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THE AUDITOR-GENERAL

ON

**STATE DEPARTMENT FOR INFORMATION
COMMUNICATION TECHNOLOGY AND
DIGITAL ECONOMY**

**FOR THE YEAR ENDED
30 JUNE, 2023**

OFFICE OF THE AUDITOR GENERAL
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STATE DEPARTMENT FOR INFORMATION COMMUNICATIONS TECHNOLOGY AND DIGITAL
ECONOMY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2023

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

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1. Acronyms and Glossary of Terms

AIE	Authority to Incur Expenditure
CFO	Chief Finance Officer
HAU	Head of Accounting Unit
IPSAS	International Public Sector Accounting Standards
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
PFM	Public Finance Management
AYECs	Ajira Youth Empowerment Centres
BPO	Business Process Outsourcing
CIH	Constituency Innovation Hubs
EARTTDFP	Eastern Africa Regional Transport, Trade and Trade Development Facilitation Project
GCCN	Government Common Core Network
LMCCP	Last Mile County Connectivity Project
NOFBI	National Optic Fibre Backbone Infrastructure
KOTDA	Konza Technopolis Development Authority
ICT	Information Communication and Technology
UHC	Universal Health Coverage
ICTA	ICT Authority
SDGS	Sustainable Development Goals
ODPC	Office of the Data Protection Commissioner
SAGAs	Semi-Autonomous Government Agencies
PPR	Programme Performance Review
OFC	Optic Fibre Cable

2. Key Entity Information and Management

(a) Background information

The State Department for ICT was established through an Executive Order No. 1/2023 of to promote the development of the ICT Infrastructure and Services Country wide as envisaged in Kenya Vision 2030. At cabinet level, the State Department for ICT and Innovation is represented by the Cabinet Secretary for Ministry of ICT, Innovation and Youth who is responsible for the general policy and strategic direction of the department.

Vision

A world class ICT infrastructure facilitating universal access to ICT services in Kenya.

Mission

To develop ICT infrastructure for the provision of universal access to ICT services in the Country.

Mandate and Functions of the State Department

The mandate of the State Department is derived from the Executive Order No. 1/2023 of which stipulates the following functions;

- National ICT Policy and Innovation
- Promotion of E-Government
- Promotion of Software Development Industry
- ICT Agency (E-Government, Kenya ICT Board and Government IT Services)
- Provision of ICT Technical Support to MDAs
- Policy on Automation of Government Services
- Development of National Communication Capacity and Infrastructure
- Management of National Fibre Optic Infrastructure.

Core Values

- Accountability and transparency
- Equity and equality
- Professionalism and ethical practices
- Teamwork and passion for results
- Honesty and integrity
- Innovativeness and creativity
- Efficiency and effectiveness
- Patriotism

(b) Key Management

The State Department day-to-day management is under the following key organs:

- ✓ Office of the Accounting Officer; and
- ✓ Heads of Departments Committee

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Cabinet Secretary	Eliud Owalo
2	Accounting Officer	Eng. John Tanui
2.	Secretary Administration	Mohamed Jabane
3.	Director ICT	Andrew Opiyo
4.	Senior Chief Finance Officer	Stephen Karani
5	Senior Deputy Accountant General	Francis Odera
6	Director HRM	James Gatere
7	Director SCMS	John Ogutu

d. Fiduciary Oversight Arrangement

The following State Department Committees provided the fiduciary oversight arrangements to ensure prudent financial management;

1. State Department Budget Implementation Committee

- To review and consider the cash flow plan
- To review the utilization of cash limits
- To review and recommend reallocation of expenditures
- To prepare budget for the State Department in consultation
- To implement the Treasury Circular on expenditures

2. State Department Audit Committee

- Review and approve the internal audit work plan and forward it to PS for funding
- Review the internal and external filing, recommendation and proposed corrective and preventative action where necessary
- Review the systems established to ensure sound public financial management and internal control as we compliance with polices, rule, regulations and procedures

(e) State Department for ICT & Digital Economy Headquarters

P.O. Box 30025 -00100
Telposta towers
Kenyatta avenue
NAIROBI, KENYA

Contacts

Telephone: +254 (20) 4920000
Email: info@information.go.ke or ps@information.go.ke
Website: www.information.go.ke

(f) State Department ICT & Digital Economy Bankers

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

(g) Independent Auditor

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

(h) Principal Legal Advisor

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

3. Statement of Governance

The Ministry of Information, Communications and The Digital Economy (MOIC-DE) was created vide Executive Order No. 1 of October, 2022 with the responsibility of formulating, administering, managing and developing the Information, Broadcasting and Communication policy and developing and managing the ICT infrastructure in the Country.

The Ministry is headed by Mr. **Eliud O. Owalo, FIHRM** the **Cabinet Secretary**. The Ministry has two State Department namely State Department for ICT & Digital Economy and the State Department for Broadcasting & Telecommunications.

The State Department for ICT & Digital Economy is headed by Principal Secretary **Eng. John Tanui, MBS** while State Department for Broadcasting & Telecommunications is headed by Principal Secretary **Prof. Edward Kisiang'ani**. The two Principal Secretaries are responsible to the Cabinet Secretary. Further the PS is the Accounting Officer with the main role of implementing the Government policies and the Strategic Plan for the State Department.

There are two Management Committees established under the State Department for ICT and Digital Economy. These are the *Budget Implementation Committees* (BIC) and the *Ministerial Human Resource Management Advisory Committee* (MHRMAC).

Budget Implementation Committees (BIC)

Oversees budget implementation and regularly advise the Principal Secretary on the performance of the budget, reviews and considers the cash flow plans, review the utilization of cash limits and consider any changes as may be required, reviews the utilization of donor funds voted for the State Department, advises the Accounting Officer on any challenges related to the budget implementation, reviews and recommends reallocation of expenditures, reviews and approves the submission of the expenditure returns, nonfinancial reports, IPPD, Pending bills and A-I-A returns for the Department and recommends actions to be taken, participates in Sector Working Groups and prepares the budgets for the State Department in consultation with Heads of Departments.

Ministerial Human Resource Management Advisory Committee (MHRMAC)

The Principal Secretary is responsible for the administration and management of human resource functions in the Department. To fulfil this role, the Public Service Commission and its attendant regulations requires Ministries to constitute the Ministerial Human Resource Management Advisory Committee (MHRMAC) under the delegated authority. The PS chairs MHRMAC and advises the Cabinet Secretary on HRM&D matters. The MHRMAC manages the training and development function, considers and approves training objectives, staff development strategies, training needs, training projections, skills inventory and training data, advises on optimal utilization of local and

foreign training resources and opportunities, identifies for selection suitable applicants for various training programmes and assesses the impact and effectiveness of the training.

The *Project Implementation Committee* is constituted by the Principal Secretary in each Financial Year to oversee the initiation and implementation of Projects in the Department. The Project Committee members are drawn from Secretary Administration Department as the chairperson, Chief Finance Officer, Four Members appointed on ad hoc basis from the Technical Department (Directorate of ICT), Head of Accounts and Head of Procurement, Director of Planning who serves as the Secretariat.

The functions of the Project Management Committee are:

- i. To review project concept notes and made recommendations to the Principal Secretary for decision making within thirty days;
- ii. To review project pre-feasibility and feasibility studies and make recommendations to accounting officer for decision making;
- iii. To identify the potential project risks and mitigating measures not covered in the project concept note, pre-feasibility or feasibility studies;
- iv. To prioritize projects based on the National Government Ministries: Departments and Agencies Strategic Plan, Medium Term Plan, and national and County development plans;
- v. To recommend the mode of project financing; and
- vi. To provide guidance on any changes in the project design

During the FY 2022/23 the Committee was duly constituted and held more than seven (7) meetings to deliberate on issues affecting Projects and the implementation status. About six projects were recommended for approval and implementation.

The Audit Committee, supports the Accounting Officers by monitoring and reviewing the risk, control and governance processes that have been established in the entity pursuant to Government policies. This is achieved by introducing an independent perspective and a process of constructive challenge, not to undermine the actions of the Principal Secretary but to help the PS be fully assured that the most cost-effective control and governance processes are in place. The governance processes enhance the performance of the State Department and the Audit Committee takes an independent view of these processes.

According to the Public Finance Management Regulations, 2015, the Membership of the Audit Committee should not be drawn from those who are responsible with State Department's management. During the FY 2022/23 the Audit Committee was composed of National Treasury representative and Internal Audit Department members. Specifically, the Committee was composed

of CPA Samuel B Mokaya Chairman (National Treasury Representative), CPA Agnes Kiritu Secretary, with Members as follows; CPA Mercy Mulei, CPA Racheal Kagwanja, CPA Jane Micheni, Mr. Peter Njagi, Mr. Abednego Muindi, Ms. Isabelle Mwangi, Ms. Sofia Aden, Ms. Lorna Maina, Ms. Tabitha Karanja, Ms. Edith Mari.

The Public Finance Management Regulations, 2015 lists the following duties and responsibilities of audit committee:

- (i) Obtain assurance from management that all financial and non-financial internal control and risk management functions are operating effectively and reliably.
- (ii) Provide an independent review of the Department's reporting functions to ensure the integrity of financial reports.
- (iii) Monitor the effectiveness of the entity 's performance management and performance information.
- (iv) Provide strong and effective oversight of the State Department's internal audit function.
- (v) Provide effective liaison and facilitate communication between management and external audit.
- (vi) Provide oversight of the implementation of accepted audit recommendations.
- (vii) Ensure the entity effectively monitors compliance with legislative and regulatory requirements and promotes a culture committed to lawful and ethical behavior.

In the FY 2022/23 the Audit Committee held six (6) meetings and undertook the following activities: tracked transport and grants and carried out a comprehensive audit of the same, checked and audited the pending bills to ensure that they tallied with the declared pending bills in the Financial Statements 2021/22. Further, the Committee developed the Audit Committee Charter, Internal Audit Charter and the Strategic Plan.

The State Department has put risk management and mitigation measures in place, compliance and checks for conflict of interest. The State Department was sensitized through capacity building the Corruption Prevention Committee members and staff are well versed with the comprehensive corruption assessment, mitigation, prevention procedures as well as reporting to EACC during the mid-term evaluation meeting with the Ministerial Corruption Prevention Committee on 4th April 2022. The State department filled the Bribery and Corruption Risk Assessment and Mitigation Plan, maintained Gifts Register Books and localized and gazette the Public Servants General Leadership and Integrity Code for the Department.

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The Heads of Department (HoDs) were trained in the Strategic Leadership Development Programme (SLDP) and other leadership courses administered by Kenya School of Government (KSG) and the Eastern and Southern African Management Institute (ESAMI).

The State Department has embraced public participation in delivering its mandate. The State Department invites and ensures public participation views and concerns are included in developing policy, legal, regulatory and institutional frameworks. In the FY 2022/23 Public Participation forums for internal and external stakeholders were held during the review and development of ICT Sector Plan (2023-2027), MTEF and Sector budget making process, Strategic Plan Development, review and development of Data Protection Regulations that is; Data protection (General Regulations) 2021; Data Protection (Compliance and Enforcement) Regulations, 2021; Data Protection (Registration of Data Controllers and Data Processors) Regulations ,2021; Digital Economy Strategy for Kenya and the Kenya National Digital Masterplan (2022-2032).

The State Department complied with all the set Government Laws and regulations, Executive Orders and Circulars. These are highlighted as Executive Order No. 1 of 2022, PFM Act and regulations during Medium Term Expenditure Framework (MTEF), Public Procurement and Disposal Act (PPDA) in procurement, Human Resource Policies, Manuals and Regulations as issued by the Public Service Commission.

4.Statement by the Cabinet Secretary

Kenya has embarked on a digital transformation journey, to ensure that the digital economy benefits become our reality. To harness these benefits, we have to build ecosystems that facilitate digital transactions nationally, regionally and globally.

The Ministry of Information, Communications and the Digital Economy is keen on establishing a robust ICT-driven economy, powered by ICT infrastructure and innovations towards meeting Kenya's 21st Century's needs. Towards this end, the Ministry has embarked on an ambitious plan to provide meaningful universal access to the Internet and broadband solutions, driven by a robust fibre optic network backbone that is the Digital Superhighway. The Ministry is committed to enhancing last mile connectivity and to implementing strategies that will facilitate access to both low-cost Smart devices and universal access to the Internet.

The Government has prioritized rollout of digital superhighway of 100,000 Kms of optic fibre; (52,000km by the Government and 48,000km by the private sector) and implementation of 25,000 Free Public Wi-Fi across the country (Ji-Konnect Hotspots) under the Government Digital Transformative Agenda.

According to the Global Connectivity Report, 2022, there has been tremendous progress in digitalisation and connecting the world. In addition, the use of ICT has heavily impacted globalization in nearly all aspects, from connecting people to production processes and enhancing the supply chain logistics. The growth of connectivity by 2030 will be enormous and bandwidth requirements will be in Terabytes, due to big data consolidation and analytics. A single Households could need 2 Gbps of broadband speed by 2030. A new report from the Fibre Broadband Association predicts that a four-person household will require 2,141 Mbps speeds in the next decade.

In the Kenya Vision 2030, the ICT sector is expected to contribute 10% of the Gross Domestic Product (GDP) of the Kenyan economy. As an enabler, ICT has contributed immensely to improvement in e-government services, e-business, e-commerce, entrepreneurship and digital skills, and enhancing market competitiveness of the country's products and services. ICT has positively impacted on governance and other sectors of the economy and effectively played a key role in international and regional economic integration, improved living standards, narrowed the digital divide, as well as improved resource utilisation and management.

Nationally, the KNBS Economic Survey 2023, shows that the value of ICT output recorded 7.7% growth from KSh 564.8 billion in 2021 to KSh 608.1 billion in 2022. ICT is revolutionizing the private and the public sectors for improved service delivery, increased productivity and efficient production processes, fintech services and education services. However, ICT services, systems and infrastructure are threatened by information security, cyber threats, data protection issues, vandalism of infrastructure and inadequate legal frameworks to protect the rights of creators and innovators.

By the close of 2023, all Government services will be available online, so that every Kenyan has online access to them. Government services are going to be delivered quickly and efficiently at the time and place that they are needed. All arms of Government will build, deploy, operate and manage locally built back-end and front-end systems to deliver services. The Government will ensure that Kenyan data is stored safely and in a manner that protects the privacy of citizens to the utmost. Government services will be delivered in a manner that ensures we have a prosperous, free, open and stable society.

The Ministry recognises that it must play a leading role towards bringing down the cost of living, eradicating poverty, creating jobs, increasing revenue collection, improving our foreign exchange balance and increasing economic growth. Accordingly, it is prioritizing projects that will support these areas of national focus. The Ministry is collaborating with relevant stakeholders to support successful implementation of identified programmes, projects, policies, legal and institutional reforms.

The State Department for ICT and Digital Economy has so far achieved several milestones from its mandates as follows:

1. Management of National Fibre Optic Infrastructure
2. Konza Complex and Horizontal Infrastructure
3. Konza National Data Centre & Smart City Facilities (2019-2022)
4. ICT Connectivity to Public Hospitals under Universal Health Care Program
5. Ajira Training programme



Eliud Owalo, FIHRM

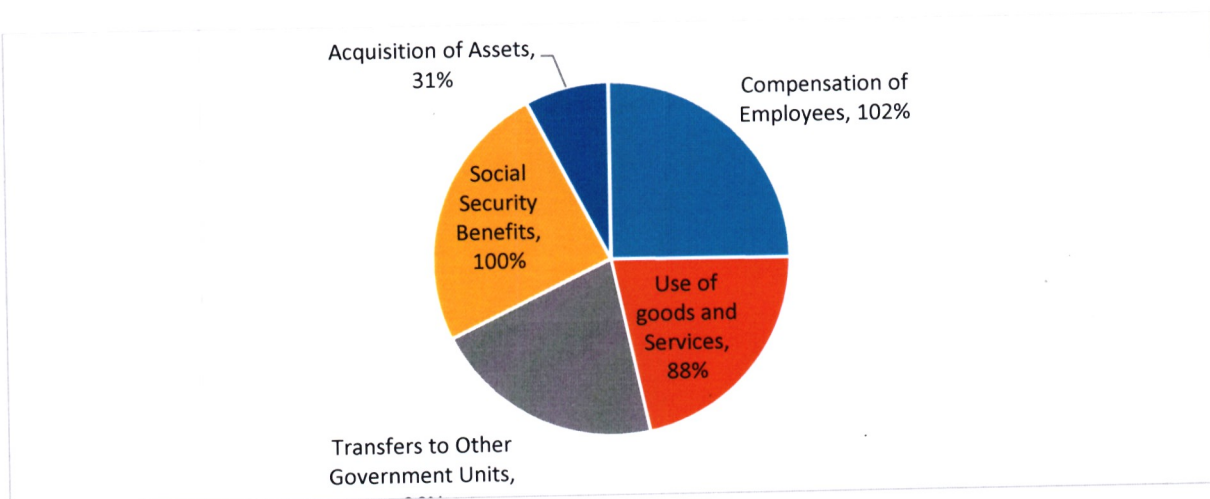
Cabinet Secretary

Ministry of Information Communications and The Digital Economy.

5. Statement by the Principal Secretary

The State Department for ICT and Digital Economy is mandated to; develop the National ICT and innovation policy; promote e-government services; promote software development and provision of ICT technical services to MDAs among others. The approved budget for the FY 2022-2023 was Ksh 14,485,293,970 while the actual expenditure was Ksh 11,681,207,871 which represents approximately 81% of the budget. The following table indicates expenditure as per the economic classification.

Economic classification	Final Budget	Actual on Comparable Basis	Budget Utilization Differences	% of Utilization
Compensation of Employees	269,900,000	270,006,518	-106,518	100%
Use of goods and Services	281,682,818	250,398,171	31,284,647	89%
Transfers to Other Government Units	12,371,429,763	10,645,153,435	1,726,276,328	86%
Social Security Benefits	40,399,974	40,399,975	-1	100%
Acquisition of Assets	1,521,881,415	475,249,774	1,046,631,641	31%
TOTAL	14,485,293,970	11,681,207,871	2,804,086,099	81%

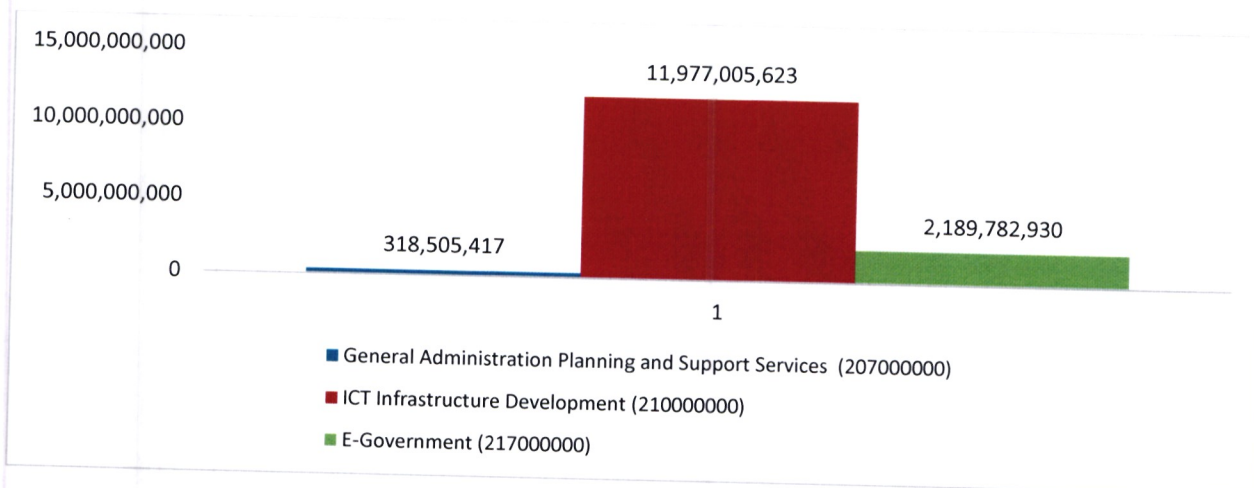


The above expenditure as per economic classification may be represented through pie charts as shown above.

While expenditure as per the programmes is as shown below:

Program/Sub Programme	Original Budget	Actual cumulative to date (30th June, 2023)	Budget utilization difference
	2023	2023	
General Administration Planning and Support Services (207000000)	318,505,417	324,216,864	- 5,711,447.05
General Administration, Planning And Support Services (207010000)	318,505,417	324,216,864	- 5,711,447.05
ICT Infrastructure Development (210000000)	11,977,005,623	9,706,562,633	2,270,442,989.70
ICT Infrastructure Connectivity (210010000)	3,036,835,914	1,368,801,615	1,668,034,298.95
ICT and BPO Development (210020000)	8,930,169,709	8,335,261,018	594,908,690.75
ICT and BPO Development (210030000)	10,000,000	2,500,000	7,500,000.00
E-Government (217000000)	2,189,782,930	1,650,802,775	538,980,155.25
E-Government (217010000)	2,189,782,930	1,650,802,775	538,980,155.25
Grand Total	14,485,293,970	11,681,582,272	2,803,711,697.90

The budget execution based on programmes may be represented through bar chart as shown below:



The following are some of the achievements for the State Department within FY 2022-2023

National Optic Fiber Backbone Infrastructure (NOFBI)

National Optic Fiber Backbone Infrastructure (NOFBI) is intended to provide all Government offices with connectivity in order to deliver multiple services which include voice, internet and e-"Government applications in a more efficient manner. The State department for ICT and Digital Economy have implemented NOFBI project in three phases with initial phase 1 of 4,300 Km, Phase II of 2,100 Km and Phase 2 Expansion which is currently on going of another 2,500 Km of fibre. In summary, 284 county commissioner/DCC, 28 Hospital, 14 police stations, 6 airports and 159 MDAS has been connected. NoFBI has improved service provision in the counties and improved connectivity to Government users.

Konza Complex

The project entails the construction, equipping and commissioning of an Office Block, Conference Facility and Hotel Block to accommodate the city's Headquarters. Construction of phase 1, i.e. Office Block is 100% complete and has been occupied with extra space available for letting. The Conference Facility at 57% completion with construction ongoing, while the Hotel Block is at feasibility study stage to inform design, scoping, construction and operation.

Horizontal Infrastructure through EPC-F at Konza Techno city

The project entails design, construction, equipping and commissioning of Phase 1 Streetscapes, Subsurface Utilities (i.e., water, power, fiber, waste systems etc.), Wastewater Reclamation Facility (WRF), Water Treatment Plant (WTP), Municipal/ Public Buildings and Parks within Phase 1 of the Technopolis.

The project is 70% complete, with construction works ongoing for the Streetscape, Electrical Works, Water Works - i.e., Wastewater Reclamation Facility (WRF) and Water Treatment Plant, Solid Waste Pneumatic Facilities, Furnished Apartments and the Public Safety Centre, all which are at advanced stages of development.

Konza National Data Centre & Smart City Facilities (2019-2022)

Government is implementing Konza National Data Centre and Smart City Facilities (KNDC& SF) project to support nationally all ICT dependent applications, processes and technologies. Project is implemented in two phases.

Phase 1 Data Centre is 100% complete has been operationalized and clients on boarded.

The Phase 2 data centre, which is the Primary Data Centre (PDC) is at 98% completion and was commissioned by H. E President Uhuru Kenyatta in July 2021.

ICT Connectivity to Public Hospitals under Universal Health Care Program

In FY 2022/2023, The Ministry of IC & DE managed to implement LAN in 12 level 5 and 4 hospitals. Cumulatively, the State Department has implemented LAN in more than 35 public hospitals. In addition to this, the Ministry in partnership with Google Africa is implementing LAN and Wide Area Network (WAN) in nine (9) level 5 and 4 hospitals. The Ministry has also managed to connect more than 45 public hospitals to NOFBI. In FY 2023-2024, the Ministry plans more connectivity to hospitals.

Ajira Training programme

The Ajira Digital Program is a government initiative through the State Department for ICT & DE that is aimed at providing a million young people access digital job opportunities. The program seeks to position Kenya as a choice labour destination for multinational companies as well as encourage local companies and public sector to create digital work. The government digitization projects already create lots of viable micro work that can be completed by digital workers.

Access to digital work will build wealth and grow the middle class across the country.

These achievements have however faced various challenges such as inadequate funding for the programmes, inadequate staffing, vandalism of cables and other equipment and cable cuts among others. However, these challenges are being addressed through close collaboration with other players in the sector.



ENG. JOHN K. TANUI, MBS
PRINCIPAL SECRETARY

6. Statement of Performance Against Predetermined Objectives for FY2022/23

Section 81 (2) (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector, Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key development objectives of the MDA's 2018-2022 plan are to:

- a) To formulate, review and implement appropriate policies, legal and institutional frameworks that improve efficiency of service delivery.
- b) To develop a world class ICT infrastructure that ensures access to efficient, reliable and affordable ICT services.
- c) To provide universal access to E-Government services to promote knowledge-based society,

Progress on attainment of Strategic development objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

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Program	Strategic objective	Outcome	Indicator	Performance
Policy and legal frameworks	To formulate review and Implement appropriate policies, legal and institutional frameworks	Improve efficiency of service delivery	Number of policies developed	For FY 2022- 2023, 1 policy documents was developed and reviewed
ICT Infrastructure development.	To develop a world class ICT infrastructure	Increased access to efficient, reliable and affordable ICT services	% of NOFBI cable maintenance and rehabilitation, % of completion of and the Techno city, % of completion of data center	For the FY 2022- 2023, There was maintenance of NOFBI and rehabilitation of the entire 630KM of fiber network from Eldoret to Nanadapal Southern Sudan and 80% horizontal infrastructure for the technocity and 70% of data center completed
E- Government services	To provide universal access to E- Government services	Knowledge e based society and increased employment opportunities	No of government buildings connect to government backbone network, % of LLMCCP network maintained, % of maintenance of GCCN, ; No of youths trained on inline Jobs, Number of Constituency Innovation hubs constructed.	For FY 2022- 2023, the State Department provided technical advisory and support to 10 MCDAs on deployment of ICT infrastructure and systems. 90% of LMCCP project maintained, 100% maintenance of GCCN network, 103,781 youths trained, 400,000 people connected to online jobs,30 constituency innovation hubs (CIH) connected

7. Management Discussion and Analysis

The State Department for ICT and Digital Economy was established through an Executive Order No. 1 and given the following Mandate: Facilitate the Development of the Information and communication Sector (including Broadcasting multimedia); Data Protection Policy and Regulation of Personal Data Services; National ICT Policy; Promotion of ICT Innovation and Digital Economy; Promotion of E-Government; Promotion of Software Development Industry; Provision of ICT Technical Support to MDAs; Policy on Automation of Government Services; Development of National Communication Capacity and Infrastructure and Management of National Fibre Optic Infrastructure.

During the period under review, the State Department for ICT & Digital Economy had three Directorates namely the Directorate of Infrastructure, Directorate of E-Government and Digital Economy, Directorate of ICT Security, System Audit and Control and General Administration and Support Services, and one Independent Office (The Office of the Data Protection Commissioner). In addition, the State Department had two Semi-Autonomous Government Agencies (SAGAs): Information Communication Technology Authority (ICTA) and Konza Technopolis Development Authority (KOTDA).

Other SAGAs under the State Department include Kenya Advanced Institute of Science and Technology (Kenya-AIST), established under Universities Act, 2012 (No. 42 of 2012), Kenya Advanced Institute of Science and Technology Order, 2022. The institute was transferred to the State Department vide Executive Order No. 1 of 2023. The process of transfer from State Department for Higher Education was completed in 30th June, 2023.

The East Africa Marine Cable System Ltd (TEAMS) Limited transferred through Executive order No. 1 of 2023 is a company owned by the Government of Kenya who have 20% shareholding and the 80% is distributed amongst the local Internet Service Providers and Telco Operators based in Kenya.

The Programme Performance Review (PPR) report contains a detailed appraisal of the composition, allocation and utilization of the State Department resources during the period 2020/21- 2022/23. It also indicates both financial and non-financial performance, implementation details and progress of both GoK and donor financed projects within programmes. The report will inform and guide the State Department in addressing strategic and policy priorities.

During the period under review, the approved budget was Ksh.21,090 M, Ksh.20,169.68 M, and Kshs. 14,485.20 M, against an actual expenditure of Kshs. 18,591.0 M, Kshs.18,190 M and Kshs. 11,681 M for financial years 2020/21, 2021/22 and 2022/23 respectively. This translates to 88.14%, 90.18% and 80.64% absorption rate over the same period of time.

During the 2020/21 – 2022/23 MTEF period, the sub-sector realized a number of key achievements which include development and review of the following; National ICT Policy Guidelines 2020 (Amendments), Digital Economy Strategy for Kenya, the Kenya National Digital Masterplan (2022-2032), Developed guidelines on utilization of Data Centres, restructured ICT unit and operationalized the approved structure by recruiting 83 ICT staff in addition to promotion of existing staff of the Directorate of ICT. The sub-sector Developed and gazetted three sets of Data Protection Regulations that is; Data protection (General Regulations) 2021; Data Protection (Compliance and Enforcement) Regulations, 2021; Data Protection (Registration of Data Controllers and Data Processors) Regulations ,2021.

Under E-government Services the sector cumulatively connected 660 Government buildings at county levels and maintained all the 660 connected buildings under the Last Mile County Connectivity Project (LMCCP), Maintained and Upgraded 89 GCCN sites (Government buildings within Nairobi) and procured ICT equipment and Systems for MDAs up-to FY 2021/22 under the consolidated procurement programme.

The sub-sector also provided Public WIFI connectivity to 46 sites across Counties and sub-Counties, on boarded 5084 services to E-citizen portal, connected 35 public primary schools and 28 sites for last mile connectivity, connected 33 Government buildings to Government Unified Communication, developed and operationalized 10 Network operation centers in all regional Headquarters and operationalized the National Public Key Infrastructure in 5 MCDAs.

The Sub-sector established four ODPC regional offices in Nairobi, Mombasa, Kisumu and Nakuru and developed and issued five (5) guidance notes in registration of data controllers and data processor in telecommunication sector, education sector, private security sector, digital credit providers and health sector. In addition, the subsector has supported protection and regulation of processing of personal data in the country by registering 2,832 data controllers and data processors— and resolved 2,761 complaints from a total of 3,555 complaints received.

Under the Infrastructure Development Programme, the State Department carried out maintenance of the Government Data Centre, laid a total 12,601 KM of fiber network under NoFBI, Provided a redundant internet bandwidth in The East African Marine Systems (TEAMS) submarine Cable, Completed rehabilitation of 630KM of the NoFBI Phase I fiber networks from Eldoret to Nadapal Southern Sudan border. In addition, the State Department completed 600KM of the new build Network along the Eldoret to Nadapal for redundant network, Connected 46 hospitals under UHC, Relocated 400KM optic fibre along the Nairobi Expressway, Rironi-Mau Summit and Kenol-Marua Road, provided internet to Africities Summit, Connected 247 CIHs to the internet, trained and linked 2,079,658 youths to online jobs through the Ajira digital programme and recruited and trained 1,200 ICT graduates on high end skills under the Presidential Digital Talent Programme (PDTP).

In ICT and BPO development, the sub-sector Completed Construction of Konza Complex Phase 1A (office block) and is now hosting the Authority, 3 Government Agencies and 4 private sector organizations, completed construction of civil works under Konza Horizontal Infrastructure Phase 1 up-to 85%, completed construction and equipping of Konza National Data Centre to 100% and is hosting 49 Government organizations and 14 private sector organizations, implemented Konza Smart City facilities to 50% which entails Integrated Operation Centre (IOC), Intelligent Transport System (ITS), Citywide Network, digital signages, smart meters and sensors. The sub-sector onboarded new investors with over 80% of PHASE 1 being sold out. Under the Jitume Digital Enablement Programme, the sub-sector deployed 5,850 Virtual Desktop Infrastructure (VDIs) to 64 Technical and Vocational, Educational and Training Institutions (TVETs) countrywide, 300 VDIs in 3 Universities and 420 VDIs in 10 High schools.

The State Department faced the following notable challenges namely: power disruptions, cable vandalism and destruction during construction, Inadequate wayleave, inadequate coordination between the various stakeholders in infrastructure development, funding constraints, fluctuations in forex rates affecting the cost of capital projects, low optimization of fiber optic cable, low adoption

State Department for Information Communication Technology and Digital Economy
Annual Report and Financial Statements for the year ended 30th June 2023

of innovations and technologies, Non-interoperability of ICT infrastructure between National and County Governments, inadequate coordination between National and County Governments on fiber utilization and internet service providers, Rapid ICT technological advancements, Digital Divide between rural and urban and Cyber security threats among others.

The State Department has endeavoured to address the above challenges by operationalizing Office of the Data Protection Commissioner enacted in Data Protection and Privacy Act 2019, increased collaboration between County and National Government on deployment of the integrated ICT network and increased digitalization and digitization of government services and provided a redundant internet bandwidth in The East African Marine Systems (TEAMS) submarine Cable to improve network reliability.

The State Department will use lessons learnt for guiding future programmes and activities. This will contribute towards an efficient and effective way of allocating resources towards the realization of the objectives of BETA Government agenda, the Ministry's Strategic Plan, 4th Medium Term Plan of Vision 2030, ICT Sector Plan, Kenya National Digital Master plan (2022-2032), Digital Economy Strategy, Sustainable Development Goals (SDG's) and African Agenda 2063.

8. Environmental and Sustainability Reporting

The State Department for Information Communication Technology and Digital Economy exists to transform lives. This is our purpose; the driving force behind everything we do by putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of the sustainability activities conducted in the year:

a) Sustainability strategy and profile

The State Department for ICT was established through an Executive No. 1/2023 of January 2023 under the State Department for ICT to promote the development of the ICT Infrastructure and Services Country wide as envisaged in Kenya Vision 2030. The Key objective for the State Department is to facilitate growth of ICT Industry with the aim of contributing over 10% to the Gross Domestic Product (GDP) and creation of over 200,000 direct BPO job opportunities in the economy as envisaged in Kenya Vision 2030. The State department is divided into two sub sectors which includes ICT and BPO sector plans. The ICT sector plan consists of policies, legal and regulatory framework, the ICT infrastructure, universal access to ICT, Information security, E-Government services and regional integration. The BPO sector plan consists of policies, legal and regulatory framework, flagship projects such as Konza Technopolis, National Optic Fibre Backbone Infrastructure (NOFBI) and Digital literacy programme and other projects such as Ajira digital programme and Constituency Innovation Hub. Some of the Key project for the department includes the National Optic Fibre Backbone Infrastructure a project that involves the laying of fiber optic cables to provide high speed affordable broadband countrywide. This project has had a great impact in the country and has contributed significantly into the Kenya economy since it has ensured extensive internet accessibility in the country and has eased communication. Its expansion and maintenance will have a significant economical, Political and social impact in the country.,

b) Environmental performance /climate change/ mitigation of natural disasters

The State Department has development of policies on e-waste management as one of its strategic objectives. It will involve putting in place measures to protect environment degradation as a result of disposal of hazardous ICT equipment.

The Konza Technopolis Smart City will have an environmentally waste water reclamation facility a sewer treatment plant and a solid waste management system. A solid pneumatic system and solid waste plant to cater for the city's daily solid waste.

All projects undertaken by the State Department under goes environment impact assessment before they are initiated in order to assess their impact to the environment. Any adverse impact expected is always mitigated before, during and after the projects.

c) Employee welfare

The State Department hiring policies are governed by Public Service Commission guidelines. The State Departments advertises all vacant posts in a manner that reaches the widest pool of potential applicants and allow for at least twenty-one (21) days before closing the advert. The advert has the following details: the title of the post, number of vacancies, job description, person specification and the proposed remuneration

Appointments made under the powers delegated by the Public Services Commission to Authorized Officer in the State Department are processed through the Human Resource Management Advisory Committee in accordance with public service Commission Regulations and guidelines issued from time to time. Recruitment is undertaken based on fair competition and merit, representation of Kenya's diverse communities, adequate and equal opportunities to all gender, youth, members of all the ethnic groups, persons with disabilities and minorities.

Staff are appraised through Staff Performance Appraisal system (SPAS) which is predicated upon the principle of work planning, setting of agreed performance targets, feedback and reporting. It is linked to other human resource systems and processes including staff development, career progression, placement, rewards and sanctions. Performance appraisal is an ongoing process throughout the performance period.

Milestones over the review period should be documented and maintained Appraisee's personal file. The State Department has ensured that staff get relevant training that would facilitate continuous upgrading on core competencies, knowledge, skills and attitudes including ability to assimilate technology to enable them 'create and seize opportunities for social advancement, economic growth and individual fulfilment. Further, the department ensures that there is no overcrowding within offices where staff sits at least 1 to 1.5 metres apart. There is sufficient natural and artificial lighting within the offices and the offices are well ventilated.

d) Operational practices

The organization should outline its efforts to:

Responsible Supply chain and supplier relations

The State Department undertakes most of its procurements through open tendering where suppliers are given equal chances to tender and compete amongst themselves in an open and fair manner. Once Contracts entered and executed, payments are done promptly without any unnecessary delays.

e) Community Engagements-

The State Department has been engaged in tree planting activities in various counties in the country. This is carried out in conjunction with members of the community so that they may own the project and ensure sustainability.

f) Corporate Social Responsibility

The State Department in partnership with Huawei Technologies Kenya Limited donated computers to Maseno School with the aim of enhancing computer skills to students in Secondary schools.

9. Statement of Management Responsibilities

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the State Department for Information Communication Technology and Innovation is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the State Department for Information Communication Technology and Innovation accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the State Department for Information Communication Technology & Innovation financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022, and of the entity's financial position as at that date. The Accounting Officer in charge of the State Department for Information Communication Technology and Innovation further confirms the completeness of the accounting records maintained for the State Department for Information Communication Technology and Innovation which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the State Department for Information Communication Technology and Innovation confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's

funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the entity's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The State Department for Information Communication Technology and Innovation financial statements were approved and signed by the Accounting Officer on 12TH September, 2023.



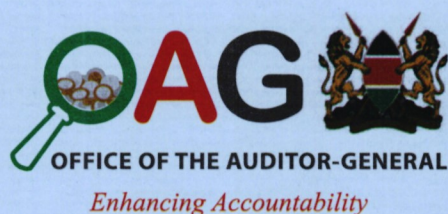
**ENG. JOHN K. TANUI, MBS
PRINCIPAL SECRETARY**



**FRANCIS ODERA
SENIOR DEPUTY ACCOUNTANT GENERAL
ICPAK MEMBER NUMBER: 5398**

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON STATE DEPARTMENT FOR INFORMATION COMMUNICATION TECHNOLOGY AND DIGITAL ECONOMY FOR THE YEAR ENDED 30 JUNE, 2023

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 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.
- 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 does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of State Department for Information Communication Technology and Digital Economy set out on pages 4 to 36, which comprise of the statement of financial assets and liabilities as at 30 June, 2023 and the

Report of the Auditor-General on State Department for Information Communication Technology and Digital Economy for the year ended 30 June, 2023

statement of receipts and payments, 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 State Department for Information Communication Technology and Digital Economy as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with 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 State Department for Information Communication Technology and Digital Economy 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

1. Pending Accounts Payable

Annex 1 to the financial statements reflects pending accounts payable totalling to Kshs.464,897,210 as at 30 June, 2023. However, the annex reflects an opening balance of Kshs.21,954,928 while the audited financial statements for 2021/2022 reflects a closing balance of Kshs.178,918,663 resulting to a variance of Kshs.156,963,735 which has not been explained or reconciled. The Management has not explained why the bills were not settled during the year when they occurred.

Failure to settle bills during the year to which they relate distorts the financial statements and adversely affects the budgetary provisions for the subsequent year as they form a first charge.

2. Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on a comparable basis of Kshs.14,485,293,970 and Kshs.11,681,365,783 respectively resulting to an under-funding of Kshs.2,803,928,187 or 19% of the budget. Similarly, the State Department expended Kshs.11,681,207,871 against an approved budget of Kshs.14,485,293,970 resulting to an under-expenditure of Kshs.2,804,086,099 or 19% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not qualified on the basis of these matters.

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.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the 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

Unsurrendered Authority to Incur Expenditure

Review of the financial records of the State Department revealed that Authority to Incur Expenditure (AIE) of Kshs.14,966,364 was issued to the National Land Commission (NLC) in the financial year 2019/2020. The funds were to be utilized for purchase of ICT Networking and Communication Equipment. However, the NLC did not provide expenditure returns for audit review. Management has explained that they have been various correspondences with Management of NLC requesting for the returns without success.

In the circumstances, the value for money on the expenditure of Kshs.14,966,364 on acquisition of ICT Networking equipment could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAI) 4000. The standard 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 EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with 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.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the State Department's ability to continue to sustain its services, disclosing as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the State Department or to cease operations.

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

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

Those charged with governance are responsible for overseeing the 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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the State Department's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date

of my audit report. However, future events or conditions may cause the State Department to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the State Department to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

I also provide the Management with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

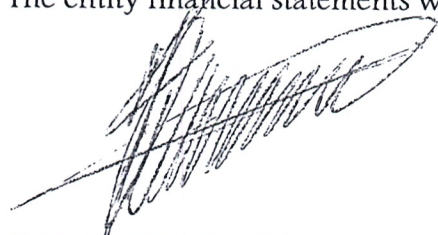
02 January, 2024

11. Statement of receipts and payments for the year ended 30th June 2023

		Period ended 30th June, 2023	Period Ended June, 30 th 2022
	Note	2022-2023	2021-2022
		Kshs	Kshs
RECEIPTS			
Transfers from National Treasury	1	2,695,820,186	3,817,552,190
Proceeds from Foreign Borrowings	2	8,045,007,274	14,107,171,403
Other Revenues	3	940,538,323	259,363,239
TOTAL REVENUES		11,681,365,783	18,184,086,831
PAYMENTS			
Compensation of Employees	4	270,006,518	275,449,083
Use of goods and services	5	250,398,171	419,458,087
Transfers to Other Government Units	6	10,645,153,435	16,567,367,983
Social Security Benefits	7	40,399,975	7,908,605
Acquisition of Assets	8	475,249,774	912,566,324
TOTAL PAYMENTS		11,681,207,871	18,182,750,083
SURPLUS/DEFICIT		157,911	1,336,748

The accounting policies and explanatory notes form an integral part of the financial statements.

The entity financial statements were approved on 12TH September, 2023 and signed by:



ENG. JOHN K. TANUI, MBS
PRINCIPAL SECRETARY

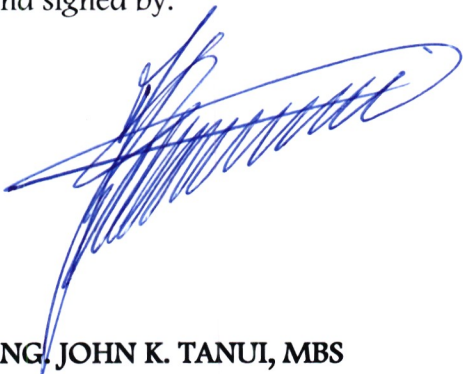


FRANCIS ODERA
SENIOR DEPUTY ACCOUNTANT GENERAL
ICPAK MEMBER NUMBER: 5398

12. Statement of Financial assets and Financial liabilities as at 30th June 2023

	Note	As At 30th June, 2023	As At 30th June, 2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	9A	69,529,355	179,042,876
Cash Balances	9B	-	-
Total Cash and Cash Equivalents		69,529,355	179,042,876
Accounts Receivables - Outstanding Imprest and Clearence Accounts	10	20,194	15,069,260
TOTAL FINANCIAL ASSETS		69,549,549	194,112,136
LESS: FINANCIAL LIABILITIES			
Accounts Payables - Deposits	11	69,288,742	177,807,906
NET FINANCIAL ASSETS		260,807	16,304,230
REPRESENTED BY			
Fund balance b/fwd	12	16,304,230	172,249,750
Prior year adjustments	13	- 16,201,335	- 157,282,268
Surplus/Defict for the year		157,911	1,336,748
NET FINANCIAL POSSITION		260,806	16,304,230

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 12TH September, 2023 and signed by:



ENG. JOHN K. TANUI, MBS
PRINCIPAL SECRETARY



FRANCIS ODERA
SENIOR DEPUTY ACCOUNTANT GENERAL
ICPAK MEMBER NUMBER: 5398

13. Statement of cash flows for the year ended 30th June 2023

	No te	Period ended 30th June, 2023	30th June, 2022
		Kshs	Kshs
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts for operating income			
Transfers from National Treasury	1	2,695,820,186	3,817,552,190
Other Revenues	3	940,538,323	259,363,239
		3,636,358,509	4,076,915,429
Payments for operating expenses			
Compensation of Employees	4	270,006,518	275,449,083
Use of goods and services	5	250,398,171	419,458,087
Transfers to Other Government Units	6	10,645,153,435	16,567,367,983
Social Security Benefits	7	40,399,975	7,908,605
		11,205,958,098	17,270,183,759
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	14	15,049,066	72,924,683
Increase/(Decrease) in Accounts Payable: (deposits and retention)	15	-	-
Prior Year Adjustments	13	16,201,335	157,282,268
		7,679,271,022	13,310,168,258
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	8	(475,249,774)	(912,566,324)
Net cash flows from Investing Activities		(475,249,774)	(912,566,324)
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from Foreign Borrowings	2	8,045,007,274	14,107,171,403
Net cash flow from financing activities		8,045,007,274	14,107,171,403
NET INCREASE IN CASH AND CASH EQUIVALENT		109,513,521	115,563,179
Cash and cash equivalent at BEGINNING of the year		179,042,876	294,606,055
Cash and cash equivalent at END of the year		69,529,354	179,042,876

State Department for Information Communication Technology and Digital Economy
Annual Report and Financial Statements for the year ended 30th June 2023

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 12TH September, 2023 and signed by:

ENG. JOHN K. TANUI, MBS
PRINCIPAL SECRETARY



FRANCIS ODERA
SENIOR DEPUTY ACCOUNTANT GENERAL
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State Department for Information Communication Technology and Digital Economy
Annual Report and Financial Statements for the year ended 30th June 2023

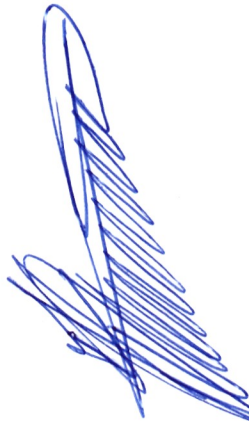
14. Statement of Comparison of budget and Actual Amounts for FY2022/23

Receipt/Expense Item	Original Annual Budget	Adjustments	Final Annual Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c%
RECEIPTS						
Exchequer releases	6,152,400,000	-	3,234,593,970	2,695,820,186	538,773,784	83%
Proceeds from Foreign Borrowings	12,666,700,000	-	9,870,700,000	8,045,007,274	1,825,692,726	82%
Other Receipts	435,000,000.00	945,000,000	1,380,000,000	940,538,323	439,461,677	68%
Total	19,254,100,000	4,768,806,030	14,485,293,970	11,681,365,783	2,803,928,187	81%
PAYMENTS						
Compensation of Employees	264,000,000	5,900,000	269,900,000	270,006,518	-106,518	100%
Use of goods and Services	822,193,805	-540,510,987	281,682,818	250,398,171	31,284,647	89%
Transfers to Other Government Units	14,481,700,000	2,110,270,237	12,371,429,763	10,645,153,435	1,726,276,328	86%
Social Security Benefits	40,400,000	-26	40,399,974	40,399,975	-1	100%
Acquisition of Assets	3,645,806,195	2,123,924,780	1,521,881,415	475,249,774	1,046,631,641	31%
Total	19,254,100,000.0	4,768,806,030	14,485,293,970	11,681,207,871	2,804,086,099	81%
Surplus/Deficit				157,911		

Notes:

1. The under receipts of 17% exchequer releases was caused by delays in funding of exchequer requests.
2. The under receipt of 32% on other receipts was caused by delays in honouring invoices by service and infrastructure consumers/end users.
3. The under expenditure of 69% on acquisition of assets was caused by budget cuts and delays in funding exchequer requests.
4. The budget adjustment of Ksh **4,768,806,030** was caused by budget reallocations within the financial year.

The entity financial statements were approved on 12TH September, 2023 and signed by:



**ENG. JOHN K. TANUI, MBS
PRINCIPAL SECRETARY**



**FRANCIS ODERA
SENIOR DEPUTY ACCOUNTANT GENERAL
ICPAK MEMBER NUMBER: 5398**

State Department for Information Communication Technology and Digital Economy
Annual Report and Financial Statements for the year ended 30th June 2023

14 (a) Statement of Comparison of Budget and Actual Amounts: Recurrent for FY2022/23

Receipt/Expense Item	Original Annual Budget a	Adjustments b	Final Annual Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c%
RECEIPTS						
Exchequer releases	2,163,400,000	-	2,064,964,207	2,064,803,574	160,633	100%
Other Receipts	105,000,000	98,435,793	750,000,000	347,498,779	402,501,221	46%
Total	2,268,400,000	546,564,207	2,814,964,207	2,412,302,353	402,661,854	86%
PAYMENTS						
Compensation of Employees	264,000,000	5,900,000	269,900,000	270,006,518	-	100%
Use of goods and Services	217,193,805	60,871,911	156,321,894	154,341,814	1,980,080	99%
Transfers to Other Government Units	1,740,000,000	607,100,000	2,347,100,000	1,944,598,778	402,501,222	83%
Social Security Benefits	40,400,000	-	40,399,974	40,399,975	-	100%
Acquisition of Assets	6,806,195	5,563,856	1,242,339	1,620,074	377,735	130%
Total	2,268,400,000	546,564,207	2,814,964,207	2,410,967,158	403,997,049	86%
Surplus/Deficit				1,335,194		

Notes

1. The under receipt of 54% on other receipts was caused by delays in honouring invoices by service and infrastructure consumers/end users.
2. The under expenditure of 17% on Transfers to Other Government Units was caused by budget cuts and delays in funding exchequer requests.

3. The adjustments of Ksh 546,564,207 was caused by re-allocation and additional funding on the budget within the financial year.

The entity financial statements were approved on 12TH September, 2023 and signed by:



**ENG. JOHN K. TANUI, MBS
PRINCIPAL SECRETARY**



**FRANCIS ODERA
SENIOR DEPUTY ACCOUNTANT GENERAL
ICPAK MEMBER NUMBER: 5398**

State Department for Information Communication Technology and Digital Economy
Annual Report and Financial Statements for the year ended 30th June 2023

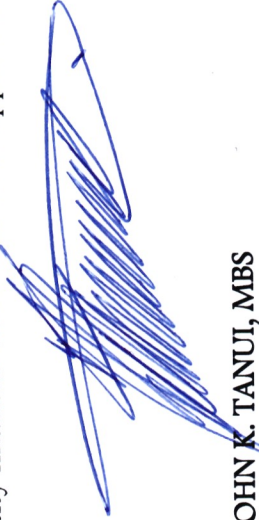
14 (b) Statement Of Comparison of Budget and Actual Amounts: Development for FY2022/23

Receipt/Expense Item	Original Annual Budget	Adjustments	Final Annual Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	a	b	c=a+b	d		e=d/c %
RECEIPTS						
Exchequer releases	3,989,000,000	-2,819,370,237	1,169,629,763	631,016,612	538,613,151	54%
Proceeds from Foreign Borrowings	12,666,700,000	-2,796,000,000	9,870,700,000	8,045,007,274	1,825,692,726	82%
Other receipts	330,000,000	300,000,000	630,000,000	593,039,544	36,960,456	94%
Total	16,985,700,000	-5,315,370,237	11,670,329,763	9,269,063,430	2,401,266,333	79%
PAYMENTS						
Use of goods and Services	605,000,000	-479,639,076	125,360,924	96,056,357	29,304,567	77%
Transfers to Other Government Units	12,741,700,000	-2,717,370,237	10,024,329,763	8,700,554,656	1,323,775,107	87%
Acquisition of Assets	3,639,000,000	-2,118,360,924	1,520,639,076	473,629,700	1,047,009,376	31%
Total	16,985,700,000	-5,315,370,237	11,670,329,763	9,270,240,713	2,400,089,050	79%
Surplus/ Deficit				-1,177,282		

Notes

1. The 46% under receipts on exchequer releases was caused by delays in funding exchequer requests.
2. The 23% under expenditure on use of goods and services was caused by delays in exchequer requests funding.
3. The 69% under expenditure on acquisition of assets was caused by delays in exchequer requests funding and budget cuts.
4. The adjustment of Ksh **5,315,370,237** was caused by budget cuts within the financial year.

The entity financial statements were approved on 12TH September, 2023 and signed by:



**ENG. JOHN K. TANUI, MBS
PRINCIPAL SECRETARY**



**FRANCIS ODERA
SENIOR DEPUTY ACCOUNTANT GENERAL
ICPAK MEMBER NUMBER: 5398**

State Department for Information Communication Technology and Digital Economy
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14 (c) Budget Execution by Programmes and Sub-Programmes for FY2022-2023

Program/Sub Programme	Original Budget	Adjustments	Final Budget	Actual cumulative to date (30th June, 2023)	% of Utilization	Outcomes
	2023		2023	2023		
General Administration Planning and Support Services (207000000)	318,505,417		318,505,417	320,895,864	101%	Improved Head Quarter operations
General Administration, Planning And Support Services (207010000)	318,505,417		318,505,417	320,895,864	101%	
ICT Infrastructure Development (210000000)	11,977,005,623		11,977,005,623	9,709,783,633	81%	Increased ICT infrastructure development
ICT Infrastructure Connectivity (210010000)	3,036,835,914		3,036,835,914	1,368,801,615	45%	
ICT and BPO Development (210020000)	8,930,169,709		8,930,169,709	8,338,482,018	93%	
ICT and BPO Development (210030000)	10,000,000		10,000,000	2,500,000	25%	
E-Government (217000000)	2,189,782,930		2,189,782,930	1,650,528,374	75%	Increased internet access
E-Government (217010000)	2,189,782,930		2,189,782,930	1,650,528,374	75%	
Grand Total	14,485,293,970		14,485,293,970	11,681,207,871	81%	

15. Notes to the Financial Statements

The principle accounting policies adopted in the preparation of these financial statements are set out below:

1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Entity

The financial statements are for the State Department for ICT and Digital Economy. The financial statements encompass the reporting entity as specified under Section 81 of the PFM Act 2012 and also comprise of the following development projects implemented by the entity:

- i. National Optic Fibre Backbone Infrastructure
- ii. Konza Technopolies Smart City
- iii. National Data Centre

3. Reporting Currency

The financial statements are presented in Kenya Shillings (Kshs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

Significant Accounting Policies (Continued)

4. Significant Accounting Policies

The accounting policies set out in this section have been consistently applied by the State Department for ICT and Digital Economy for all the years presented.

a) Recognition of Receipts

The State Department for Information Communication Technology and Innovation recognises all receipts from the various sources when the event occurs, and the related cash has been received by the State Department for Information Communication Technology and Innovation.

(i) Transfers from the Exchequer

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving State Department for Information Communication Technology and Innovation.

(ii) External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners. Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criterion is applied for loans received in the form of a direct payment.

During the year ended 30th June 2023, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

(iii) Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognised in the financial statements the time associated cash is received.

b) Recognition of payments

The Entity recognises all payments when the event occurs, and the related cash has been paid out by the State Department for ICT and Digital Economy.

Significant Accounting Policies (Continued)

i) Compensation of Employees

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

ii) Use of Goods and Services

Goods and services are recognized as payments in the period when the goods/services are paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

iii) Interest on Borrowing

Borrowing costs that include interest are recognized as payment in the period in which they are paid for.

iv) Principal on borrowing

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made.

v) Acquisition of Fixed Assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained and a summary provided for purposes of consolidation. This summary is disclosed as an annexure 2 to the financial statements.

vi) In-kind contributions

In-kind contributions are donations that are made to the Entity in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the State Department for Information Communication Technology and Innovation includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

Significant Accounting Policies (Continued)

vii) Third Party Payments

Included in the receipts and payments, are payments made on its behalf to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties in the statement of receipts and payments as proceeds from foreign borrowings.

c) 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.

A bank account register is maintained and a summary provided for purposes of consolidation.

Restriction on Cash

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation.

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2022, this amounted to Kshs 177,807,906 compared to Kshs 210,350,248 in prior period as indicated on note 11. There were no other restrictions on cash during the year.

d) Imprests and advances

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or Authority to Incur Expenditure (AIE) holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

Significant Accounting Policies (Continued)

e) Third party deposits and retention

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted for National Government Ministries and Agencies.

Other liabilities including pending bills are disclosed in the financial statements.

f) Pending Bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

g) Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits and retentions, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament in June 2021 for the period 1st July 2021 to 30th June 2022 as required by Law and there were xx number of supplementary adjustments to the original budget during the year.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements. Government Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers.

Significant Accounting Policies (Continued)

h) Comparative Figures

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

i) Subsequent Events

There have been no events after the financial year end with a significant impact on the financial statements for the year ended 30th June 2023.

j) Prior Period Adjustment

During the year, errors that have been corrected are disclosed under note 13 explaining the nature and amounts.

k) Related Party Transactions

Related party means parties are related if one party has the ability to:

- a) Control the other party or
- b) Exercise significant influence over the other party in making financial and operational decisions, or if the related party entity and another entity are subject to common control.

Related party transaction is a transfer of resources or obligations between related parties regardless of whether a price is charged.

l) Contingent Liabilities

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) A present obligation that arises from past events but is not recognised because:
 - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities, Letters of comfort/ support, insurance, Public Private Partnerships, The State Department for Information Communication Technology and Digital Economy does not recognize any 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. The State Department for ICT and Digital Economy had no contingent liabilities for the year ended 30th June 2023.

Significant Accounting Policies (Continued)

1 Exchequer releases

Description	Period ended 30th June,2023	Period ended 30th June,2022
	Kshs	Kshs
Exchequer Issue quarter 1	424,033,923	435,073,130
Exchequer Issue quarter 2	431,464,030	1,008,341,836
Exchequer Issue quarter 3	1,016,462,388	922,247,066
Exchequer Issue quarter 4	823,859,844	1,451,890,157
TOTAL	2,695,820,186	3,817,552,190

The budgeted exchequer was Ksh 3,234,593,970 we received Ksh 2,695,820,186

2 Proceeds from Foreign Borrowings

	Period ended 30th June,2023	Period ended 30th June,2022
	Kshs	Kshs
Foreign Borrowing - Direct Payments	8,045,007,274	14,107,171,403
TOTAL	8,045,007,274	14,107,171,403

The borrowing was made from China of Ksh 2,604,235,729.30 for Data Centre at Konza Technopolies and Kshs 290,346,722 for NOFBI 11 E Maintenance and from Italy of Ksh 5,150,424,822.65 for Konza Techcity project.

3 Other Receipts

	Period ended 30th June,2023	Period ended 30th June,2022
	Kshs	Kshs
Other Property Income collected as AIA	140,000,000	61,000,000
Receipts from Administrative Fees and Charges	800,538,323	198,363,239
TOTAL	940,538,323	259,363,239

The Ksh 140,000,000 was AIA collected by Konza Technopolies and Ksh 800,538,323 was AIA collected by ICT Authority.

Significant Accounting Policies (Continued)

4 Compensation to Employees

	Period ended 30th June,2023	Period ended 30th June,2022
	Kshs	Kshs
Basic salaries of permanent employees	176,699,004	168,886,115
Basic wages of temporary employees	1,000,000	2,271,000
Personal allowances paid as part of salary	92,307,514	104,291,969
TOTAL	270,006,518	275,449,084

5 Use of Goods and Services

	Period ended 30th June,2023	Period ended 30th June,2022
	Kshs	Kshs
Utilities, supplies and services	121,945	42,898
Communication, supplies and services	4,656,640	3,208,278
Domestic travel and subsistence	20,349,570	12,027,899
Foreign travel and subsistence	919,055	1,539,365
Printing, advertising and information supplies & services	518,470	2,289,609
Rentals of produced assets	82,418,867	54,197,445
Training expenses	14,156,821	14,234,382
Hospitality supplies and services	7,276,729	9,515,637
Specialised materials and services	-	795,240
Office and general supplies and services	4,747,305	2,175,443
Other operating expenses	92,907,339	298,269,174
Routine maintenance – vehicles and other transport equipment	4,784,844	5,220,631
Routine maintenance – other assets	10,523,854	10,511,273
Fuel Oil and Lubricants	7,016,733	5,430,812
TOTAL	250,398,171	419,458,087

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Notes to the Financial Statements (Continued)

6 Grants and Transfers to other Government Entities

Description	Period ended 30th June, 2023	Period ended 30th June, 2022
	Kshs	Kshs
Transfers to National Government entities		
ICT Authority, Konza Tech Dev Authority, Data Protection Commission, Projects.	10,645,153,435	16,567,367,983
See attached list		
TOTAL	10,645,153,435	16,567,367,983

6 b: Transfers to self – reporting entities in the year

The above transfers were made to the following self-reporting entities in the year as tabulated below:

Description	Recurrent	Development	Total for Year Ended 30 th June 2023	Year ended 30 th June, 2022
	Kshs	Kshs	Ksh	Kshs
Transfer to SAGAs				
ICT Authority	746,098,779	945,894,104	1,691,992,883	1,609,357,410
Konza Tech Dev Authority	564,500,000	-	564,500,000	1,037,699,999
Data Protection Commission	634,000,000	-	634,000,000	250,000,000
Transfer to projects (Direct Payments)				
Impresa Costituzione Maltauro - Konza Technocity Project		5,150,424,823	5,150,424,823	9,763,315,522
Huawei Tech-Data Centre at Konza Technocity		2,604,235,729	2,604,235,729	3,906,995,052
TOTAL	1,944,598,778	8,700,554,656	10,645,153,435	16,567,367,983

(We have confirmed the above amounts with the disbursing entities and attached these confirmations as an Appendix to these financial statements)

Notes to the Financial Statements (Continued)

7 Social Security Benefits

	Period ended 30th June,2023	Period ended 30th June,2022
	Kshs	Kshs
Government pension and retirement benefits	40,399,975	7,908,605
TOTAL	40,399,975	7,908,605

8 Acquisition of Assets

	Period ended 30th June,2023	Period ended 30th June,2022
	Kshs	Kshs
<u>Non-Financial Assets</u>		
Purchase of Office Furniture and General Equipment	1,969,174	4,147,194
Purchase of Specialised Plant, Equipment and Machinery	75,148,877	275,398,385
Research, Studies, Project Preparation, Design & Supervision	107,785,001	196,159,916
Sub Total	184,903,051	475,705,495
<u>Financial Assets</u>		
Domestic Public Non-Financial Enterprises	290,346,722	436,860,829
Sub Total	290,346,722	436,860,829
TOTAL	475,249,774	912,566,324

Domestic Public Non-Financial Enterprises relates to engineering services and project management for National Optic Fibre Backbone Infrastructure (NOFBI)

Notes to the Financial Statements (Continued)

9 Cash and Bank Accounts

9A: Bank Accounts

Name of Bank, Account No. & currency	Amount in bank account currency	Indicate whether recurrent, Development, deposit e.t.c	Exc rate (if in foreign currency)	Period ended 30th June, 2023	Period ended 30th June, 2022
				Kshs	Kshs
Central Bank of Kenya, 1000302348, KShs	Ksh	Recurrent	-	220,987	32,587
Central Bank of Kenya, 1000302364, KShs	Ksh	Development	-	19,626	1,202,382
Central Bank of Kenya, 1000302388, KShs	Ksh	Deposit	-	69,288,742	177,807,906
Total	-			69,529,355	179,042,875

10 : Imprests and Advances

Description	Period ended 30th June, 2023	Period Ended 30th June, 2022
	Kshs	Kshs
Government Imprests	-	-
Salary advances	-	82,702
Clearance accounts	20,193.9	14,986,558
TOTAL	20,193.90.	15,069,260

Name of the Institutions (Clearance accounts)	Amount given (AIE)		Accounted	Balance
	FY 2018/2019	FY 2019/2020		
National Lands Commission		14,966,364.45	14,966,364.45	0.00
Film field stations				20,194.00
Total	-	14,966,364.45	14,966,364.45	20,194.00

Notes to the Financial Statements (Continued)

11 Third party deposits and retention

	Period ended 30th June 2023	Period Ended 30th June,2022
	Kshs	Kshs
Retention	840,516	407,794
Deposits	68,448,226	177,400,112
TOTAL	69,288,742	177,807,906

Supplier of goods or services	Balance B/F From Year Ended 30th June 2022	Additions for the Period	Amount paid current Period	Outstanding balance Jun,2023
Retentions	a	b	c	d= a+b-c
1. ALBATORS GENERAL CONSTRUCTION	196,845.00		196,845.00	-
2. KOMAG ENTERPRISES	193,124.00		193,124.00	-
3.BERGH INTERNATIONALE	-	840,515.65		840,515.65
Sub Total	389,969.00	-		840,515.65
Supply of services				-
6. HUAWEI	17,825.00		17,825.00	-
Total-Rentention	407,794.00	-		840,515.65
Interior Department	673,600.00	5,512,851.35	6,186,451.35	-
KENHA (Rironi-Mau summit)	6,051,811.00	75,000,000.00	78,009,197.65	3,042,613.35
KENHA (Express Way)	101,214,201.00	-	86,681,916.70	14,532,284.30
KENHA (Kenal-Marua Project)	69,460,500.00	7,500,000.00	26,087,171.30	50,873,328.70
GRAND TOTALS	177,807,906.00	88,853,367.00	197,372,531.00	69,288,742.00

Notes to the Financial Statements (Continued)

12 . Fund Balance Brought Forward

		Period ended 30th June, 2023	30th June,2022
		Kshs	Kshs
Bank accounts	Note 9A	179,042,876	294,606,055
Receivables - Outstanding Imprests	Note 10	15,069,260	87,993,943
Payables - Deposits	Note 11	177,807,906	(210,350,248)
TOTAL		16,304,230	172,249,750

13. Prior Year Adjustments

	Balance b/f FY 2021/2022 as per audited financial statements	Adjustments during the half year relating to prior periods	Adjusted balance B/F
Description	Kshs	Kshs	Kshs
Bank account Balances	179,042,875.00	- 1,234,970	177,807,905
Cash in hand			-
Accounts Payables	- 177,807,906.00		(177,807,906)
Receivables	15,069,260.00	-14,966,345	15,069,260
Others (<i>specify</i>)			-
	16,304,229	-	15,069,259
		16,201,335	

- Adjustments of Ksh 1,234,969.70 relates to unspent exchequer that were taken back by the National Treasury at the close of FY 2021/2022 from both recurrent and development bank accounts.
- (14,966,364.45) Relates to funds issued to National Land Commission in FY 2019/2020.

Notes to the Financial Statements (Continued)

14.(Increase)/ Decrease in Advances and Imprests

Description	Period ended June 30th 2023	Prior year audited 2021- 2022
	KShs	KShs
Opening Receivables as at 1st July 2022 (A)	15,069,260	87,993,943
Closing account receivables as at 30th June 2023(B)	20,194	15,069,260
(Increase)/Decrease in Receivables (C=B-A)	15,049,066	72,924,683

15.Increase/ (Decrease) in Retention and Third-Party Deposits

Description	Period ended Jun 30th 2023	Prior year audited 2021- 2022
	KShs	KShs
Opening payable as at 1st July 2022	177,807,906	210,350,248
Closing account payable as at 30th June 2023	69,288,742	177,807,906
Increase/(Decrease) in Payables	- 108,519,164	-32,542,342

16.Related Party Disclosures

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS.

The following comprise of related parties to the State Department for ICT & Innovation

- i) Key management personnel that include the Cabinet Secretaries and Accounting Officers
- ii) Other Ministries Departments and Agencies and Development Projects;
- iii) State Corporations and Semi-Autonomous Government Agencies.

Notes to the Financial Statements (Continued)

17. Other Important Disclosures

17.1 Related party transactions

	2022-2023	2021-2022
	Kshs	Kshs
Key Management Compensation	65,108,559	61,558,558
Transfers to related parties		
Transfers to SCs and SAGAs	2,890,492,883	2,897,057,409
Transfers to Development Projects	7,754,660,552	13,670,310,574
Total Transfers to related parties	10,645,153,435	16,567,367,983
Purchase of Goods and Services		
Rent Paid to Govt. Agencies	6,672,345	14,726,351
Training Fees Paid to Govt. Agencies		162,400
Conference Facilities Hired from Govt. Agencies	238,960	2,159,500
Total goods and services paid to govt. agencies		17,048,251
Transfers from related parties		
Transfers from the Exchequer	2,695,820,186	3,817,552,189
Transfers from other MDAs	80,500,258	432,127,166
Total Transfers from related parties	2,776,320,443	4,249,679,355

Notes to the Financial Statements (Continued)

18 Pending Accounts Payable (See Annex 1)

	Balance b/f FY 2022/2023	Cumulative additions for the period	Paid during the period	Balance c/f for the period
Description	Kshs	Kshs	Kshs	Kshs
Supply of goods	-	5,750,630.00	-	5,750,630.00
Supply of services	196,103,992.68	437,191,651.44	174,149,064.00	461,357,090.05
Total	196,804,861.68	442,942,281.44	174,849,933.00	464,897,210.12

The above bills remained unpaid due to lack of exchequer funding and budget cuts in the financial year ended 30th June 2023.

19 External Assistance

	FY 2022/2023	FY 2021/2022
Description	Kshs	Kshs
External assistance received as loans and grants	8,045,007,274	14,107,171,403
Total	8,045,007,274	14,107,171,403

a) External assistance relating loans and grants

	FY 2022/2023	FY 2021/2022
Description	Kshs	Kshs
External assistance received as loans	8,045,007,274	14,107,171,403
Total	8,045,007,274	14,107,171,403

b. Classes of providers of external assistance

	FY 2022/2023	FY 2021/2022
Description	Kshs	Kshs
Bilateral donors	8,045,007,274	14,107,171,403
Total	8,045,007,274	14,107,171,403

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Notes to the Financial Statements (Continued)

c) External Assistance paid on behalf of State Department for ICT by Source

This relates to external assistance paid directly by third parties to settle obligations on behalf of the entity

	FY 2022/2023	FY 2021/2022
Description	Kshs	Kshs
Bilateral Donors	8,045,007,274	14,107,171,402.9 5
Total	8,045,007,274	14,107,171,402.9 5

20 Payments by third party on behalf of State Department for ICT and Digital Economy

This relates to payments done directly to supplier on behalf of the county governments such as; national government may fund the operation of health or education program, a donor may pay directly for construction of a given market etc.

a) Classification by Source

	FY 2022/2023	FY 2021/2022
Description	Kshs	Kshs
Bilateral donors	8,045,007,274	14,107,171,403
Total	8,045,007,274	14,107,171,403

b) Classification of payments made by Third Parties by Nature of expenses

Payments made by Third Parties	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Other grants and transfers	7,754,660,552	13,670,310,574
Acquisition of Assets	290,346,722	436,860,829
Total	8,045,007,274	14,107,171,403

21. Contingent Liabilities

The State Department for Information, Communications Technology and Digital Economy had no contingent liabilities for the period ended 30th June 2023.

Notes to the Financial Statements (Continued)

22. Progress on follow up of Prior Years Auditor-General's recommendations

The following is the summary of issues raised by the Auditor-General during the prior year and management comments that were provided.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
			(Resolved / Not Resolved)	(Put a date when you expect the issue to be resolved)
1149	<p>Unconfirmed Proceeds from Foreign Borrowings</p> <p>-As disclosed in Note 2 to the financial statements, the statement of receipts and payments reflects foreign borrowings totalling to Kshs.12,535,780,458. The balance relates to direct payments made by a Chinese Bank to the Contractor for undertaking the implementation of Konza Data Centre and Smart City Facilities Project. The payments made comprised of borrowings totalling to Kshs.2,671,086,095 for</p>	<p>It is true that payments totaling to Ksh 12,535,780,458 made in respect to Data centre at Konza Technopolis (Ksh 2,671,086,095), National Optic Fibre Backbone Project (Ksh 608,984,395) and Konza Techcity Project (Ksh 9,255,709,966) were supported by photocopies of documents. This was caused by compliance with Treasury Circular No 15/2019 dated 11th December, 2019 which requires that after the processing of the payments, where development partners make payments in respect of the contract sum directly to contractors or other persons involved in the implementation of Officially Aid Funded Projects, the MDAs shall submit the</p>	Resolved	

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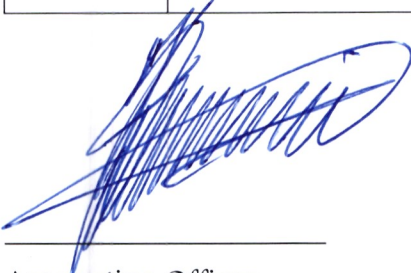
	<p>Data Centre at Konza Technopolis, an amount of Kshs.608,984,395 from China for National Optic Fibre Backbone Project and a total of Kshs.9,255,709,966 for Konza Techcity Project respectively. However, the payments were supported by photocopies of documents instead of original documents which the Management indicated that they were forwarded to the lender. Consequently, it has not been possible to confirm the propriety of payments of totalling to Kshs.12,535,780,458.</p>	<p>processed payments request to the National Treasury and planning for further processing. Additionally, It has since been agreed that copies should henceforth be certified as true copies before submission to the National Treasury.</p>		
1150	<p>Pending Bills -As disclosed under Annex 1 to the financial statements, the State Department had pending accounts payable totalling to Kshs.28,559,663 as at 30 June, 2021 which mainly arose during the year. However, Management has not provided</p>	<p>It is true that the State Department had pending accounts payable totaling to Ksh 28,559,663 as at 30th June, 2021. Most of these bills could not be processed due budget cuts . However, majority have since been settled.</p>	Resolved	30th Dec, 2022

	<p>satisfactory explanation for failure to settle the bills during the year under review. Further, failure to settle bills during the year to which they relate distorts the financial statements and adversely affects the budgetary provisions for the subsequent year as they form a first charge</p>			
1151	<p>Unresolved Prior Year Issues-In the report of the previous year, several paragraphs were raised under the Report on Financial Statements, Other Matter and Report on Lawfulness and Effectiveness in Use of Public Resources. Although the Management has indicated that some of the issues have been resolved under progress on follow up of auditor's recommendation section of the financial statements, the matters remained unresolved as at 30 June, 2021.</p>	<p>It is true that some prior years audit matters had been outstanding as at 30th June, 2021. However, most of them were resolved as at 30th September, 2021 being the deadline for submission of the annual reports and financial statements</p>	Resolved	

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<p>1152</p>	<p>Budgetary Control and Performance-The summary statement of appropriation - recurrent and development combined reflected actual receipts of Kshs.17,954,849,460 against a budget of Kshs.19,449,102,512 377 resulting into a receipts shortfall of Kshs.1,494,253,052 of the budgeted receipts. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.19,449,102,512 and Kshs.17,870,703,341 respectively resulting to an under[1]expenditure of Kshs.1,578,399,171 of the budget. The shortfall in budgeted receipts and under-expenditure implies that the overall goals and objectives of the State Department were not achieved as planned impacting</p>	<p>It is true that statement of appropriation recurrent and development reflected receipts shortfall of Ksh 1,494,253,052 and under expenditure of Ksh 1,578,399,171. This shortfalls resulted from delays in processing loan AIA payments due to tax issues resulting to under receipt on proceeds from foreign borrowing and under expenditure on the respective expenditure items. The payments have since been processed.</p>	<p>Resolved</p>	
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	negatively on service delivery to the public.			
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Accounting Officer



Head of Accounting Unit

16. Annexes
Annex 1 - Analysis of Pending Accounts Payable

Supplier of Goods or Services	Date invoiced/ Contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance
				a	b	c	d=a+b-c
Supply of goods M/S Contrust Enterprises	08/06/2023	Supply and delivery of stationery	521,630.00		521,630.00	-	521,630.00
M/S Trendmart General Supplies	13/06/2023	Supply and delivery of stationery	884,000.00		884,000.00	-	884,000.00
M/S Rein Solutions Limited	30/06/2023	Supply and delivery of 6KVA ups medium power online rack mount.	1,925,000.00		1,925,000.00	-	1,925,000.00
M/s Lenox General Supplies	22/06/2023	Supply and delivery of IPADS, Desktop computers, Laptop Computers for the CS office	2,420,000.00		2,420,000.00	-	2,420,000.00

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M/S Jomo Kenyatta University of Agriculture and Technology Industrial Park Limited	09/10/	Supply and delivery of WIFI adaptors for Utumishi project	525,000.00	525,000.00	-	525,000.00
Sub-Total Supply of services			6,275,630.00	525,000.00	5,750,630.00	6,275,630.00
Geonet Technologies Limited	29/11/2022	Provision of operation and Maintenance of National Optic Fiber Backbone Infrastructure Phase II (NOFBI II) Active and Passive Equipment Lot 2) Western Region Quarter 1	49,850,000.00	49,850,000.00	49,850,000.00	49,850,000.00

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Geonet Technologies Limited	27/02/2023	Provision of operation and Maintenance of National Optic Fiber Backbone Infrastructure Phase II (NOFBI II) Active and Passive Equipment Lot 2) Western Region Quarter 2	49,850,000.00	-	49,850,000.00	49,850,000.00
Geonet Technologies Limited	30/05/2023	Provision of operation and Maintenance of National Optic Fiber Backbone Infrastructure Phase II (NOFBI II) Active and Passive Equipment Lot 2) Western Region Quarter 3	49,850,000.00	-	49,850,000.00	49,850,000.00

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Whitespace Technologies Limited	20/07/2022	Provision of operation and Maintenance of National Optic Fiber Backbone Infrastructure Phase II (NOFBI II) Active and Passive Equipment Lot 1) Eastern Region Quarter 2 (12th April, 2022- 11th July, 2022)	12,347,040.00	-	12,347,040.00	12,347,040.00
M/S Coseke Kenya Limited	28/09/2022	Milestone for supply, installation and commissioning of network infrastructure at Makeni County Hospital	9,476,625.25	-	9,476,625.25	9,476,625.25
M/S Coseke Kenya Limited	23/06/2023	Maintenance of network infrastructure at Makeni County	473,831.00	-	473,831.00	473,831.00

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		Hospital- Quarter 1						
M/S Coseke Kenya Limited	23/06/20 23	Maintenance of network infrastructure at Makueni County Hospital- Quarter 2	473,831.00		473,831.00	-	473,831.00	
M/S Coseke Kenya Limited	23/06/20 23	Maintenance of network infrastructure at Makueni County Hospital- Quarter 3	473,831.00		473,831.00	-	473,831.00	
M/S Whitespac e Technolog ies Limited	28/10/20 22	2nd Milestone for supply, installation and commissionin g of network infrastructure at Embu County Hospital	10,422,836.50		10,422,836.50	-	10,422,836.50	
KPLC	11/11/20 22	KPLC Connectivity to Konza data centre and TEAMS landing station in Mombasa for year 1	10,638,714.45		10,638,714.45	-	10,638,714.45	

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			quarter 4 (1st October, 2021, 31st December, 2021)						
KPLC	21/09/20 22		KPLC Connectivity to Konza data centre and TEAMS landing station in Mombasa for year 2 quarter 1 (1st January, 2022, 31st March 2022)	10,638,714.45	10,638,714.45	-	-	10,638,714.45	
KPLC	21/09/20 22		KPLC Connectivity to Konza data centre and TEAMS landing station in Mombasa for year 2 quarter 2 (1st April, 2022, -June 2022)	10,638,714.45	10,638,714.45	-	-	10,638,714.45	
KPLC	03/10/20 22		KPLC Connectivity to Konza data centre and TEAMS	10,638,714.45	10,638,714.45	-	-	10,638,714.45	

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Com Twenty One Limited	26/04/20 23	Connectivity and integration of TEAMS marine fibre NOFBI and GCCN network from Mombasa to Nairobi-Year 2 quarter 4	3,691,065.33	-	3,691,065.33	3,691,065.33
M/S Soulco Kenya Limited	20/07/20 22	Provision of operation and Maintenance of Last Mile Connectivity (LMCCP) for the month of June, 2022	12,973,405.40	-	12,973,405.40	12,973,405.40
M/S Soulco Kenya Limited	30/09/20 22	Provision of operation and Maintenance of Last Mile Connectivity (LMCCP) quarter 2- July, August, September 2022	38,920,216.24	-	38,920,216.24	38,920,216.24
M/S Soulco Kenya Limited	25/05/20 23	Provision of operation and Maintenance of Last Mile Connectivity (LMCCP) quarter 3-	38,920,216.24	-	38,920,216.24	38,920,216.24

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M/S Soulco Kenya Limited	04/05/20 23	Provision of operation and Maintenance of Last Mile Connectivity (LMCCP) quarter 4- Jan, February, March 2023	38,920,216.24	38,920,216.24	-	38,920,216.24			38,920,216.24
M/S Telkom Kenya Limited	12/04/20 23	Migration of existing constituency innovation hubs from VSAT to NOFBI	56,194,508.21	56,194,508.21	-	56,194,508.21			56,194,508.21
M/S Safaricom Limited	21/12/20 22	Supply and installation of high density wireless LAN with internet at Nyayo stadium for Jamhuri day celebrations	2,074,969.74	2,074,969.74	-	2,074,969.74			2,074,969.74
M/S Postal Corporatio n Of Kenya	12/04/20 23	Rental Charges For Posta Annex From October, 2022- September, 2023	9,817,567.20	9,817,567.20	-	9,817,567.20			9,817,567.20

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M/S Postal Corporation of Kenya	12/04/2023	Rental Charges For Posta Annex for the month of July 2022-September 2022	2,454,391.80	-	2,454,391.80	2,454,391.80
M/S Smart Print Ventures	23/05/2022	Production of documentaries on Vision 2030 flagship for Ministry of ICT projects	152,500.00	-	152,500.00	152,500.00
M/S Postal Corporation of Kenya	07/02/2023	Postal services for the month of January, 2023, December, 2022, November 2022	109,272.00	-	109,272.00	109,272.00
M/S Postal Corporation of Kenya	03/04/2023	Messengerial services rendered in the month of month 2023	159,326.00	-	159,326.00	159,326.00
M/s Silver Africa Limited	30/06/2023	Provision of return air ticket to Kilimanjaro, Tanzania	187,550.00	-	187,550.00	187,550.00
M/s Pago Airways Travel	27/06/2023	Provision of return air tickets to Tel Aviv Israel	771,900.00	-	771,900.00	771,900.00

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Services Ltd									
M/s Pago Airways Travel Services Ltd	23/06/2023	Provision of return air ticket to Brazzaville, Congo	285,960.00			285,960.00			285,960.00
M/s Pago Airways Travel Services Ltd	30/06/2023	Provision of return air tickets and Travel insurance to Geneva, Switzerland	815,620.00			815,620.00			815,620.00
M/S Angani Tours and Travel	Various	Provision of return air tickets for officers travelling to various destinations	589,875.00			589,875.00			589,875.00
M/S Kenya School of Government	28/01/2023	Provision of one day conference facility for fifty six (56) officers	238,960.00			238,960.00			238,960.00
M/S Telkom Kenya Limited	28/08/2022	Supply, installation and commissioning of wireless local area network and wide area network for	2,222,405.00			2,222,405.00			2,222,405.00

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M/S Silver Africa Tours and Safaris	11/05/2023	the Ministry of culture offices in Kenya National Library services, Uchumi House, Presidential music commission and Kenya National Archives	38,500.00	-	38,500.00
M/S Vercelli Tours and Travel	30/06/2023	Provision of return air tickets to Dar Es salaam	330,440.00	-	330,440.00
M/s Kaylan Tours and Travel	01/03/2023	Return air ticket to Newyork, USA	350,162.00	-	350,162.00
Institute of internal Auditors	02/06/2023	Conference fees	393,240.00	-	393,240.00
M/S Prideinn Azure Hotel	16/05/2023	Provision of conference facility for five days	402,500.00	-	402,500.00

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M/s Soulco Kenya Limited	29/06/20 23	Delivery of installation materials for the supply, installation and commissionin g of public park- Mombasa local area network, IP telephony, firewall and WAN at the Kilindini culture centre. 2.5% after completion, installation, testing, documentatio n and training.	556,201.43	556,201.43	-	556,201.43	556,201.43
Sub-Total			458,621,580.34	437,191,651.44	-	458,621,580.34	464,897,210.34
Grand Total			464,897,210.34	442,942,281.44	-	464,897,210.34	464,897,210.34

Annex 2 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2021/2022	Additions during the period (Kshs)	Transfer in/ (out) during the period	Historical Cost c/f (Kshs) 2021/2022
Buildings and structures	801,089	0		801,089
Transport equipment	350,174,243	0		350,174,243
Office equipment, furniture and fittings	584,074,343	1,969,174		586,043,517
ICT Equipment, Software and Other ICT Assets	16,561,939,891	365,495,599		16,927,435,490
Machinery and Equipment	218,450			218,450
Intangible Assets		107,785,001		107,785,001
Total	17,497,208,016	475,249,774	0	17,972,457,790

Annex 3 – List of Projects implemented by State Department for ICT and Innovation

Ref	Project Name	Principal Activity of the Project	Accounting Officer	Project Consolidated in these Financial Statements
1.	National Optic Fiber Backbone	Laying of optic fiber backbone across the country	Accounting Officer	Yes
2.	Konza Technopolis City	Construction of horizontal and vertical infrastructure at Konza Technopolis City	Accounting Officer	Yes
3.	National Data Centre and Smart City facilities	Construction of National Data Centre, Disaster recovery site and smart city facilities	Accounting Officer	Yes
4.	Connectivity to public health facilities	Implementation of broadband internet connectivity to public hospitals Under UHC program	Accounting Officer	Yes
5.	Last Mile County Connectivity Project	Implementation of Last Mile County Connectivity Network Phase IV	Accounting Officer	Yes
6.	Ajira Program/Digital hubs	Implementation of digital hubs by providing broadband internet and digitals skills to	Lot	1

Annex 4 – List of SAGAs under State Department for ICT & Innovation

Ref	SC, SAGA or Public Fund's name	Principal activity of entity	Accounting Officer	Amount transferred during the year	Inter- entity reconciliations done?(yes/no)
1	ICT Authority	Rationalising and streaming the management of all Government of Kenya ICT functions	CEO	891,454,559.70	YES
2	Konza Technopolis Development Authority	Construction of Konza Technopolis City and Data Centre	CEO	424,499,999.70	YES
3	Office of the Data Protection Commissioner	Guarantee the right to privacy as a fundamental right	CEO	633,999,999.90	YES

Annex 10- Reports Generated from IFMIS

IFMIS financial reports to be presented on request.