXPENDITURE
2023/2024**



7.1 OPERATIONAL ACTIVITIES

7.1.1 Enterprise Resource Planning System

The Secretariat's adoption of ICT aims to enhance service delivery and align with the Government adoption of ICT. During the period under review, the Secretariat continued the implementation of the Enterprise Resource Planning (ERP) system in six phases: Planning; Design; Development; Testing; Deployment; and Maintenance. The ERP system went live after the User Acceptance Test (UAT) was carried out and the license issued. To implement phase six, the Secretariat has made provision within its Workplan and budget to ensure operational efficiency and maintenance of the ERP system going forward.

Phase 1: Planning

The organization established a Contract Implementation Committee, defined the project scope, budget, and timeline, and identified key functions, including HR, Finance, and Supply Chain Management.



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Phase 2: Design

The organization configured Sage 300 ERP to align with its specific needs, defined the system architecture, aligned business processes with the system, and developed customizations and integrations based on departmental requirements.

Phase 3: Development

The organization modified the ERP software to meet its specifications and ensured its integration capability with other software systems.

Phase 4: Testing

Comprehensive testing, including unit testing, integration testing, and UAT, was conducted to ensure compliance with project requirements.

Phase 5: Deployment

During the deployment phase, the team installed the Sage 300 ERP software and migrated data as requested by the key departments to the new system. The key departments were trained over a scheduled period to ensure understanding of the system. The ERP system was scheduled to go live after the UAT was carried out and the license issued.

Phase 6: Maintenance

The organization successfully installed Sage 300 ERP, migrated data according to departmental requirements, conducted departmental training for system comprehension, and the ERP system went live after completing UAT. However, due to some challenges the ERP milestones that required the provision of the warranty and the Certificate of Completion is still underway. The challenge involved the change of the services provider to complete the final milestones which will enable the setting up of a take-on date to commence the use of the system.

7.1.2 NCS Strategic Plan 2023-2027

The Secretariat finalized its draft Strategic Plan (2023 – 2027) in line with The National Treasury Revised Guidelines for the Preparation of the 5th Generation strategic plans for MDAs. The proposed Strategic Plan will, among other things, ensure that NCS delivers enhanced research-based policies and legal frameworks. To operationalize the Strategic Plan, NCS developed and approved Work Plans, a tool that will facilitate monitoring and evaluation of the strategic objectives in the Plan. The Secretariat also finalised its Institutional Risk Management Policy Framework (IRMPF) and approved its Internal Audit Charter.



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The Strategic Plan serves as the roadmap for NCS activities for a five-year duration and identifies the measures of success that will support the delivery of the Secretariat's mandate. Further, the Plan identifies strategic objectives, assesses Secretariat's strengths, weaknesses, threats, and opportunities, culminating into a series of strategic objectives and detailed activities that will help in realizing the vision and achieving the strategic goals. Upon completion of the Plan, each Department developed workplans in line with the Pillars and Strategic Objectives of the Plan. The Work Plans were reviewed, and the status of deliverables were reported in order to project future budgets and work for the next Financial Year.

7.1.3 Policy, Legal Frameworks

The Secretariat carried out various policy and legal framework that are at different levels as follows:-

a. The National Addressing Systems Policy and Bill

The draft Policy and Bill were finalised and presented to the Principal Secretary. The Policy aims to establish standards for naming roadways, posting street signs and assigning numbers to all land parcels, dwellings, principal buildings, businesses and industries in Kenya. The policy also proposes to develop digital maps and appropriate post-codes, provide structured information, clear and simple determination of an object and identification and location. This will form the foundation for a thriving e-commerce ecosystem and enhances economic and social rights in Kenya as prescribed in the Constitution of Kenya 2010.

b. The Access to Information Policy and Legal Frameworks

The draft Policy on Access to Information was finalized and presented policy to the Principal Secretary. The policy aims to create an informed and empowered Kenyan society through facilitating equitable and secure access to information held by public and private entities through effective legislative and institutional frameworks. The goal of this policy is to promote the Right of Access to Information with major objectives to facilitate the promotion, protection, fulfillment and the realization of the right of access to information; provide a framework for the engagement and participation of stakeholders towards the realization of the right of access to information; provide for the access, redress and oversight mechanisms and other avenues in the advancement of the right of Access to Information; and promote the protection of other fundamental human rights and address emerging issues while advancing Access to Information.

c. Kenya Information & Communications Act

Finalized and presented to Principal Secretary the draft review and proposed amendments to the Kenya Information & Communications Act (KICA) and sixteen Regulations namely Compliance Monitoring Inspections and Enforcement; Numbering, Universal Access and Service; Consumer Protection; Postal and Courier Services; Importation, Type Approval & Distribution of



Annual Report and Financial Statements For the year ended June 30, 2024

Communications Equipment, Radiocommunication and Frequency Spectrum, Licensing and Quality of Service, Dispute Resolution, Fair Competition and Equality of Treatment, Tariffs, Electronic Certification and Domain Name Administration, Sim Card Regulations, Broadcasting Regulations, Access and Infrastructure Sharing Regulations, and Interconnection Regulations.

d. Sector Working Group

The Sector Working Group that was appointed by the Cabinet Secretary for Information, Communications, and the Digital Economy in September 2023 to review the existing Policies, Legislations, Regulations and Strategies in the Information, Communications and Digital Economy Sector in order to align them with best practices. The Sector Working group consisted of the State Department for Broadcasting and Telecommunications, Communications Authority of Kenya (CA) among other stakeholders. The Secretariat contributed to the preparation of inputs specifically in the Spectrum Management Roadmap, as well as, institutional reforms necessary for the restructuring of the Ministry and the SAGAs. The Sector working group finalized their assignment and submitted the final report to the Cabinet Secretary on 12th June 2024. Currently, the Secretariat is awaiting the launching of the Sector Working Group report to embark on the development of a Public Communications Policy among others, as per the recommendations.

e. National E-Commerce Strategy

NCS was part of the team that finalized and launched the National E-Commerce Strategy and is currently a member of the committee overseeing its implementation. The strategy aims to enhance the Country's digital economy by promoting online trade and improving the business environment for e-commerce activities. The strategy aims to make Kenya a regional hub for e-commerce, fostering economic growth and job creation.

f. National Communication Strategy

Membership of the technical team for Development of the National Communication Strategy. The Communication Strategy is anchored on improving information flow and communication with the citizenry and within the Public Service. The strategy aims to promote awareness of the PSC mandate, programmes, and activities in all stakeholder groups; especially the citizens.

g. Kenya Transport Accident Investigation Bureau

Membership to the Kenya Transport Accident Investigation Bureau (KTAIB) which is developing the KTAIB Bill; as a legislative proposal aimed at establishing a dedicated body to investigate transport-related accidents. The primary goal of the bill is to enhance safety across various modes of transport, including road, rail, maritime and aviation by identifying causes of accidents and recommending measures to prevent future occurrences.



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h. Kenya Institute of Mass Communication Bill

Membership of the Committee constituted to finalize the Kenya Institute of Mass Communication (KIMC) Bill that is to formalize, reform, and provide governance structures for the KIMC. The bill has been renamed to Kenya School of Communication Act 2024.

i. Media Council of Kenya Act 2023

Membership to the Committee constituted to review of Media Council of Kenya Act 2023; and

j. Scheme of Service for Engineering, Technologists and Technicians Cadre

Membership of the Committee that reviewed the Scheme of Service for Engineering, Technologists and Technicians cadre in the Public Service.

7.1.4 Major Risks Facing NCS

The Secretariat operates in a rapidly evolving sector which presents challenges and affects operational efficiency. As a result, the Secretariat carried out an analysis of the environment in which it operates using the PESTEL and SWOT analysis. Further, the Secretariat developed strategic objectives in its strategic plan 2023-2027 to address these challenges.

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For the year ended June 30, 2024**

VIII. Environmental and Sustainability Reporting

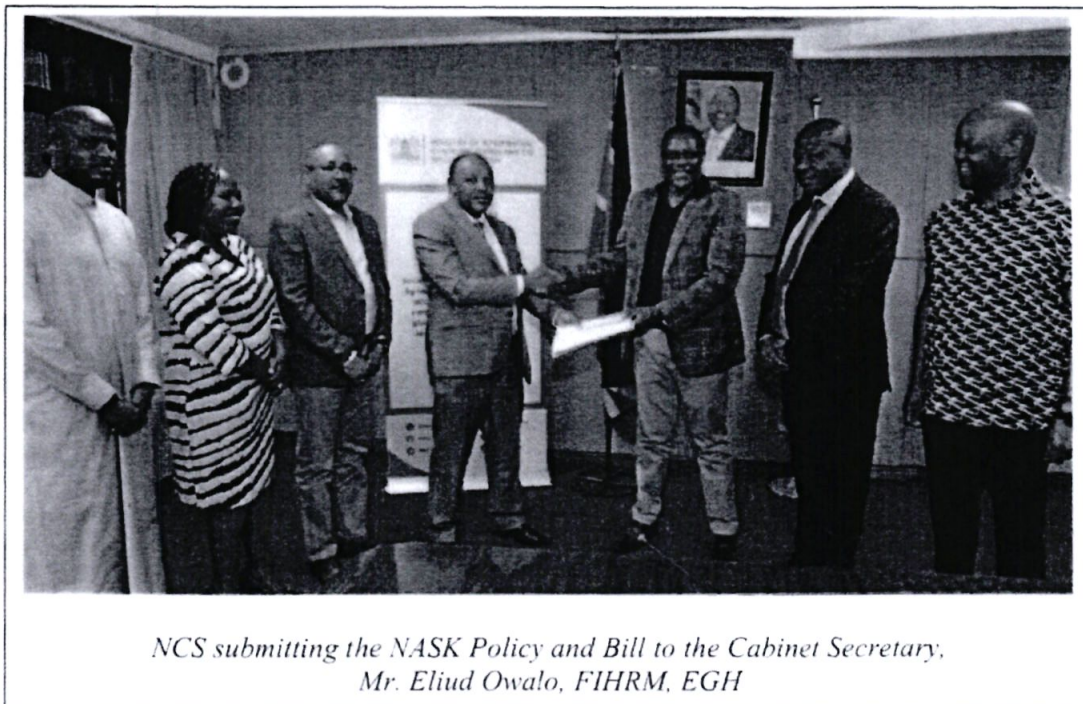
NCS provides quality policy advisory services that fosters an enabling environment for ICT development. The core values of NCS are Integrity, Transparency, Patriotism, Inclusivity, Good Governance. NCS therefore, endeavours to develop environmental responsible policies to shield Kenya from the negative impact of an expanding ICT ecosystem and to promote the positive benefits of ICT. Below is the outline of NCS's activities that promote sustainability.

i) Sustainability Strategy and Profile

Sustainability is entrenched in our Strategic Pillars. To ensure sustainable development and growth, NCS is committed to uphold Environmental, Social and Governance Standards, as well as, good professional practises, that exceed the applicable legal and regulatory requirements. To this end, NCS has adopted all reasonable and practical measures to establish Environmental, Social and Governance objectives and targets, measure progress and report its performance in a bid to accelerate the achievement of the Sustainable Development Goals.

ii) Environmental Performance

In executing its mandate, the Secretariat ensures that all the advisories address issues of environmental sustainability where applicable. NCS was involved in the development of the draft NASK Policy and Bill which provides for spurring economic growth and human development through environmental accountability.



**Annual Report and Financial Statements
For the year ended June 30, 2024**

Internally, the Secretariat is enhancing its environmental performance by putting in place measures to automate administrative processes through the ERP system, which has reduced printing. In addition, the Secretariat has instituted waste management measures such as separating paper from other waste material.

NCS has planted 6650 seedlings within Kakamega Forest, Kessup Forest Block, Kaptagat and in Ngong Hills, as part of the Government's 10 percent national tree cover on restoration and conservation of forests for environmental protection and climate mitigation. Continuous maintenance of the trees and further expansion of their coverage will be undertaken based on the current undertaking.



Communication Secretary, Eng. Vincent Adul together with NCS Officers during a Tree Planting Exercise at Ngong Hills

**Annual Report and Financial Statements
For the year ended June 30, 2024**



NCS Officers at Ngong Hills



Ag. CS planting a tree at Ngong Hills

iii) Employee Welfare

National Communication Secretariat is an equal opportunity employer, and upholds the Constitutional requirements on gender, disability, race, religion, and ethnicity in the recruitment and selection process in order to attract and retain competent employees required for efficient and effective service delivery.

Every year, NCS conducts a Training Needs Analysis (TNA) and develops training plans to meet skills gaps identified to ensure staff are equipped with the relevant capacity to deliver on their set targets. This enables supervisors to conduct meaningful appraisal of performance.

To promote safety and health for its staff and their dependents, NCS has made provisions to cover staff on Work Injury Benefits Act 2007 (WIBA) and also provides medical insurance cover that includes basic health checks on overall wellbeing. NCS has a policy on safety and compliance with Occupational Safety and Health Act (OSHA), 2007.

iv) Marketplace Practices

NCS adheres to the legal requirement for Access to Government Procurement Opportunities (AGPO) program founded on Article 227(2) of the Constitution of Kenya, 2010, Section 155, 156 and 157 of the Public Procurement and Assets Disposal Act 2015 and Regulations 2020. The aim of the program is to facilitate youth, women and persons with disability participate in public procurement opportunities. This was made possible by allocating 30% (Ksh.29.8 million) of the budget to the program.



Annual Report and Financial Statements For the year ended June 30, 2024

a) Responsible Competition Practice

NCS ensures responsible competition practices through fair competition, transparency, and respect for competitors by practising equality and justice for everyone.

b) Responsible Supply Chain and Supplier Relations

NCS adheres to Public Procurement objective of a system that is fair, equitable, transparent, competitive, and cost-effective as outlined in Article 227(1) of the Constitution of Kenya, 2010 and the Public Procurement and Asset Disposal Act 2015. To this end, the Secretariat has in place an approved Code of Ethics to guide persons participating in public procurement and Code of Ethics for suppliers in public procurement and disposal.

c) Responsible Marketing and Advertisement

Social media is quickly becoming one of the main communication tools of the digital age. It is not only a great tool for individuals but also for organizations and brands. NCS has utilised social media platforms such as X (formally Twitter) and LinkedIn in pursuit of responsible marketing and advertisement that prioritises ethical and social conscious principles. The Secretariat has embraced advertisement of tenders in the dedicated Government tenders' portal (PPIP) and its website.

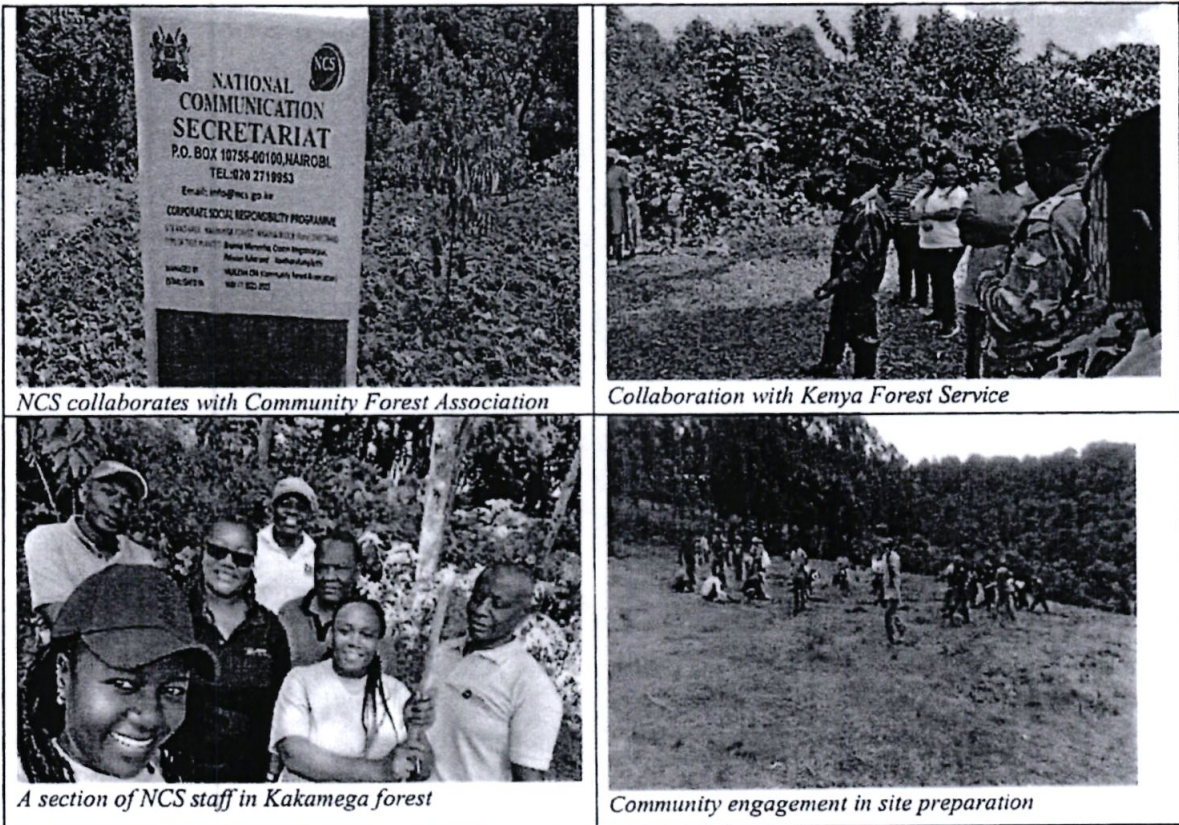
d) Product Stewardship

NCS works with the approved frameworks to ensure good stewardship.

**Annual Report and Financial Statements
For the year ended June 30, 2024**

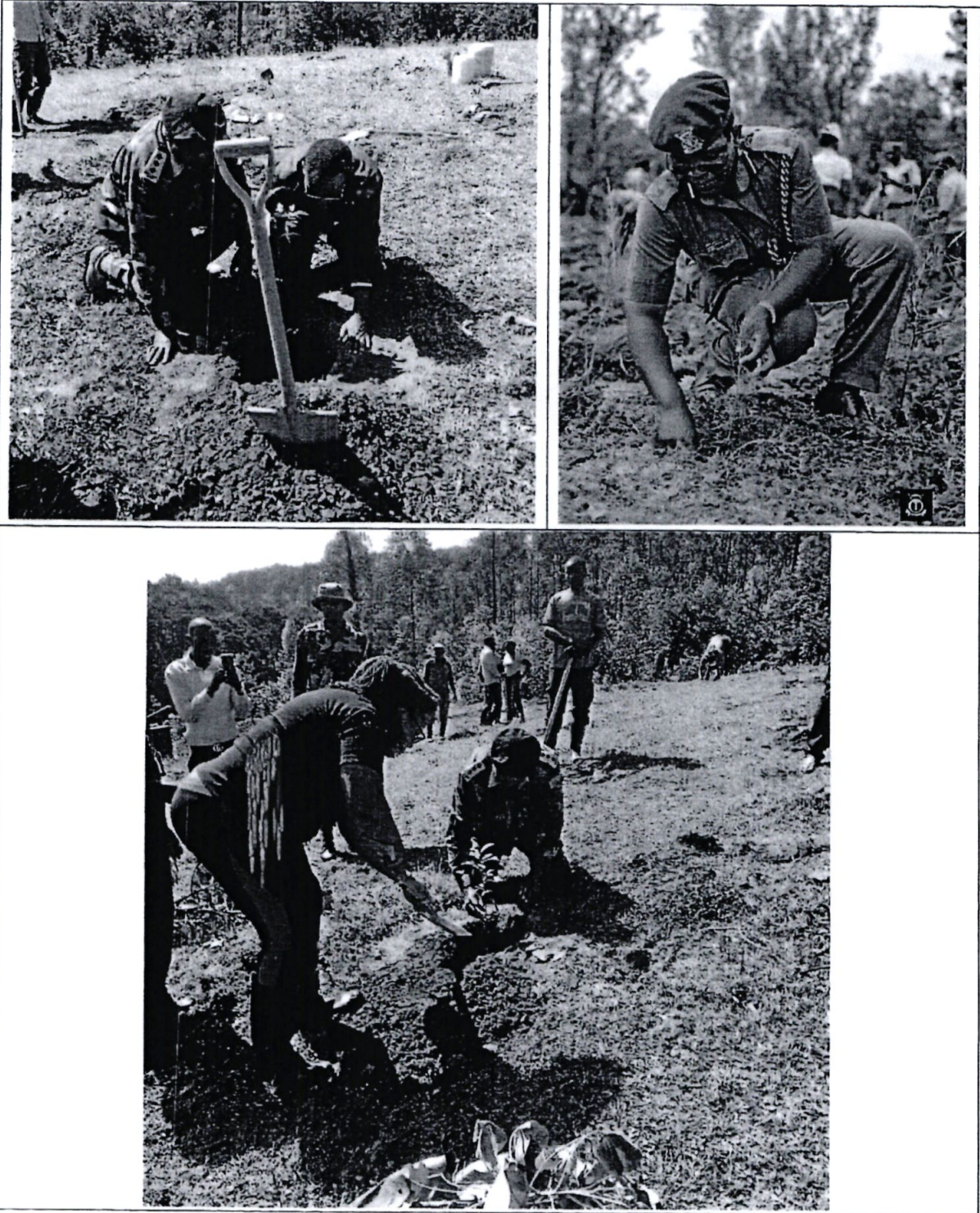
IX. Corporate Social Responsibility / Community Engagements

As part of the building up of the target of 5 million trees set for state Department for Broadcasting and Telecommunication, NCS targets to plant 10,000 trees each financial year, broken down to 2,500 trees per quarter in a financial year. In the FY ending 30th June 2024, the Secretariat was able to plant 6,650 seedlings in Iloro – Kakamega forest, Kessup Forest Block in Kaptagat and in Ngong Hills, Kajiado county.



The Secretariat has been collaborating with the Kenya Forest Service (KFS) and the Community Forest Association (CFA).

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A report from Kakamega Forest Station on the status of the trees indicated that the survival rate of the trees planted had significantly increased due to community participation in securing the trees and due to proper maintenance. The survival rate was 75%. The initiative had representation from NCS staff, KFS, and the locals represented either individually or through the Community Based Organizations.

NCS will ensure that the trees are well maintained through community involvement in planting short term crops while they care for the trees and keep the grounds away from grazing and vandalism. It was agreed that NCS will be monitoring and doing maintenance by sending an officer to Kakamega Forest on quarterly basis to monitor the growth of the trees and update on other requirements.



Kakamega Community Engaged in Maintenance of Seedlings

Kaptagat Forest

In partnership with other key stakeholders, the Ministry of Environment and Forestry has over the last six years undertaken annual forest conservation activities. Among the partners, the Ministry has been working closely with : NETFUND, KFS, WWF-Kenya, County Governments of Elgeyo Marakwet and Uasin Gishu, Community Forest Associations (CFAs) and private sector. Deliberate forest conservation activities have been motivated by the need to pursue sustainable development and environmental protection. The focal point of this noble undertaking has been the Kaptagat Integrated Conservation Programme.

**Annual Report and Financial Statements
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In the year under review, NCS supported the 7th Edition of the Kaptagat Integrated Conservation Programme for the purchasing, growing and maintenance of 2000 tree seedlings. This support contributes to the programme's goal to rehabilitate 400Ha within Kessup, Sabor, Kaptagat, Pennon and Kipkabus forest blocks.





**Annual Report and Financial Statements
For the year ended June 30, 2024**

X. Report of the Management Team

The Management team submits its report together with Financial Statements for the year ended June 30th, 2024 which shows the state of the National Communication Secretariat's affairs.

i) Principal Activities

The principal mandate of the Secretariat is defined in the KICA, 1998, Section 84(2) as to advise the Government on adoption of a Communication policy which:

1. Promotes the benefits of technological development to all users of postal and telecommunication facilities;
2. Fosters national security, economic prosperity and the delivery of critical social services through posts and telecommunications;
3. Facilitates and contributes to the full development of competition and efficiency in the provision of services both within and outside Kenya; and
4. Fosters full and efficient use of telecommunication resources including effective use of radio spectrum by the Government in a manner which encourages the most beneficial use thereof in the public interest.

ii) Results

The results of the Secretariat for the year ended June 30th, 2024, are as set out from page 1 to page 7.

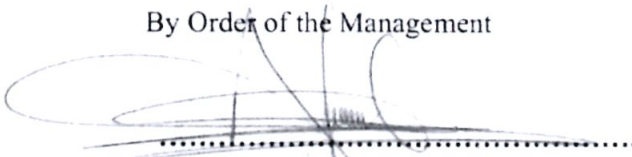
iii) Management Team

The Management Team who served during the year are shown on page ix to page xv. During the year in review, one manager separated from NCS and the position was refilled.

iv) Auditors

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

By Order of the Management


.....
Eng. Vincent Adul, HSC
Ag. Communications Secretary

**Annual Report and Financial Statements
For the year ended June 30, 2024**

XI. Statement of Accounting Officer Responsibilities

Section 81 of the PFM Act, 2012 and Section 14 of the State Corporations Act, require the Accounting Officer to prepare Financial Statements in respect of NCS, which give a true and fair view of the state of affairs of NCS at the end of the Financial Year and the operating results of NCS for that year. The Accounting Officer is also required to ensure that NCS keeps proper accounting records which disclose with reasonable accuracy the financial position of NCS. The Accounting Officer is also responsible for safeguarding the assets of NCS.

The Management Team is responsible for the preparation and presentation of the Secretariat's Financial Statements, which give a true and fair view of the state of affairs of the Secretariat for and as at the end of the Financial Year ended on 30th June, 2024. 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 NCS;
- 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 Secretariat;
- v) Selecting and applying appropriate accounting policies; and
- vi) Making accounting estimates that are reasonable in the circumstances.

The Management Team accepts responsibility for the Secretariat's Financial Statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with IPSAS, and in the manner required by the PFM Act and the State Corporations Act.

The Management team is of the opinion that the Secretariat's Financial Statements give a true and fair view of the state of NCS transactions during the Financial Year ended 30th June, 2024, and of the Secretariat's financial position as at that date. The Management Team further confirms the completeness of the accounting records maintained for the Secretariat, which have been relied upon in the preparation of the Secretariat's Financial Statements as well as the adequacy of the systems of internal financial control.


Nothing has come to the attention of the Management Team to indicate that the Secretariat will not remain a going concern for at least the next twelve months from the date of this Statement.



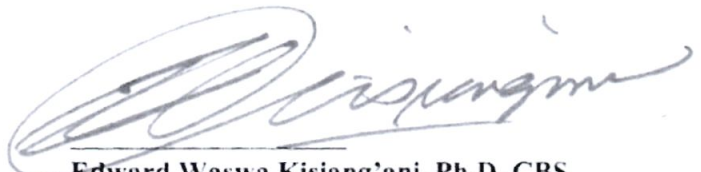
**Annual Report and Financial Statements
For the year ended June 30, 2024**

Approval of the Financial Statements

The Secretariat's Financial Statements were approved by the Management on 23rd September 2024 and signed on its behalf by:



**Eng. Vincent Adul, HSC
Ag. Communications Secretary/CEO
National Communication Secretariat**

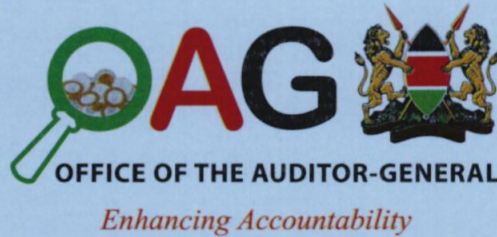


**Edward Waswa Kisiang'ani, Ph.D, CBS
Principal Secretary, State Department
for Broadcasting and Telecommunications
Ministry of Information Communication and
the Digital Economy**

Date: 23rd September 2024

Date: 23/9/2024

REPUBLIC OF KENYA



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HEADQUARTERS
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P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL COMMUNICATION SECRETARIAT FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

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

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on the 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 aim to address the Auditor-General's statutory roles and responsibilities as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Communication Secretariat set out on pages 1 to 30, which comprise the statement of financial position

as at 30 June, 2024, and the statement of performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Communication Secretariat as at 30 June, 2024, 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 Kenya Information and Communications Act, 1998 and the Public Finance Management Act, 2012.

Basis for Opinion

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

Emphasis of Matter

Budgetary Control and Performance

The summary statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.277,159,003 and Kshs.236,534,003 respectively, resulting in underfunding of Kshs.40,625,000, or 15% of the approved budget. Similarly, the Secretariat spent Kshs.152,604,944 against actual receipts of Kshs.236,534,003 resulting to underutilization of Kshs.83,929,059 or 35% of actual receipts.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My report is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Issues

In the audit report of the previous year, several issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources. However, the issues are yet to be deliberated on by the Public Investment Committee (PIC).

Other Information

Management is responsible for the other information set out on page i to xxxviii which comprise of Key Entity Information and Management, Report of the Chief Executive Officer, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting and Statement of Directors Responsibilities. The other information does not include the financial statements and my audit report thereon.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in 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

Irregular Procurement of Branded & Non- Branded Items

The secretariat floated request for quotations to various suppliers for procurement of branded and non-branded items for the Human Resources Department. However, all the responsive bidders were awarded separately per single item contrary to awarding the lowest bidder for the consolidated items at Kshs.1,398,500. This is contrary to the provisions of the Public Procurement and Disposal Act of 2015 Section 106 (3) which provides that the successful quotation shall be the quotation with the lowest price that meets the requirements set out in the request for quotations.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The Standards requires 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 and based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on the 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

1. Lack of Oversight Body for the Secretariat

The National Communication Secretariat was officially formed through Legal Notice No.22 of February, 1999. During the year under review, the Secretariat operated without an oversight body to oversee the overall strategy direction and approve significant policies.

In absence of an oversight body, the effectiveness of governance system of the Secretariat could not be confirmed.

2. Non-Disposal of Unserviceable Motor Vehicle

The statement of financial position reflects property, plant and equipment balance of Kshs. 44,214,285 as disclosed in Note 14 to the financial statements. However, review of the balance revealed that one motor vehicle which was fully depreciated and declared for disposal was still included in the asset register at Kshs Nil value. No explanation was provided for the delay in the disposal.

In the circumstances, the adequacy of the internal control and asset management could not be confirmed.

3. Use of a Manual Vote Book

During the year under review, the Secretariat maintained a manual system for the budgetary control instead of the automated Integrated Financial Management Information

System (IFMIS) for allocation and reallocation of funds despite having an operational Enterprise Resource Planning (ERP) system. No explanation was provided as to why the above system was not fully operationalized.

In the circumstances, adequacy of internal controls surrounding the budgeting and allocation of resources process could not be confirmed.

4. Failure of Human Resource Management Advisory Committee (HRMAC) to Hold Minimum Number of Meetings

Section A.13(2) of the Human Resource Policies and Procedures Manual for the Public Service, 2016 provides that HRMAC shall meet at least once in each month. However, a review of human resource records revealed that the (HRMAC) did not hold any meetings during the year under review as required. Despite the omission, some officers were irregularly appointed on acting capacities whose recommendation ought to have emanated from the Human Resource Management Advisory Committee. It's not clear how this was achieved in absence of meetings by the HRMAC members.

In the circumstances, the effectiveness HRMAC human resource oversight role 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 the Management and those Charged with Governance

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

In preparing the financial statements, the Management is responsible for assessing the State Department'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 Management is aware of the intention to cease operations.

The 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, the Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the State Department'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

31 December, 2024



**Annual Report and Financial Statements
For the year ended June 30, 2024**

XIII. Statement of Financial Performance for the year ended 30 June 2024

Description	Notes	2023-2024 KShs	2022-2023 KShs
Revenue from non-exchange transactions			
Transfers from other governments entities	6	162,500,000	202,000,000
Interest Income	7	2,348,010	1,395,771
Total revenue		164,848,010	203,395,771
Expenses			
Use of goods and services	8	78,984,027	77,349,110
Employee costs	9	63,027,578	66,947,695
Repairs and maintenance	11	910,000	725,700
Depreciation expense	10	15,890,262	12,174,584
Total expenses		158,811,867	157,197,089
Net surplus for the period		6,036,143	46,198,682

The notes set out on pages 16 to 19 form an integral part of these Financial Statements.

The Financial Statements set out on page 1 were signed on behalf of the management by:

.....
Eng. Vincent Adul, HSC
Ag. Communications
Secretary

National Communication
Secretariat

.....
CPA Salome Nyambura
ICPAK M. No.28729
Head of Finance &
Accounting

National Communication
Secretariat

.....
Edward Waswa Kisiang'ani,
Ph.D, CBS
Principal Secretary

State Department for
Broadcasting and
Telecommunications
Min. of Information
Communications and the
Digital Economy

Date: 23rd September 2024

Date: 23rd September 2024




Date: 23/9/24

**Annual Report and Financial Statements
For the year ended June 30, 2024**

XIV. Statement of Financial Position as at 30 June 2024

Description	Notes	2023-2024 KShs	2022-2023 KShs
Assets			
Current Assets			
Cash and Cash equivalents	12	67,449,724	60,310,993
Receivables from Non-Exchange Transactions	13	41,005,980	52,440,094
Total Current Assets		108,455,704	112,751,087
Non-Current Assets			
Property, Plant and Equipment	14	44,214,285	43,625,212
Intangible Assets	14b	6,236,160	6,236,160
Total Non- Current Assets		50,450,445	49,861,372
Total Assets		158,906,149	162,612,459
Liabilities			
Current Liabilities			
Trade and Other Payables	15	1,633,434	11,314,846
Current Provisions	17	7,591,804	13,470,263
Total Current Liabilities		9,225,238	24,785,109
Non-Current Liabilities			
Non - Current Provisions	18	11,315,407	5,497,989
Total Non - Current Liabilities		11,315,407	5,497,989
Total Liabilities		20,540,645	30,283,098
Net Assets		138,365,504	132,329,361
Capital and Reserves			
Reserves	19	2,487,000	2,487,000
Capital Fund	19b	8,382,221	8,382,221
Accumulated Surplus	19c	87,496,283	121,460,140
Mortgage Fund	19d	40,000,000	-
Total Capital and Reserves		138,365,504	132,329,361

The financial statements set out on page 2 were signed on behalf of the Management by:

 Eng. Vincent Adul, HSC Ag. Communications Secretary	 CPA Salome Nyambura ICPAK M. No.28729 Head of Finance & Accounting	 Edward Waswa Kisiang'ani Ph.D, CBS Principal Secretary, State Department for Broadcasting and Telecommunications,
National Communication Secretariat	National Communication Secretariat	Min. of Information Communications & the Digital Economy
Date: 23 rd September 2024	Date: 23 rd September 2024	Date: 23/9/24

**Annual Report and Financial Statements
For the year ended June 30, 2024**

XV. Statement of Changes in Net Assets for the year ended 30 June 2024

Description	Revaluation reserve KShs	Accumulated Reserves KShs	Mortgage Fund	Capital Reserve KShs	Total KShs
As at July 1, 2022	2,487,000	75,261,458	-	8,382,221	86,130,679
Surplus for the year	-	46,198,682	-	-	46,198,682
As at June 30, 2023	2,487,000	121,460,140	-	8,382,221	132,329,361
As at July 1, 2023	2,487,000	121,460,140	-	8,382,221	132,329,361
Surplus/Deficit for the year	-	6,036,143		-	6,036,143
Transfer to Mortgage Fund	-	(40,000,000)	40,000,000	-	-
As at June 30, 2024	2,487,000	87,496,283	40,000,000	8,382,221	138,365,504

**Annual Report and Financial Statements
For the year ended June 30, 2024**

XVI. Statement of Cash Flows for the year ended 30 June 2024

Description	Notes	2023-2024	2022-2023
		KShs	KShs
Cash flows from operating activities			
Receipts			
Transfers from other governments entities	6c	173,875,000	160,000,000
Interest income	7	2,348,010	1,395,771
Total receipts		176,223,010	161,395,771
Payments			
Use of goods and services	8b	88,505,839	77,034,626
Employee costs	9b	63,189,105	56,736,384
Repairs and maintenance	11	910,000	725,700
Other payments	16	-	9,976,253
Total payments		152,604,944	144,472,963
Net cash flows from/(used in) operating activities	20	23,618,066	16,922,808
Cash flows from investing activities			
Purchase of PPE and Intangible assets	14	(16,479,335)	(4,252,800)
Intangible Assets-WIP	14b	-	(4,677,120)
Accounts Receivable: Provisions		-	-
Accounts Receivable: Salary Advances		-	-
Gratuity Paid		-	-
Net cash flows from/(used in) investing activities		(16,479,335)	(8,929,920)
Net increase/(decrease) in cash & Cash equivalents		7,138,731	7,992,888
Cash and cash equivalents at 1 July 2023	12	60,310,993	52,318,105
Cash and cash equivalents at 30th June 2024	12	67,449,724	60,310,993

The financial statements set out on page 5 were signed on behalf of the Management by:

.....
Eng. Vincent Adul, HSC
 Ag. Communications Secretary

.....
CPA Salome Nyambura
 ICPAK M. No.28729
 Head of Finance & Accounting

.....
Edward Waswa Kisiang'ani,
 Ph.D, CBS Principal Secretary,
 State Department for
 Broadcasting and
 Telecommunications
 Ministry of Information,
 Communications and the Digital
 Economy

Date: 23rd September 2024

Date: 23/9/24

Date: 23/9/24

**Annual Report and Financial Statements
For the year ended June 30, 2024**

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

Description	Original budget	Adjustments	Final budget	Actual on	Performance	% of
	Kshs	Kshs	Kshs	Comparable	Difference	utilization
	a	b	C=(a+b)	d	e=(c-d)	f=d/c*100
Revenue						
GoK Grants	212,000,000	-49,500,000	162,500,000	121,875,000	40,625,000	75%
Interest Income	-	-	2,348,010	2,348,010	0	100%
Balances b/f	112,310,993	-	112,310,993	112,310,993	0	100%
Total Income	324,310,993	-49,500,000	277,159,003	236,534,003		
Expenses						
Use of Goods and Services	176,360,994	-47,151,791	129,209,203	88,505,839	40,703,364	68%
Employee Costs	79,300,000	-	79,300,000	63,189,105	16,110,895	80%
Repairs and Maintenance	1,000,000	-	1,000,000	910,000	90,000	91%
Total Expenditure	324,310,994		277,159,203	152,604,944		
Surplus for the period				83,929,059		
Capital Expenditure	67,650,000		67,650,000	56,479,335	11,170,665	83%

Comments on significant underutilization (Below 90%) of utilization and any overutilization (IPSAS 24.14)

***Income -Transfers from Other Govt Entities (85% < 90%)**

- 25% of the approved budget for 2023/24 was remitted to NCS on 9th July 2024.

*** Use of Goods and Services (68% < 90%)**

- The financial year came to an end before the ERP final phase was complete
- 25% of the approved budget for 2023/24 was remitted to NCS on 9th July 2024

Annual Report and Financial Statements For the year ended June 30, 2024

- The travel austerity measures which led to scaling down on Procurement travel budget. This hampered achievement of strategic objectives in the establishment of both regional and international strategic partnerships and collaboration geared towards improvement of business environment for the ICT sectors
- The procurement process commenced towards the end of the financial year due to budget cuts which affected utilization

*** Employee Costs (80 < 90%)**

- 25 % of the approved budget for 2023/24 was remitted to NCS on 9th July 2024
- The year under review came to an end before request for approval for recruitment was granted thus causing the underutilization of employee costs. This in effect, caused a challenge in staffing towards achievement of set strategic objectives.



**Annual Report and Financial Statements
For the year ended June 30, 2024**

XVIII. Notes to the Financial Statements

1. General Information

National Communication Secretariat (NCS) was established vide the Kenya Information and Communications Act, 1998, Section 84. The core function of the Secretariat is to foster efficient use of ICT resources through provision of quality policy advisory services to the Government. NCS is wholly owned by the Government of Kenya and is domiciled in Kenya.

2. Statement of Compliance and Basis of Preparation

The Secretariat's Financial Statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The Financial Statements are presented in Kenya shillings, which is the functional and reporting currency of NCS. The accounting policies have been consistently applied to all the years presented.

The Financial Statements have been prepared on the basis of historical cost, except for the measurement at re-valued amounts of certain items of property, plant and equipment. The Cash Flow Statement is prepared using the indirect method. The Financial Statements are prepared on accrual basis. NCS also complies with PFM Act 2012, PFM Regulations 2015 and the Kenya Information and Communications Act of 1998.

3. Adoption of New and Revised Standards

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

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

- ii. *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024*

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></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 Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>The National Communication Secretariat does not have leases on record in the reporting period and thus shall not be affected by the proposed amendments to the standard.</i></p>

**Annual Report and Financial Statements
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<p>IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires. Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</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>The National Communication Secretariat does not have assets held for sale and discontinued operations as such the revision proposed in this amendment shall not impact on the position presented in the Financial Statement.</i></p>
<p>IPSAS 45- Property Plant and Equipment</p>	<p><i>Applicable 1st January 2025</i></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 e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</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"> 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>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</p>

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For the year ended June 30, 2024**

	entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48- Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>The National Communication Secretariat does not have transfer expenses and the new standard shall not impact on the position presented in the Financial Statement.</i></p>
IPSAS 49- Retirement Benefit Plans	<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>The National Communication Secretariat does not have retirement benefit plan as such, the standard shall not impact on the position presented in the Financial Statement.</i></p>

iii. *Early adoption of standards*

NCS did not early – adopt any new or amended standards in year 2023/24.

**Annual Report and Financial Statements
For the year ended June 30, 2024**

Notes to the Financial Statements (Continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities 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 NCS and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

ii) Interest income

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

b) Budget information

The original budget for FY 2023-2024 was approved by the National Assembly on *1st July 2023*. 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 NCS upon receiving the respective approvals in order to conclude the final budget.

NCS'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.

**Annual Report and Financial Statements
For the year ended June 30, 2024**

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

c) Taxes

National Communication Secretariat is a non-profit making semi-autonomous government agency and is thus not subjected to corporate tax.

There is thus no corporate taxation charge recorded in the statement of financial position for the financial year ended 30th June 2024.

Sales tax

Expenses and assets are recognized net of the amount of sales tax, except:

- i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

- ii) When receivables and payables are stated with the amount of sales tax included. The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

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, NCS 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.

Depreciation expense for the fixed assets is calculated on straight line basis and the applicable depreciation rates are as shown below:

- | | |
|------------------------------------|---------|
| • Motor Vehicle | -25% |
| • Properties, Plant and Equipment | - 25% |
| • Furniture, Fixtures and fittings | - 12.5% |
| • Computers and ICT Equipment | - 30% |

**Annual Report and Financial Statements
For the year ended June 30, 2024**

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

e) Intangible Assets

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

f) Research and Development Costs

NCS expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when NCS 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. The Secretariat did not have any such costs nor associated development expenditure in the financial year under review.

g) Provisions

Provisions are recognized when NCS 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. Provisions were raised and management determined an estimate based on the information available. Provisions were made for audit fees and staff gratuity accrued for the year. The actual rates were used to calculate the actual rates for gratuity at 31% of the basic salary. Historical costs for the previous financial year were used to calculate the provision for audit fees. Provision for medical ex-gratia assistance was made based on claims received from staff and pending approval.

**Annual Report and Financial Statements
For the year ended June 30, 2024**

**Notes to the Financial Statements (Continued)
Summary of Significant Accounting Policies (Continued)**

h) Contingent Liabilities

NCS 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.

i) Contingent Assets

NCS 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 NCS 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.

j) Nature and Purpose of Reserves

National communication secretariat maintains reserves in terms of specific requirements.

i. Revaluation Reserve

NCS has three motor vehicles purchased in the financial year 2006/2007 that were revalued resulting in a gain on revaluation which is recognised in revaluation reserves in the books.

ii. Capital Replacement Reserve

This is the capital that was used to set up and establish NCS when it started operating independent of the parent ministry in the financial year 2005/2006, the reserve is set up to cater for the recognition of the capitalised expenses. There has been no increase in capital reserves from the initial one on establishment.

iii. Accumulated Reserve

This is the reserve that is formed up of the surpluses and deficits accumulated over the years that NCS has been in operation.

k) Changes in Accounting Policies and Estimates

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

**Annual Report and Financial Statements
For the year ended June 30, 2024**

Notes to the Financial Statements (Continued)
Summary of Significant Accounting Policies (Continued)

l) Employee Benefits

Retirement Benefit Plans

National Communication Secretariat provides retirement benefits for its employees under defined contribution plans with the National Social Security Fund. In addition, the Secretariat operates a gratuity fund for its employees. The applicable rate is 31% of basic salary and accrued over a period of three years.

m) Related Parties

National Communication Secretariat regards a related party as a person or an NCS with the ability to exert control individually or jointly, or to exercise significant influence over NCS, or vice versa. Members of key management are regarded as related parties and comprise the Communications Secretary, the Experts and the Head of Departments.

n) 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. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

o) Comparative Figures

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

p) 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, 2024.

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of National Communication Secretariat 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.



**Annual Report and Financial Statements
For the year ended June 30, 2024**

**Notes to the Financial Statements (Continued)
Summary of Significant Accounting Policies (Continued)**

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. National Communication Secretariat 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 NCS. 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 NCS.
- 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. Provisions were made for audit fees and staff gratuity accrued for the year. The actual rates were used to calculate the actual rates for gratuity at 31% of the basic salary. Historical costs for the previous financial year was used to calculate the provision for audit fees. Provision for medical ex-gratia assistance was made based on claims received from staff and pending approval.

**Annual Report and Financial Statements
For the year ended June 30, 2024**

Notes to the Financial Statements (Continued)

6. Transfers from State Department for Broadcasting & Telecommunication

Description	2023-2024	2022-2023
	KShs	KShs
Unconditional Grants		
Operational Grant	162,500,000	202,000,000
Total Unconditional Grants	162,500,000	202,000,000

Funding from Communications Authority of Kenya (CA) as per KICA Sec.19(f) to cover operational costs of NCS to enable NCS carry out its mandate in accordance with KICA Sec.84.

b) Transfers from Ministries, Departments and Agencies (MDAs)

Name of the Entity Sending the Grant	Amount recognized to Statement of Financial performance	Amount recognised in capital fund	Total transfers	
	KShs	KShs	2023-2024 KShs	2022-2023 KShs
State Department for Broadcasting and Telecommunications	162,500,000	-	162,500,000	202,000,000
Total	162,500,000	-	162,500,000	202,000,000

c) Cashflows on Transfers from State Department for Broadcasting & Telecommunications

Description	2023-2024	2022-2023
	KShs	KShs
Unconditional Grants		
Accrued Operational Grant Received	52,000,000	-
Grants received for the year	121,875,000	160,000,000
Total Unconditional Grants	173,875,000	160,000,000

**Annual Report and Financial Statements
For the year ended June 30, 2024**

Notes to the Financial Statements (Continued)

7. Other Income

Description	2023-2024	2022-2023
	Kshs	Kshs
Interest Income	2,348,010	1,395,771
Total other income	2,348,010	1,395,771

8. Use of Goods and Services

Description	2023-2024	2022-2023
	Kshs	Kshs
External Travel Costs and Air Tickets	16,801,581	35,810,428
Training	5,839,885	7,467,783
Local Travel	21,915,715	690,035
Stakeholder's Conference	11,871,424	20,634,031
Bank Charges	473,741	362,994
Communication Services	3,338,937	2,265,490
General Supplies & Stationery	1,588,438	536,800
Printing & Advertising	681,813	1,240,819
ICT Research	155,679	387,870
Staff Welfare	971,750	703,450
Cleaning	1,520,700	1,574,705
Motor Vehicle Running Expenses	4,762,494	1,850,195
Computer Accessories	37,200	89,300
Monitoring and Evaluation	2,198,083	293,748
Hospitality	893,901	613,121
CSR	3,526,802	1,311,272
Corporate Branding	1,308,500	1,045,320
Legal fees	958,184	0
Audit fees	139,200	139,200
Newspapers, Books & Magazines	0	319,549
Other General Expenses	0	13,000
Total General Expenses	78,984,027	77,349,110

**Annual Report and Financial Statements
For the year ended June 30, 2024**

Notes to the Financial Statements (Continued)

8 (b) General Expenses Cash Flows

<i>Description</i>	2023-2024	2022-2023
	Kshs	Kshs
Use of goods (statement of financial performance)	78,984,027	77,349,110
Audit fees	139,200	139,200
Prepayments	-96,600	-656,435
Audit fees provision	-139,200	-
Outstanding imprest	-	-
Accrued expenses paid	-337,106	202,751
Other Expenses paid (CAMAT)	10,018,518	-
Imprest surrender	-63,000	-
Use of goods and services	88,505,839	77,034,626

9. Employee Costs

<i>Description</i>	2023-2024	2022-2023
	Kshs	Kshs
Salaries and wages	46,181,844	45,898,988
Employer contribution to health insurance schemes	8,821,970	12,000,000
Employer contribution to pension schemes	299,160	238,680
Leave Allowance	272,000	404,000
Gratuity	7,452,604	8,344,567
Club Membership	-	61,460
Employee costs	63,027,578	66,947,695

9 b) Employee Costs Cash Flow

<i>Description</i>	2023-2024	2022-2023
	Kshs	Kshs
Salaries and wages	63,027,578	66,947,695
Gratuity paid	7,513,645	3,205,310
Provision for medical	-	-3,601,246
Salary advances recovery	100,486	-85,558
Gratuity Provision	-7,452,604	-9,729,817
Employee costs	63,189,105	56,736,384

**Annual Report and Financial Statements
For the year ended June 30, 2024**

Notes to the Financial Statements (Continued)

10. Depreciation Expense

Description	2023-2024 KShs	2022-2023 KShs
Property, plant and equipment	15,890,262	12,174,584
Total depreciation	15,890,262	12,174,584

11. Repairs and Maintenance

Description	2023-2024 KShs	2022-2023 KShs
Building	810,000	-
Equipment	-	78,400
Furniture and Fittings	100,000	198,000
Computer software	-	449,300
Total Repairs and Maintenance	910,000	725,700

12. Cash and Cash Equivalents

Description	2023-2024 KShs	2022-2023 KShs
Current Account	29,782,933	32,091,549
Savings Account	37,666,791	28,219,444
Total Cash and Cash Equivalents	67,449,724	60,310,993

(b) Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	2023-2024 KShs	2022-2023 KShs
a) Current Account			
Kenya Commercial Bank	1117340023	29,782,933	32,091,549
Sub- Total		29,782,933	32,091,549
b) Savings Account			
Kenya Commercial Bank	1136088261	37,666,791	28,219,444
Sub- Total		37,666,791	28,219,444
Grand Total		67,449,724	60,310,993

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

13. Receivables from Non-Exchange Transactions

Description	2023-2024	2022-2023
	KShs	KShs
Receivables from State Department for Broadcasting and Telecommunications	40,625,000	52,000,000
Staff debtors	372,160	334,674
Prepayments	8,820	105,420
Total current receivables	41,005,980	52,440,094

14. Property, Plants and Equipment

COST	Motor vehicles	Furniture fixtures fittings and Equipment	Computers	Total
	KShs	KShs	KShs	KShs
As At 1st July 2022	19,965,682	54,633,967	21,280,116	95,879,765
Adjustments (ERP)	-	-	-1,559,040	-1,559,040
Additions	-	495,550	3,757,250	4,252,800
As At 30th June 2023	19,965,682	55,129,517	23,478,326	98,573,525
Additions	13,518,000	935,500	2,025,835	16,479,335
As at 30th June 2024	33,483,682	56,065,017	25,504,161	115,052,860
DEPRECIATION				
As at 1 July 2022	13,751,570	14,795,825	14,226,334	42,773,729
Adjustments		-61,142	-519,160	-580,302
Depreciation	1,863,556	6,628,461	4,262,869	12,754,886
Adjusted Depreciation	1,863,556	6,567,319	3,743,709	12,174,584
As At 30th June 2023	15,615,126	21,363,144	17,970,043	54,948,313
Depreciation for FY 2023/24	5,243,056	6,656,255	3,990,951	15,890,262
As At 30th June 2024	20,858,182	28,019,399	21,960,994	70,838,575
Net Book Values				
As at 30th June 2023	4,350,556	33,766,373	5,508,283	43,625,212
As at 30th June 2024	12,625,500	28,045,618	3,543,167	44,214,285

**Annual Report and Financial Statements
For the year ended June 30, 2024**

Notes to the Financial Statements (Continued)

(b) Intangible Assets

Description	2023-2024	2022-2023
	KShs	KShs
Computer Software (W.I.P) b/d	6,236,160	1,559,040
Computer Software (W.I.P)	0	4,677,120
Total	6,236,160	6,236,160

(c) 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	Accumulated		Net Value
	Cost	Depreciation	
	KShs	KShs	KShs
Motor Vehicles, Including Motorcycles	33,483,682	20,858,182	12,625,500
Computers And Related Equipment	25,504,161	21,960,994	3,543,167
Furniture fixtures Fittings and Equipment	56,065,017	28,019,399	28,045,618
Computer Software (WIP)	6,236,160	-	6,236,160
Total	121,289,020	70,838,575	50,450,445

15. Trade and Other Payables

Description	30.06.2024	30.06.2023
	KShs	KShs
Accrued Expenses	1,628,205	1,291,099
Government Transfers for CAMAT	5,229	10,023,747
Total trade and other payables	1,633,434	11,314,846

16. Government Transfers for CAMAT

Description	2023-2024	2022-2023
	KShs	KShs
Balance Brought Forward	10,023,747	10,000,000
Additions	-	10,000,000
Other Payments	(10,018,518)	(9,976,253)
Balance Carried Forward	5,229	10,023,747

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

17. Current Provisions

Description	Gratuity	Audit Fees	Total	Provision
	Provision	Provision		
	2023-2024	2023-2024	2023-2024	2022-2023
	Kshs	Kshs	Kshs	Kshs
Total Provisions	7,452,604	139,200	7,591,804	13,470,263

18. Non – Current Provisions

Description	Gratuity	Audit fees	Ex-Gratia	2023-2024	2022-2023
	Provision				
	Kshs	KShs	Kshs	KShs	Kshs
Balance b/d	15,227,806	139,200	3,601,246	18,968,252	8,981,699
Provision utilized	-7,513,645	-139,200	0	-7,652,845	-3,483,710
Total Provision	7,714,161	0	3,601,246	11,315,407	5,497,989

19. Revaluation Reserves

	2023-2024	2022-2023
	KShs	KShs
Balance b/f	2,487,000	2,487,000
Total	2,487,000	2,487,000

19(b) Capital Reserves

Description	2024-2023	2022-2023
	KShs	KShs
Balance b/f	8,382,221	8,382,221
Total	8,382,221	8,382,221

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

19(c) Accumulated Reserves

Description	2023-2024	2022-2023
	KShs	KShs
Balance b/d	121,460,140	75,261,458
Transfer to Mortgage Reserves	(40,000,000)	0
Surplus/deficit for the year	6,036,143	46,198,682
Total	87,496,283	121,460,140

19(d) Mortgage Reserves

Description	2023-2024	2022-2023
	KShs	KShs
Mortgage Reserves	40,000,000	-
Total	40,000,000	-

20. Cash Generated from Operations

Description	2023-2024	2022-2023
	KShs	KShs
Deficit for the period before tax	6,036,143	46,198,682
Adjusted for:		
Depreciation	15,890,262	12,174,584
Provisions	7,591,804	139,200
Gratuity Paid/Audit fees paid	-7,652,845	0
Working Capital adjustments		
Decrease/(Increase) in receivables	11,434,114	-51,258,007
Increase/(Decrease) in payables	-9,681,412	9,668,349
Net cash flow from operating activities	23,618,066	16,922,808

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Notes to the Financial Statements (Continued)

21. Reconciliation of surplus between Budget and Financial Performance

The total of actual expenditure on comparable basis does not tie to the statement of financial performance expenses due to differences in accounting basis. The budget is presented on a cash basis whereas the statement of financial performance is presented using the accrual principle.

The following reconciliation between the two figures is shown below:

Description	2023-2024
	KShs
Surplus as per statement of Financial Performance	6,036,143
Add back depreciation charge	15,890,262
Less;	
Changes in Use of Goods	-9,521,812
Changes in Employee Costs	-161,527
Changes in Revenue	-40,625,000
Balance B/F	112,310,993
Surplus as per the budget	83,929,059

22. Employee Benefit Obligations

NCS contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Fund Act. The company's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs.2,160 per employee per month. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred

23. Financial Risk Management

National Communication Secretariat's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Secretariat's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimize the potential adverse effect of such risks on its performance by setting acceptable levels of risk.

The Secretariat's financial risk management objectives and policies are detailed below:-

i) Credit risk

The Secretariat 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.

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Notes to the Financial Statements (Continued)

Management assesses the credit quality of each staff, 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 terms and conditions of service.

The carrying amount of financial assets recorded in the financial statements representing the Secretariat's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows: -

Financial Risk Management

The carrying amount of financial assets recorded in the financial statements representing NCS's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount	Fully performing	Best due	Impaired
	Ksfs	Ksfs	Ksfs	Ksfs
As at 30 June 2024				
Receivables from non-exchange transactions	41,005,980	41,005,980	0	0
Bank balances	67,449,724	67,449,724	0	0
Total	108,455,704	108,455,704	0	0
As at 30 June 2023				
Receivables from non-exchange transactions	52,440,094	52,440,094	0	0
Bank balances	60,310,993	60,310,993	0	0
Total	112,751,087	112,751,087	0	0

Financial Risk Management

The staff under the fully performing category are paying their debts. The credit risk associated with these receivables is minimal.

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with NCS Management, who have built an appropriate liquidity risk management framework for the management of NCS's short, medium and long-term funding and liquidity management requirements. NCS manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by NCS under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are

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

Notes to the Financial Statements (Continued)

	Less than 1 month KShs	Between 1-3 months KShs	Over 3 months KShs	Total KShs
As at 30 June 2023				
Trade payables			1,291,099	1,291,099
Deferred Income		-	10,023,447	10,023,447
Provisions		-	139,200	139,200
Employee benefit obligation		-	18,829,052	18,829,052
Total		-	30,283,098	30,283,098
As at 30 June 2024				
Trade payables	-	-	1,628,205	1,628,205
Deferred Income	-	-	5,229	5,229
Provisions	-	-	139,200	139,200
Employee benefit obligation	-	-	18,768,011	18,768,011
Total	-	-	20,540,645	20,540,645

iii) Market risk

NCS Management has put in place an internal audit function to assist it in assessing the risk faced by NCS 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 NCS'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. NCS Management 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 NCS's exposure to market risks or the manner in which it manages and measures the risk.

Financial Risk Management

a) Foreign currency risk

NCS 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

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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.

Notes to the Financial Statements (Continued)

b) Interest rate risk

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

iv) Capital Risk Management

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

	2023-2024	2022-2023
	Kshs	Kshs
Revaluation Reserve	2,487,000	2,487,000
Retained Earnings	127,496,283	121,460,140
Capital Reserve	8,382,221	8,382,221
Total Funds	138,365,504	132,329,361

24. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to NCS 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.

Government of Kenya

The Government of Kenya is the principal shareholder of NCS, holding 100% of the NCS's equity interest.

25. Events after the Reporting Period

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

26. Currency

The financial statements are presented in Kenya Shillings (Kshs)



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For the year ended June 30, 2024**

27. Appendix

Appendix 1: 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)
<p>Non-Disposal of Unserviceable Motor Vehicle</p>	<p>The statement of financial position reflects property, plant and equipment balance of Kshs.43,625,212 as disclosed in Note 14 to the financial statements. However, the review of the balance revealed that one motor vehicle which was fully depreciated and declared for disposal was still included in the asset register at Kshs. Nil value. No explanation was given for the delay in the disposal.</p> <p>In the circumstances, the accuracy and completeness of the property, plant and equipment balance of Kshs.43,625,212 could not be confirmed.</p> <p>The audit was conducted in accordance with the international Standards for Supreme.</p>	<p>Assets Disposal Process is currently ongoing for the FY 2023/2024. Attached find the Appointment to Disposal Committee. In addition, we have engaged the services of technical experts to assist in setting up the reserve prices.</p>	<p>Not resolved</p>



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status (Resolved / Not Resolved)
Budgetary Control and Performance	<p>The statement of comparison of budget and actual amounts reflects final budget and a dual revenue on comparable basis totaling Kshs.238,408,887 and Kshs.196,408,887, respectively, resulting to an underfunding of Kshs.42,000,000, or 18% of the final budget.</p> <p>Similarly, the Secretariat expended an amount of Kshs.'145,022,450 against an approved budget of Kshs.223,474,073 resulting to an under-expenditure of Kshs.78,451 ,623 or 35% of the budget.</p> <p>The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public</p>	<p>The underfunding affected NCS goal achievements. Similarly, the underutilization of funds was due to the late release of NCS grants from our parent ministry. NCS is working closely with parent ministry to minimize such occurrences.</p>	Not resolved
Lack of a Constituted Board of Directors	<p>During the year under review, the Secretariat operated without a Board of Directors to oversee the overall strategy direction and approve significant polices. As a result, there was lack of vetting and appointment of a substantive Chief Executive Officer responsible for the day-to-day operations,</p>	<p>NCS has no functioning board, and this arose out of the fact that when sections 84 of the Kenya Information and Communications Act 1998 came into force on 15th February 1999, vide Legal Notice No.22, that formed the</p>	Not resolved



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)
	<p>appointment of Corporation Secretary to provide guidance on matters of governance among other roles and functions of the Board.</p> <p>In the circumstances, the effectiveness of governance system of the Secretariat could not be confirmed. The audit was conducted in accordance with the international Standards for Supreme Audit institutions (ISSAIs) 2315 and 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.</p>	<p>National Communication Secretariat, the institution as per the Act was not provided with an oversight body. However the same was captured in the Terms and Conditions of Services for the National Communications Secretariat, an anomaly that was not cleared until the last financial year, when the State Department of Broadcasting and Telecommunications of the Ministry of Information, Communications and the Digital Economy commenced the process of restructuring the organization, that is currently work in progress (copies of correspondences to the stakeholders who had been contacted to provide nominees are hereby attached for reference).</p>	

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Ag. Communications Secretary

Date: 23rd September 2024



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For the year ended June 30, 2024**

Appendix II: Projects implemented by National Communication Secretariat

Due to the nature of the mandate of the NCS, there were no projects that were implemented by NCS in the year 2023/2024.

Appendix III: Transfers from Other Government Entities

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/ Development/ Others	Total Amount - KES	Statement of Financial Performance	Where Recorded/recognized				Total Transfers during the Year
					Capital Fund	Deferred Income	Receivables	Others - Other Income	
Ministry of ICT, innovation and Youth Affairs; State Department for Broadcasting and Telecommunications	07/07/2024	Recurrent	52,000,000	0	-	52,000,000	-	-	173,875,000
	08/11/2023	Recurrent	40,625,000	40,625,000	-	-	40,625,000	-	
	01/02/2024	Recurrent	81,250,000	81,250,000	-	-	81,250,000	-	
Total			173,875,000	121,875,000	-	52,000,000	121,875,000	-	



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Appendix IV: Reporting of Climate Relevant Expenditures

National Communication Secretariat
 Telephone Number: +254 20 2719953
 Email Address: info@ncs.go.ke
 CHRP Sally Mbaya

Name and contact details of contact person (in case of any clarifications): **CHRP Sally Mbaya, Tel: +254 20 2719953**

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
Tree Planting	Restoring of tree coverage in Kakamega forest Facilitate and supervise planting of 4,000 indigenous trees	Arrest deforestation Improve clean air and water retention Promote tree planting as a lifestyle among the community Improve NCS visibility to the General Public	Site clearing Cutting stakes Staking out Pitting Planting Beating up Seedlings				√	CSR Budget	Kenya Forest Services and the Community Forest Association (CFA)



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Appendix V: Disaster Expenditure Reporting Template

Date:						
Entity:						
Period to which this report refers (FY)	Year 2023/24				Quarter: 4 th	
Name of Reporting Officer	Kevin O. Nyapere					
Contact details of the reporting officer:	Email: info@ncs.go.ke				Telephone: +254 20 2719953	
Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments

