

REPUBLIC OF KENYA



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

DIGITAL HEALTH AGENCY

FOR THE YEAR ENDED
30 JUNE, 2025

PARLIAMENT
OF KENYA
LIBRARY



THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 10 MAR 2026

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TABLED
BY:

HON. DWEN BAYA, MP

SECRETARY
GENERAL:

CHRISTINE NDIRITU





DIGITAL HEALTH AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2025

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

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1. Acronyms and Definition of Key Terms

A: Acronyms

BETA	Bottom-Up Economic Transformation Agenda
CBK	Central Bank of Kenya
CEO	Chief Executive Officer
CIHIS	Comprehensive and Integrated Health Information System
DG	Director General
DHA	Digital Health Agency
ECL	Expected Credit Loss
ERP	Enterprise Resource Planning
HMIS	Health Management Information Systems
IPF	Insurance Premium Financing
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
GoK	Government of Kenya
MD	Managing Director
MTEF	Medium-Term Expenditure Framework
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SHA	Social Health Authority
SA	Secretary Administration
SC	State Corporations
SHIF	Social Health Insurance Fund
UHC	Universal Health Care

B: Definition of Key Terms

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

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2. Key Entity Information and Management

(a) Background information

The Digital Health Agency (“the Agency”) is a State Corporation under the State Department of Medical Services, Ministry of Health. It is established under the Digital Health Agency Act No. 15 of 2023. The Agency is domiciled in Nairobi Kenya. It has no branches.

(b) Principal Activities

The Agency is mandated to, amongst other things, develop, operationalize and maintain the Comprehensive and Integrated Health Information System to manage the core digital systems and the infrastructure required for seamless health information exchange. Through this, real-time or near real-time health data will be available at all levels of the health ecosystem and resultant analytical insights will impact the quality of health service delivery

(c) Key Management

Digital Health Agency’s *day-to-day* management is under the following key Directorates and Divisions

1. Digital health and informatics directorate
 - Point of care division
 - System support and maintenance division
 - Health Information Management
 - Capacity Building Division
2. Standards, Quality Assurance and Certification Directorate
 - Standards and Compliance Division
 - Certification Division
3. Digital Infrastructure and Development Directorate
 - Enterprise Infrastructure and Equipment Division
 - Network Connectivity Division
 - Cyber security Division
 - Software Development Divisions
 - Corporate Services

(d) Fiduciary Management

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

No	Designation	Name	Date of Deployment
1	Chief Executive Officer	Antony Lenaiyara	6 th August,2024
2	Secretary Administration	Dr Lily Koros	6 th May,2024
3	Technical Lead Digital Health Informatics	Dr Joyce Wamicwe	16 th May,2024
4.	Corporation Secretary	Tom Odede	2st May 2024
5.	Senior Accountant	Martha Wangari	21 st August 2024
6.	Senior Economist	Mr. Emmanuel Towet	18 th November 2024
7.	Head of Supply & Chain Management	Ms.Roseline Onchoke	11 th February 2025
8.	Head of finance	Ms. Nelly Tekerei	19 th November 2024
9.	Head of Human Resource	Mr.Simion Sang	15 th May 2025
10.	Head of Internal Audit	CPA Michael Malua	15 th April 2025

Key Entity Information and Management

(e) Fiduciary Oversight Arrangements

- ✓ Audit and Risk Committee-Board of Directors select Audit and Risk Committee which reviews the control, risk management and governance processes.
- ✓ Finance and Human Resource Committee- Board of Directors select Finance and Human Resource Committee which provides oversight of the Agency's financial management and human resource policies.

(f) Entity Headquarters

SHA Building
Ragati Road, wing B 10th Floor
P.O. Box 29409,00100
Nairobi, Kenya

(g) Entity Contacts

E-mail: Ceo.office@dha.go.ke
Website www.dha.go.ke

(h) Entity Bankers

1.Co-operative Bank of Kenya
Nairobi Business Centre
P.O. Box 19555
City Square 00200
Nairobi, Kenya

2.Kenya Commercial Bank
Capital Hill Branch
P O Box 48400
GPO 00100
Nairobi, Kenya

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Key Entity Information and Management (continued)


(i) Independent Auditor

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

(j) Principal Legal Adviser

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

3. The Board of Directors

Ref	Directors	Details
1.	 <p data-bbox="316 1003 651 1070">MR SILAS SIMATWO BOARD CHAIRPERSON</p>	<p>Mr Silas Simatwo is an accomplished entrepreneur, corporate leader, and strategic management expert with over three decades of experience spanning education, insurance, construction, transport, logistics, real estate, and technology. He currently serves as the Chairman of the Digital Health Agency (DHA), where he provides visionary leadership in advancing health technology and innovation. He runs private businesses, his flagship business being in infrastructure development. His leadership also extends to multiple ventures in freight, clearing and forwarding, mining, commodity trading, and agribusiness, demonstrating his versatility as a business strategist. He was also the founder and pioneer Managing Director of AMACO Insurance which he successfully nurtured into a nationwide insurance provider. At AMACO, he transitioned to Chairmanship a position which he held until 2024 when he divested from the company. In previous roles, he has served as a director at Eldowas and Chairman of KNCCI Eldoret Chapter. Mr. Simatwo’s career began in academia as a University Lecturer before transitioning into entrepreneurship. He taught Linguistics at Moi University for over a decade and at University of Eastern Africa-Baraton as adjunct lecturer at the Department of Languages and Literature. Mr Simatwo holds Bachelor of Education degree, Master of Philosophy in Linguistics and Master of Business Administration. His strong foundation in education, coupled with an MBA in Strategic Management from Moi University, has equipped him with exceptional analytical, problem-solving, and organizational transformation skills. Recognized for his contributions to business growth and corporate governance, he is a Cambridge Certified Manager (Fellow level) and an active member of the Insurance Institute of Kenya (IIK), Kenya Institute of Management (KIM), and Cambridge Association of Managers (CAM)</p>
2.	 <p data-bbox="316 1603 643 1671">MR. PIUS KIPYEGON CHERUIYOT</p>	<p>Mr. Pius K. Cheruiyot currently is a Director of E-Government Services at the State Department for ICT and the Digital Economy. Holds a Master of Science in Data Communication with over 20 years of expertise in e-Government policy, digital transformation, enterprise architecture, and systems integration. Has served in senior ICT roles across various government ministries, including Health, Livestock, Housing, and Environment. A member of the Computer Society of Kenya (CSK), with a strong track record in driving digital innovation in public service delivery.</p>

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3.	 <p>MR. WILLIAM BARAZA</p>	<p>Mr William Baraza is a telecommunications leader with over 25 years of experience in Sub-Saharan Africa, currently serving as Director and CEO of AFRALTI. Holds key advisory and board roles with the Digital Health Agency, Africa Cyber Defence Forum, and CSCIS (Canada). Experienced in leading ICT strategy, mentoring diverse teams, and working with major multinationals such as Nokia, Cisco, Ericsson, and ComScore. Holds an MBA and B.Sc. in Computer Science and is pursuing a PhD in Strategic Information Systems. Active member of ISOC, KIM, and AIS.</p>
4.	 <p>DR. GREGORY O.C. GANDA</p>	<p>Dr. Gregory O. C. Ganda is a seasoned Obstetrician/Gynaecologist and Gynaecologic Oncologist with over 20 years of medical, leadership, and health systems management experience. He has served at the highest levels of county health leadership, most recently as County Minister for Health and Sanitation in Kisumu County, where he spearheaded transformative investments in specialized care, digital health, and universal health coverage. A fellow of the University of Toronto and Moi University in Gynaecologic Oncology, Dr. Ganda combines strong clinical expertise with a proven record in governance, strategy, and health sector reforms, both in county and national engagements. He is widely recognized for his contributions to advancing cancer care, maternal health, and digital health transformation in Kenya.</p>
5.	 <p>MR. GEORGE KAROKI</p>	<p>Mr. George Karoki is a seasoned public health expert with 27 years of experience, currently serving as a Director in medical services. Holds a Master's in Epidemiology and is a qualified Medical Epidemiologist. Former CECM for Medical Services and an active member of the Epidemiology Society of Kenya, with extensive expertise in health systems management, disease surveillance, and public health leadership.</p>
6.	 <p>MR. JOHN WALUBENGO</p>	<p>Mr. John Walubengo is a seasoned ICT and data governance expert with over 25 years in public service, currently serving as the Deputy Data Commissioner – Compliance at Kenya's Office of the Data Protection Commissioner. He holds a BSc in Mathematics from Kenyatta University and an MSc in Information Technology from the University of Portsmouth, alongside professional certifications including CCNA, CISA, and CDPSE. A member of ISACA, he has extensive experience in data protection compliance, IT governance, and public sector leadership. Prior to his current role, he held senior academic positions including Dean, Faculty of Computing & IT and Senior Lecturer at Multimedia University of Kenya, where he played a key role in shaping ICT education and policy.</p>

7.	 <p>Ms. EDITH TOROME</p>	<p>Ms Edith Torome is a seasoned legal professional with over 29 years in public legal service, currently serving as Chief State Counsel at the Ministry of Health. He holds a Bachelor of Laws, a Postgraduate Diploma in Law, and is an Advocate of the High Court of Kenya as well as a member of the Law Society of Kenya. He has served in senior legal advisory roles across key ministries including Labour, Interior, Higher Education, and Local Government, providing expertise in legal drafting, policy development, and regulatory compliance. His career reflects a strong commitment to public service, legal integrity, and inter-ministerial collaboration.</p>
8.	 <p>Ms EUNICE KIGEN</p>	<p>Ms Eunice Kigen was born in 1973. She holds a Bachelor of Commerce Degree (Accounting Option) from the University of Nairobi and an Executive Masters of Business Administration from the Jomo Kenyatta University of Science and Technology. She is also a Certified Public Accountant CPA (K). Eunice has wide experience in Public Sector Financial Management, having worked in the Government in senior positions in that field for over the past 20 years. Currently, she is the Director of Budget at the National Treasury.</p>
9.	 <p>Ag. CEO, ENG. ANTONY LENAiyARA</p>	<p>Eng. Antony Lenaiyara is a visionary tech leader with over 15 years of experience in engineering, ICT strategy, and digital transformation across public and private sectors. He currently serves as the Acting CEO of Kenya's Digital Health Agency, overseeing the implementation of the Digital Health Act, 2023 and leading national digital health initiatives. Previously, he was Director of ICT at the Ministry of Health, where he led the development and enforcement of ICT standards and digital programs. In the private sector, he held senior roles at Huawei Technologies, leading major ICT infrastructure projects. He actively contributes to national digital policy through inter-agency committees on innovation and emerging technologies. He holds two MBAs in Strategic Management (IESE Business School and Strathmore University) and a Bachelor's in Electronics and Information Engineering from a top Chinese university</p>
10.	 <p>MR. TOM ODEDE</p>	<p>Mr. Tom Odede has 15 years of Public Legal Service. He is the Ag. Corporation Secretary, Digital Health Agency (2024 to date). Deputy Chief State Counsel, Office of the Attorney General (2024). Secretary & CEO, State Corporations Appeal Tribunal (2015-2024). Assistant Director Legal Services, National Police Service (2023-2024). Member & Legal Advisor, National Multi-Agency Command Centre on COVID-19, Office of the President (2020-2023). Member & Legal Advisor, Kenya Defence Forces, Multi-Agency Field Training Exercise Linda Inchi (2022). Member & Legal Advisor, Kenya Defence Forces, Multi-Agency Field Training Exercise Linda Inchi (2022). Served as Legal Advisor to former Attorney General Hon. Justice (Rtd) Paul Kihara Kariuki (2017-2022). Served as Aide & Legal Advisor to former Attorney General Hon. (Prof) Githu Muigai (2011-2017). Legal Associate, E. N. Omotti & Co. Advocates (2009-2010)</p>




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4. Key Management Team

S N	Management	Details
1.	 <p>Ag. CEO, ENG. ANTONY LENAIYARA</p>	<p>Eng. Antony Lenaiyara is a visionary tech leader with over 15 years of experience in engineering, ICT strategy, and digital transformation across public and private sectors. He currently serves as the Acting CEO of Kenya’s Digital Health Agency, overseeing the implementation of the Digital Health Act, 2023 and leading national digital health initiatives. Previously, he was Director of ICT at the Ministry of Health, where he led the development and enforcement of ICT standards and digital programs. In the private sector, he held senior roles at Huawei Technologies, leading major ICT infrastructure projects. He actively contributes to national digital policy through inter-agency committees on innovation and emerging technologies. Academically, he holds two MBAs in Strategic Management (IESE Business School and Strathmore University) and a Bachelor’s in Electronics and Information Engineering from a top Chinese university</p>
2.	 <p>MR. TOM ODEDE</p>	<p>Mr. Tom Odede has 15 years of Public Legal Service. He is the Ag. Corporation Secretary, Digital Health Agency (2024 to date). Deputy Chief State Counsel, Office of the Attorney General (2024). Secretary & CEO, State Corporations Appeal Tribunal (2015-2024). Assistant Director Legal Services, National Police Service (2023-2024). Member & Legal Advisor, National Multi-Agency Command Centre on COVID-19, Office of the President (2020-2023). Member & Legal Advisor, Kenya Defence Forces, Multi-Agency Field Training Exercise Linda Inchi (2022). Member & Legal Advisor, Kenya Defence Forces, Multi-Agency Field Training Exercise Linda Inchi (2022). Served as Legal Advisor to former Attorney General Hon. Justice (Rtd) Paul Kihara Kariuki (2017-2022). Served as Aide & Legal Advisor to former Attorney General Hon. (Prof) Githu Muigai (2011-2017). Legal Associate, E. N. Omotti & Co. Advocates (2009-2010)</p>
3.	 <p>DR. LILY KOROS</p>	<p>Dr. Lily Koros is a highly professional executive who has demonstrated leadership in the management of complex activities both in the Faith-Based and Public sector for over 25 years. She holds a Doctorate of Philosophy (PhD) in Business Management (Finance), Advanced Certificate in Leading High-Performance Healthcare Organizations (LeHHO), MBA in Healthcare Management, Post Graduate Diploma in International Leadership in Hospital Management, Executive MBA in Finance, Bachelor of Commerce (B.Com) in Business Administration and Kenya Certificate of Secondary Examination (KCSE) She is currently serving as Secretary Administration (SA) Ministry of Health and deployed to Digital Health Agency (DHA) in the same capacity. She also served on deployment in the same capacity at Kenya Medical Training College (KMTTC). She previously served as the Chief Executive officer (CEO) of Kenyatta National Hospital (KNH), Ag. Secretary/CEO of Commission for the Implementation of the Constitution (CIC), Director Management Services of CIC, Assistant Director Finance & Administration of Moi Teaching and Referral Hospital, Director of AIC Litein Hospital. She earlier served as Hospital Administrator and as Assistant Hospital Administrator in the same hospital. At the start of her career, she briefly worked as Untrained Teacher at Kimulot High School.</p>

4.	 DR JOYCE WAMICWE	<p>Dr Joyce Wamicwe is the Digital Health & Informatics Technical Lead at the Digital Health Agency where she oversees a team of passionate, energetic people to deliver the comprehensive and integrated health information system as envisioned in the Digital Health Act 2023 . Dr Wamicwe is a registered medical doctor with post-graduate specialization in applied epidemiology, FELTP alumni with 19 years of solid impactful experience across all levels of the health system. Her interests revolve around advocating for the meaningful use of data and evidence in informing decision making as her contribution to health systems strengthening. She is a leader, mentor and person-centred in her interactions</p>
5.	 CPA MARTHA WANGARI	<p>CPA Martha Wangari is the current Head of Accounting Unit, Digital Health Agency. She holds a Bachelor of Commerce Degree (Finance option) from Masinde Muliro University of Science and Technology. She is a practicing Accountant and a member of Institute of Certified Public Accountant of Kenya (ICPAK). She has 15 years' experience in Public sector accounting having joined the civil service on 2nd March 2009.</p>
6.	 MR. EMMANUEL KIBET TOWETT	<p>Mr. Emmanuel Kibet Towett is a Senior Economist at the State Department for Medical Services and is currently deployed at the Digital Health Agency. He is highly skilled Economist with over a decade of experience in strategic planning, policy development, data analysis, and project management. Proven expertise in budgeting, monitoring and evaluation, and SDG reporting within the Health Sector. Adept at fostering economic development through research-driven insights, effective leadership, and stakeholder engagement He holds a Bachelor of Arts degree in Economics, Master of Science Degree in Applied Economics and is a Member of Economics Society of Kenya (ESK) and Econometrics Association of Kenya (EAK).</p>
7.	 MS. NELLY TEKEREI	<p>Ms. Nelly Tekerei is the current Head of Finance at Digital Health Agency. She Holds a Bachelor of Commerce (Finance) from Egerton University. Ms. Nelly is a practicing member of Institute of Certified Public Accountant of Kenya (ICPAK). She has over 7 years in Public service and has worked in as a Finance Officer in key State Departments like State Department for Devolution and the State Department for Medical Services.</p>

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8.	 <p>M/s ROSELINE ONCHOKE</p>	<p>Ms. Roseline Onchoke is the Head, Supply Chain Management, Digital Health Agency. She holds a degree in (Purchasing and Supplies Management) from the Management University of Africa) . Mrs. Roseline also holds a Diploma in Purchasing and Supplies from the Kenya Institute of Management.</p>
9.	 <p>MR. SIMION SANG</p>	<p>Simon Sang is a distinguished civil servant with a wealth of knowledge in Human Resource Management and Development in public service in both national and county levels of government. He has over 14 years of solid experience as a human resource practitioner covering leadership and management roles. Simon is serving currently at the Ministry of Interior and National Administration, State Department for Correctional Services Human Resource Management and Development Department and deployed to Digital Agency (DHA) in the same capacity. He has previously served at State Law Office (AG’s Office), Office of the Vice-President & Ministry of Home Affairs as Human Resource Management and Development Officer. He has also served as Head of Human Resource Management in the County Government of Bomet. Simon holds a Bachelor of Business Management (BBM) degree in HR Option from Moi University and Higher Diploma in Human Resource Management at College of Human Resource Management. Additionally, he is a member of Institute of Human Resource Management (IHRM). He has undertaken various professional trainings and leadership and managements courses at the Kenya School of Government including Strategic Leadership Development Programme (SLDP) and Senior Management Course (SMC) in his pursuit of empowering the human resource and mental wellness of the clients</p>
10.	 <p>CPA MICHAEL M. MALUA</p>	<p>CPA Michael M. Malua is currently the Head of Internal Audit at Digital Health Agency (DHA). He is an accomplished professional with over 19 years work experience in Financial Accounting, Financial Management, Internal Audit and Business Administration both in public and private sector. Michael is a Certified Public Accountant, CPA (K) and a Member of the Institute of Certified Public Accountants of Kenya (ICPAK) member number 22225 and IIA (K) member number 2075039 in good standing. He is a graduate of Kenya School of Government in Strategic Leadership Development Programme (SLDP) Senior Management Course (SMC). He also holds other certificates in Financial Reporting and Management Accountant</p>

5. Chairman’s Statement

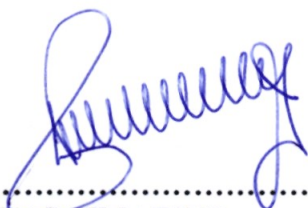
The Digital Health Agency (DHA) is established under Sec 15 of the Digital Health Act, 2023. Its mandate is to lead the digital transformation of Kenya’s health sector by building a secure, integrated, and citizen-focused digital health ecosystem that will ensure the Comprehensive and Integrated Health Information System is secure by design, robust and flexible and delivers on its key mandate of ensuring availability and accessibility of real-time data when needed and by the right person.

DHA is a newly established Semi-Autonomous Government Agency (SAGA) under the State Department for Medical Services, Ministry of Health, and was under the operationalization process in the financial year 2024-2025. The Board was appointed in March 2024 and inaugurated in April 2024.

The Agency achieved several key milestones during the financial year. In collaboration with the Ministry of Health, the Digital Health Act Regulations, 2025 were developed, underwent public participation, and were gazetted in April 2025. The development of Human Resource (HR) instruments was finalized, approved by the Public Service Commission, and implementation began within the financial year.

The Agency also deployed the TaifaCare Hospital Management Information System (HMIS), with twenty-four counties at various phases of the rollout. As part of this initiative, 15,000 tablets were dispatched to the respective counties. Additionally, the digitization of the Social Health Authority (SHA) by the DHA enabled seamless registration and claim management through the provider and claim portals.

The Agency performed exceptionally well in its first year of operations in line with its mandate.



.....
MR. SILAS SIMATWO
Chairperson-Board of Directors,
Digital Health Agency

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6. Report of the Chief Executive Officer

Digital Health Agency is dedicated to transforming healthcare delivery through the integration of cutting-edge digital technologies. The mission speaks to enhance healthcare accessibility, improve patient outcomes, and ensure data security by developing and maintaining a comprehensive digital health ecosystem across Kenya.

The Agency began its operations in 2024 with the appointment and induction of the Board members. It was temporarily housed in the SHA building, 9th Floor before relocating to 10th Floor, Wing B of SHA Building. The Ag. CEO, Ag. Corporation Secretary and 15 other staff members from various specialization were deployed in the year.

The Agency achieved several key milestones in the FY 2024-2025. In collaboration with the Ministry of Health, Digital Health Act Regulations, 2025 were developed, underwent public participation and gazetted on April 2025. The Development of HR instruments was completed and approved by the Public Service and a recruitment plan developed.

The agency implemented key programmes which included:

- a) Social Health Authority Digitalization
 1. SHA Registration:
 - a. Registration modalities that include self-registration and web assisted portal. These have been developed as inclusive systems that are person-centric.
 - b. Insurance Premium Financing (IPF) system (Lipa SHA Pole Pole) is complete and fully operational
 - c. Means Testing Tool Version 2 is complete and fully operational
 2. Efficiency in SHA services as a strategic purchaser of health services
 - a. SHA provider portal that allows facilities to submit claims and provider services under SHA
 - b. SHA claim processing (Payor System) is complete and fully operational
 - c. SHA ERP -Digitizing all internal operations of SHA is ongoing
 - b) Digitalization of Health Facilities

The Digital Health Agency deployed the Taifa Care Hospital Management Information System(HMIS) with the current focus being public health facilities. This user centric system ensures seamless and paperless health care, makes health data portability a reality and avails real time health data for decision making at the various levels within the health ecosystem. Under digitalization:

1. Twenty-four counties were at various phases of TaifaCare HMIS roll out.
 2. 15,000 tablets were dispatched to counties.
 3. Biometrics roll out was undertaken in all government health facilities; all the 9 Level 6 facilities, 23 Level 5 facilities and 109 level 4 facilities.
 4. Signing of Healthcare Digitalization Intergovernmental Participation Agreement with counties.
 5. Health information exchange integration with existing HMISs
- c) Patient/Client facing Portal

The Digital Health Agency has developed a patient/client facing portal dubbed as Afyayangu and available on web portal on <https://afyayangu.go.ke/> and mobile application.

- d) Development of the Health Information Exchange

Client Registry, Health Care Provider Registry, Health Facility Registry, Community Health Promoters Registry were developed and in use. The Terminology Service and Shared Health Records were at advanced stage of development.

The Agency received a government funding of 100 Million Shillings that went to the operations and maintenance as well as running the various programmes in the agency.

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The key challenges experienced were that of financial and human resources for effective and efficient operationalisations. Mitigations measures in the financial year included advocacy for more resources with the Ministry Health and National Treasury for more financial support and deployment of additional staff.



.....
ENG. ANTONY LENAIYARA

Ag. Chief Executive Officer
Digital Health Agency.

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

The Agency draws its objectives from the Digital Health Agency’s Strategic Plan 2025-2028 which highlights the key objectives as the following. To:

- Optimise Client Experience -
- Enhance Financial Management
- Strengthen Partnerships and Collaboration
- Improve Service Delivery Systems
- Strengthen Digital Health Governance
- Enhance Risk Management
- Promote Information Security
- Enhance Research and
- Strengthen Human Resource
- Improve Infrastructure and Facilities

Table 1: Programme performance

Strategic Theme	Objective	Key performance Indicators	Activities	Achievement
Internal Business Processes	To Improve Service Delivery Systems	% facilities integrated with Health Information Exchange (HIE)	<ol style="list-style-type: none"> 1. Develop and deploy Taifa Care systems 2. Establish and maintain a Health Information Exchange (HIE) 	<ol style="list-style-type: none"> 1. Twenty-four counties are at various phases of TaifaCare HMIS roll out. 2. 15,000 tablets have so far been dispatched to health facilities in counties 3. Biometrics roll out ongoing in GoK health facilities

8. Corporate Governance Statement

- a) The Board is comprised of ten (10) members designated by the Statute.

The membership represents a diverse mix of expertise and gender balance which includes a chairman appointed by the President and other representatives drawn from the Ministry of Health, the National Treasury, Ministry of ICT, Office of Data Commissioner, independent member representing the private sector, three (3) nominees of the Council of Governors having knowledge in digital health appointed by the Cabinet Secretary for Health and the Chief Executive Officer sitting in the Board as ex-officio member.

- b) The Board is responsible for effective and efficient management and administration of the Agency by providing strategic leadership and direction.
- c) The functions of the Board include;
- defining the Agency's Mission, Vision, purpose and core values
 - set and oversee overall strategy and approve key policies of the Agency;
 - ensure Agency's strategy is aligned with purpose of the institution and the interests and expectations of stakeholders;
 - ensure Agency's strategy is aligned to the long term goals of the institution;
 - approve the Agency's organisation structure;
 - Approval the Agency's annual budget;
 - Enhance the corporate image of the Agency;
 - Resource mobilization
 - Appointment of CEO and other senior management staff of the Agency, and
 - Ensure effective communication

- d) In-House Board induction on Board and Agency operations conducted by State Corporations Advisory Committee (SCAC) in November 2024 Lake Naivasha Resort, Naivasha.

No training and development provision for Board members due to budget constraints.

- e) Board and member's evaluation have not been evaluated yet due to absence of key performance management indicators such as the Agency's human resource instruments and Agency's salary and grading structure.
- f) The Board held six (6) Board meetings, four (4) special Board meetings and seven (7) Board Committee meetings.
- g) The Agency has planned to embark on the development of the Succession Plan during the next financial year 2025/2026 following the approval of Agency's Human Resource Instrument 2025.
- h) The Agency has budgeted and planned to undertake the development of Agency's key policy instruments including the Succession Plan, Policy on Management of Conflict of Interest,

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Ethics and Conduct, Communication Policy, Policy on related party transaction during the next financial year 2025/2026.

However, the Corporation Secretary has opened a conflict of interest register for recording of Board member's conflict of interest.

- i) The Board's remuneration is yet to be determined by the Cabinet Secretary in consultation with the Salaries and Remuneration Commission (SRC) due to the pending evaluation of Agency's salary and job structure.
- j) In the meantime, the Board is remunerated on the basis of the applicable rates provided in the Guidelines on Terms and Conditions of Service for State Corporations' Chief Executive Officers, Chairmen and Board Members, Management Staff and Unionisable staff dated 23rd November 2004 premised on SCAC's classification of the Agency as Training and Research Corporation (PC-4).

9. Management Discussion and Analysis

The entity's operational and financial performance

The Agency supports the implementation of key programmes which includes:

a) Social Health Authority Digitalization

1. SHA Registration:
 - a. Registration modalities that include self-registration and web assisted portal. These have been developed as inclusive systems that are person-centric.
 - b. Insurance Premium Financing (IPF) system (Lipa SHA *Pole Pole*) is complete and fully operational
 - c. Means Testing Tool Version 2 – Complete and fully operational
2. Efficiency in SHA services as a strategic purchaser of health services
 - a. SHA provider portal -Allowing facilities to submit claims and provider services under SHA
 - b. SHA claim processing (Payer System) is complete and fully operational
 - c. SHA ERP -Digitizing all internal operations of SHA is ongoing

b) Digitalization of Health Facilities

Digitalization of health facilities is a core component of the digital health transformation agenda. The Digital Health Agency is deploying the TaifaCare Hospital Management Information System (HMIS) with the current focus being public health facilities. This is a user centric system that will ensure seamless paperless health care, make health data portability a reality and avail real time health data for decision making at the various levels within the health ecosystem.

Status update:

1. Twenty-four counties are at various phases of TaifaCare HMIS roll out.
2. 15,000 tablets have so far been dispatched to counties.
3. Biometrics roll out – Ongoing in GoK facilities – Level 6 facilities – 9/9; Level 5- 23/25 and Level 4 – 109/220
4. Signing of Healthcare Digitalization Intergovernmental Participation Agreement with counties has been done
5. Health information exchange integration with existing HMISs – Ongoing with 15 health facilities soon to go live. Subsequently, health facilities with existing HMISs will be invited for on boarding.

c) Patient/Client facing Portal

The Digital Health Agency has developed a patient/client facing portal dubbed as Afyayangu and available on web portal on <https://afyayangu.go.ke/> and mobile application. This is a health empowerment tool for the patient and the current use case is SHA registration, status of SHA premium balances and monitoring of status of health services utilized under SHA.

d) Development of the Health Information Exchange

The Health Information Exchange is the central part of the Comprehensive and integrated health information system. It makes data exchange within different systems a reality. Currently the Client Registry, Health Care Provider Registry, Health Facility Registry, Community Health Promoters Registry have been developed and are in use. The Terminology Service and Shared Health Record are currently at an advanced stage of development. Optimal Health Information Exchange is scheduled to be available by December 2025.

**Digital Health Agency
Annual Report and Financial Statements
for the year ended June 30, 2025.**

Entity's compliance with statutory requirements

The DHA operates within a robust legal and policy environment. This legal architecture provides the enabling environment for digital transformation in health, particularly in relation to governance, data protection, service delivery, procurement, and institutional mandates. It includes the following instruments:

- a) Constitution of Kenya,
- b) 2010 Digital Health Act, 2023
- c) Data Protection Act, 2019
- d) Health Act, 2017
- e) Public Finance Management Act, 2012
- f) Public Procurement and Asset Disposal Act, 2015
- g) Kenya Health Policy 2014–2030
- h) Kenya Communications Act, 1998
- i) Kenya Digital Master Plan 2022– 2032
- j) Kenya Health Enterprise Architecture Blueprint
- k) Kenya National e-Health Policy 2016–2030
- l) Social Health Authority Act, 2023

Major risks facing the entity.

The Agency is in its operationalization stage and needs a heavy financial support in order to actualize on its mandate. The budgeting process under the medium-term expenditure framework (MTEF) for Financial Year 2025-2026 resulted in rationalization of resources that negatively impacted the Agency in form of budget cuts. This has the risk of affecting the operationalization of the Agency.

The mitigation measures include continued advocacy on the budgeting process, exploration of sustainable financing models and need to put in place measures for own source revenue generation.

Material arrears in statutory/financial obligations

The Agency being new and, in its operationalization, stage has not incurred any of the above yet

10. Environmental and Sustainability Reporting

i) Sustainability strategy and profile

The Digital Health Agency has aligned its sustainability strategy with global political and macroeconomic trends, particularly the growing urgency of climate change, digital equity, and economic inclusion. Recognizing the impact of these global dynamics, the Agency has embedded the United Nations Sustainable Development Goals (SDGs) into its operational and strategic framework—particularly SDG 3 (Good Health and Well-being), SDG 9 (Industry, Innovation and Infrastructure), and SDG 13 (Climate Action). Our sustainability priorities focus on promoting digital inclusion, reducing the environmental footprint of ICT infrastructure, and ensuring ethical, inclusive procurement practices. Key achievements include transitioning to cloud-based systems to reduce energy consumption, increasing data security, and improving access to digital health platforms in underserved regions. However, challenges such as limited connectivity in remote areas and delays in green procurement initiatives were noted. Mitigation measures included public-private partnerships and pilot solar-powered ICT hubs. In line with our Service Delivery Charter, the Agency upholds transparency, responsiveness, and equity in its operations. We have strengthened contracts management procedures to ensure at least 42% of contracts were awarded to special groups including youth, women, and persons with disabilities (PWDs), supporting inclusive economic participation and compliance with national policy frameworks.

ii) Environmental performance

In line with the presidential directive as provided in the presidential directive’s matrix, all Ministries, Departments, and Agencies (MDAs) are required to allocate resources and designate funds to support the national tree-growing campaign. The Agency undertook the initiative to identify a tree growing area in line with the ministerial directive for tree growing in Elgeyo Marakwet County and was awarded 25.3-hectare for tree growing in Section 3 of Elgeyo Forest. The actual tree planting will be undertaken in the subsequent years.

iii) Employee welfare

During the financial year under review, the Digital Health Agency (DHA) did not employ any staff. However, Staffs were deployed to the Agency from Ministry of Health. The Agency is guided by public sector norms and policies that promote fairness, transparency, and inclusivity in employee welfare processes.

iv) Market place practices-

a) Responsible competition practice.

The Digital Health Agency (DHA) is committed to promoting responsible competition practices in line with national laws and ethical standards that govern public institutions in Kenya. To ensure responsible competition, DHA aligns with anti-corruption frameworks by embedding zero-tolerance policies against bribery and unethical conduct in its procurement and operational procedures. Procurement and service contracting are expected to follow open tendering processes in compliance with the Public Procurement and Asset Disposal Act, ensuring fair competition, equal opportunity for vendors, and prevention of favouritism or insider dealings.

b) Responsible Supply chain and supplier relations

DHA ensures that all suppliers are treated fairly and equitably by upholding open and competitive procurement processes. This includes transparent advertising of tenders, clear evaluation criteria, and fair contract award procedures to give all eligible vendors equal opportunities to compete for business.

c) Responsible marketing and advertisement or Responsible engagement with the citizens.

The Digital Health Agency (DHA) is committed to ethical and responsible outreach by promoting transparency, honesty, and inclusivity in its communication. It avoids false or exaggerated promises, anti-social messaging, and misleading information. DHA provides clear, evidence-based updates through its website, social media, media briefings, and consultative forums in order to build public trust.

d) Product stewardship or Awareness creation

The Digital Health Agency safeguards stakeholder's rights by ensuring the safety and transparency of digital health services, protecting personal health data and upholds data privacy laws.

e) Corporate Social Responsibility / Community Engagements

The Digital Health Agency participated in tree planting initiatives as part of its CSR and community engagement efforts, promoting environmental sustainability and healthier living conditions

11. Report of the Directors

The Directors submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the Entity's affairs.

Principal activities

The principal activities of the Entity are;

- a) Develop, operationalise and maintain the Comprehensive Integrated Health Information System to manage the core digital systems and the infrastructure required for its seamless health information exchange;
- b) Establish registries, in consultation with other statutory authorities, at appropriate levels to create single source of truth in respect of clients, health facilities, healthcare providers, health products and technologies;
- c) Promote adoption of best practices and standards for digital health that facilitate data exchange;
- d) Establish a system of shareable and portable personal health records, based on best practices and standards;
- e) Ensure health data portability;
- f) Facilitate collection and analysis of data to inform policy and research in the health sector;
- g) Promote the development of enterprise-class health application systems;
- h) Strengthen existing health information systems by ensuring their conformity with the prescribed standards and integration with the comprehensive integrated health information system;
- i) Develop and implement the infrastructure for health data exchange of health information in a secured manner;
- j) Maintain, in collaboration with the counties and other statutory authorities, the technological infrastructure necessary for the core digital health services;
- k) Support the development and implementation of standards for enhanced interoperability;
- l) Undertake resource mobilization implementation of health digitization in the country;
- m) Certify digital health solutions based on best practices and standards;
- n) Advise the Cabinet Secretary on matters related to digital health; and
- o) Perform any other function for the better carrying out of functions under this Act.

i) Results

The results of the Entity for the year ended June 30, 2025, are set out on page 1 to 4

**Digital Health Agency
Annual Report and Financial Statements
for the year ended June 30, 2025.**

ii) Directors

The members of the Board of Directors who served during the year are shown on page viii to x. During the year, 12 directors were appointed and three (3) directors retired/ resigned as shown in the table below;

No.	Name	Role	Date of Appointment	Date of Exit
1.	Mr Silas Simatwo	Chairperson	6 th May 2024	-
2.	Ms. Edith Torome	Member	23 rd August 2024	-
3.	Ms Eunice Kigen	Member	6 th January 2025	-
4.	Mr. Pius Kipyegon	Member	23 rd August 2024	-
5.	Mr. William Baraza	Member	8 th April 2024	-
6.	Dr. Gregory O.C. Ganda	Member	8 th April 2024	-
7.	Mr. George Karoki	Member	10 th May 2024	-
8.	Mr. John Walubengo	Member	20 th February 2025	-
9.	Ms. LINDA MURUGI	Member	9 th May 2024	-
10.	Mr. MARK NGECHO	Member	8 th May 2024	6 th January 2025
11.	Ms. ROSE MOSERO	Member	29 th January 2024	20 th February 2025
12.	Mr. EDWARD RUTERE	Member		23 rd August 2024

iii) Surplus remission

In accordance with Regulation 219 (2) of the Public Financial Management (National Government) Regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year.

iv) Auditors

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

By Order of the Board



.....
Name: Tom Odede
Corporation Secretary/Secretary to the Board

12. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and (section 14 of the State Corporations Act) require the Directors to prepare financial statements in respect of that Entity, which give a true and fair view of the state of affairs of the Entity at the end of the financial year/period and the operating results of the Entity for that year/period. The Directors are also required to ensure that the Entity keeps proper accounting records which disclose with reasonable accuracy the financial position of the Entity. The Directors are also responsible for safeguarding the assets of the Entity.

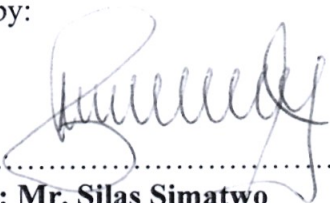
The Directors are responsible for the preparation and presentation of the Entity's financial statements, which give a true and fair view of the state of affairs of the Entity for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the 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 Directors accept responsibility for the Entity's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (the State Corporations Act). The Directors are of the opinion that the Entity's financial statements give a true and fair view of the state of Entity's transactions during the financial year ended June 30, 2025, and of the Entity's financial position as at that date. The Directors further confirms the completeness of the accounting records maintained for the Entity, 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.

In preparing the financial statements, the Directors have assessed the entity's ability to continue as a going.

Approval of the financial statements

The Entity's financial statements were approved by the Board on 27th August, 2025 and signed on its behalf by:


.....
Name: Mr. Silas Simatwo
Chairperson of the Board


.....
Name: Eng. Antony Lenaiyara
Accounting Officer

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON DIGITAL HEALTH AGENCY FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management, and Governance.

The three parts of the report aim to address the Auditor-General's statutory roles and responsibilities as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Digital Health Agency set out on pages 1 to 16, which comprise of the statement of the statement of financial position

Report of the Auditor-General on Digital Health Agency for the year ended 30 June, 2025

as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Digital Health Agency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Digital Health Act, 2023 and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Digital Health Agency 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

Gaps in Health Digitization Initiatives

The statement of performance against predetermined objectives highlights achievements during the year which include: the rollout of the TaifaCare HMIS across twenty-four counties at various stages of implementation, fifteen thousand (15,000) tablets dispatched to health facilities in counties, and the ongoing rollout of biometric registration in GoK health facilities. While these initiatives demonstrate significant progress in national health digitization and support to the Social Health Authority, our review noted that important gaps remain. These include incomplete coverage of health facilities, inconsistent utilisation of deployed devices, infrastructural limitations affecting system performance, and operational challenges within the claims-processing and verification workflows.

Failure to address the identified gaps may undermine the effectiveness, reliability, and accountability of the digitization initiatives.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

The Directors are responsible for the Other Information set out on page v to xxvi which comprise of Key Entity Information and Management, The Board of Directors, Key Management Team, Chairman's Statement, Report of the Chief Executive Officer, Statement of Performance Against Predetermined Objectives for the FY 2024/2025, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors and Statement of Directors Responsibilities. The Other Information does not include the financial statements and my audit report thereon

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Overpayment of Board Allowances

The statement of financial performance and as disclosed in Note 7 to the financial statements reflects board expenses of Kshs.9,100,367 which includes board sitting allowances of Kshs.5,780,000. However the sitting allowance amount exceeded the authorized amount due to application of higher rate other than the prescribed rate of Kshs.20,000 per sitting resulting to overpayment of by Kshs.630,000 contrary to the guidelines under Annex 4(1)(c) of Office of the President Guidelines on Terms and Conditions of Service for State Corporations, Chief Executive Officers, Chairmen and Board Members, Management Staff and Unionisable Staff Circular Ref No.OP/CAB 9/21/2A/LII/43 dated 23rd November, 2004 which states that taxable sitting allowance of up to a maximum of Kshs.20,000 per sitting may be paid to Chairmen and Directors. In the circumstances, Management was in breach of the law.

2. Acting Appointment for More than Six Months

The Chief Executive Officer of the Agency continues to serve on acting capacity since the deployment date 6 August, 2024. This was contrary to The Presidency, Executive Office of the President Head of Public Service Circular Ref: OP/CAB.9/1A dated 11 March, 2020 which states that Chairpersons of Boards of State Corporations will be required to ensure compliance with the directive on filling of acting positions within 6 months of their occurrence.

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

3. Board Members Without Appointment Letters

Review of the Board of Directors report in the financial statements revealed that the Agency had ten (10) Board of Directors. However, the appointment letters for two board members were not provided for audit verification contrary to Section 1.1(11) of Mwongozo Code of Governance for State Corporation, 2015 which states that each board member shall be formally appointed to the board through a gazette notice and thereafter an appointment letter.

In the circumstances, the regularity of the appointment of two board members could not be confirmed.

4. Over Expenditure on Travel, Subsistence and Other Allowances

The statement of financial performance and as disclosed in Note 6 to the financial statements reflects use of goods and services of Kshs.60,048,930 which includes travel, subsistence and other allowances of Kshs.50,381,506 or 50% of total revenue which exceeds the approved budget for operational activities for set up of Kshs.36,561,789 which was to cover travel, subsistence and other allowances resulting to over expenditure of Kshs.13,819,717 contrary to Section 12 of State Corporation Act, 1987 which states that no state corporation shall, without the prior approval in writing of the Minister and the Treasury, incur any expenditure for which provision has not been made in an annual estimate prepared and approved in accordance with Section 11.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on the Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Policy and Procedures Manuals

During the year under review, the Agency did not have the institutional policy and procedure manuals such as strategic plan, finance and accounting manual, asset management policy, transport management policy, IT Policy, disaster recovery plan, back up and retention strategy and risk management policy in place contrary to Regulation 23(1)(c) of Public Finance Management (National Government) Regulations, 2015 which states that accounting officers shall, in accordance with Article 226(2) of the Constitution and Section 68(1) of the Act, be accountable to the National Assembly for maintaining effective systems of internal control and the measures taken to ensure that they are effective.

In the circumstances, the effectiveness of the Agency's procedures and controls in absence of policy and procedure manuals could not be confirmed.

2. Failure to Undertake Risk Assessment

During the year under review Agency Management did not carry out risk assessment on Agency activities contrary to Regulation 165(1) of the Public Finance Management (National Government) Regulations, 2015 which states that the accounting officer shall ensure that the national government entity develops risk management strategies, which include fraud prevention mechanism and the national government entity develops a system of risk management and internal control that builds robust business operations.

In the circumstances, the effectiveness of risk management of the Agency could not be confirmed.

3. Use of Advance System in Place of Imprest System

Review of the Agency's travel expenses indicates that the management made direct payments to staff amounting to Kshs.2,832,800 for different activities before the activities commenced instead of issuing imprest through imprest warrants contrary to Regulation 93(3) of Public Finance Management Regulation (National Government) Regulations, 2015 states that temporary imprests shall be issued mainly in respect of official journeys

and are intended to provide officers with funds with which they can meet travelling, accommodation and incidental expenses.

In the circumstances, the effectiveness of internal controls over advances to staff could not be confirmed.

4. Limited Segregation of Duties

Review of the Agency's payment vouchers reveals that the preparer of the payment voucher is the same personnel examining the voucher, approving the voucher and also the bank signatory as per the full board minutes dated 7 November, 2024 contrary to Regulation 110(1) and (2)(c) of Public Finance Management Regulation (National Government), 2015 which states that the Accounting Officer for a national government entity shall institute appropriate access controls needed to minimize breaches of information confidentiality, data integrity and loss of business continuity and access controls to be instituted shall include segregation of duties.

In the circumstances, the effectiveness of internal control over payments could not be confirmed.

5. Incomplete Fixed Asset Register

The statement of financial position and as disclosed in Note 9 to the financial statements reflects property, plant and equipment of Kshs.26,515,679 which were acquired during the year. However, the register provided omitted relevant details such as the cost, acquisition dates, depreciation rates and location of assets. In addition, the assets of the Agency which include office furniture and fittings and computers were not tagged contrary to Section 77(7) of the National Treasury Guidelines on Asset and liability Management in the Public Sector, 2020 which states that all assets purchased shall be tagged upon receipt from suppliers and, before they are issued out to user departments and that the tag number of each asset shall be included in the asset register.

In the circumstances, the effectiveness of internal control over management of fixed assets could not be confirmed.

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

Responsibilities of the Management and Board of Directors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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

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

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

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


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu CBS
AUDITOR-GENERAL

Nairobi

04 December, 2025

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

	Notes	As At 30th June 2025
		Kshs
Revenue from non-exchange transactions		
Transfers from other governments entities	5	100,000,000
Total revenue		100,000,000
Expenses		
Use of goods and services	6	60,048,930
Board Expenses	7	9,100,367
Total expenses		69,149,297
Other gains/(losses)		
Surplus/ (deficit) before tax		30,850,703
Surplus/(deficit) for the period/year		30,850,703
Net Surplus for the year		30,850,703



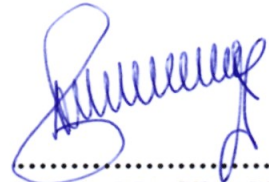
.....
Name: Eng. Antony Lenaiyara
Accounting Officer

Date: 7th Nov 2025



.....
Name: CPA Martha Wangari
Head of Finance
ICPAK M/No:24681

Date: 7th Nov 2025



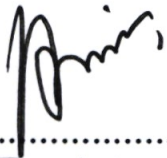
.....
Name: Mr. Silas Simatwo
Chairman of the Board

Date: 7th Nov 2025


**Digital Health Agency
Annual Report and Financial Statements
for the year ended June 30, 2025.**

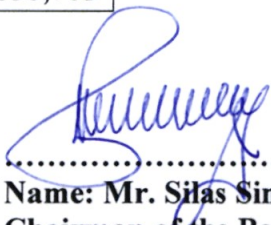
15. Statement of Financial Position as at 30th June 2025

	Notes	As At 30th June 2025
		Kshs
Assets		
Current Assets		
Cash and cash equivalent	8	4,335,024
Total Current Assets		4,335,024
Non-Current Assets		
Property, Plant and Equipment	9	26,515,679
Total Non- Current Assets		26,515,679
Total Assets (A)		30,850,703
Liabilities		
Current Liabilities		
Trade and Other Payables	10	0
Total Liabilities (B)		0
Net Assets (A-B)		30,850,703
Represented by:		
Accumulated Surplus		30,850,703
Net Assets		30,850,703


.....
Name: Eng. Antony Lenaiyara
Accounting Officer

Date: 7th Nov 2025


.....
Name: CPA Martha Wangari
Head of Finance
ICPAK M/No: 24681
Date: 7th Nov 2025


.....
Name: Mr. Silas Simatwo
Chairman of the Board
Date: 7th Nov 2025

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

Description	Ordinary share capital	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Proposed dividends	Capital/Development Grants/Fund	Total
As at July 1, 2025	0	0	0	0	0	0	0
Surplus/ (deficit) for the year	-	0	0	30,850,703	0	0	30,850,703
As at June 30, 2025	0	0	0	30,850,703	0	0	30,850,703

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

	As At 30th June 2025	
	Notes	Kshs
Cash flows from operating activities		
Receipts		
Transfers from other governments entities	5	100,000,000
Total receipts		100,000,000
Payments		
Use of goods and services	6	60,048,930
Board Expenses	7	9,100,367
Total payments		69,149,297
Net cash flows from/(used in) operating activities	11	30,850,703
Cash flows from investing activities		
Purchase of PPE and Intangible assets	9	26,515,679
Net cash flows from/(used in) investing activities		26,515,679
Cash flows from financing activities		
Net increase/(decrease) in cash & Cash equivalents	8	4,335,024
Cash and cash equivalents at 1 July 2024		0
Cash and cash equivalents at 30 June 2025		4,335,024

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18. Statement of Comparison of Budget & Actual amounts for the yr ended 30th Jun 2025

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year*	0	0	0	0	0	0
Receipts						
Transfers from Other Governments entities	100,000,000	-	100,000,000	100,000,000	0	100%
Total Receipts	100,000,000	0	100,000,000	100,000,000	0	100%
Payments						
Use of Goods and Services	64,383,954	-	64,383,954	60,048,930	4,335,024	94%
Remuneration of Directors	9,100,367	0	9,100,367	9,100,367	0	100%
Grants and Subsidies	0	0	0	0	0	0
Total Payments	73,484,321	0	73,484,321	69,149,297	4,335,024	94%
Capital Expenditure Payments	26,515,679	0	26,515,679	26,515,679	0	100%
Surplus	0	0	0	4,335,024	0	-

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19. Notes to the Financial Statements

1. General Information

Digital Health Agency is established by and derives its authority and accountability from, the Digital Health Act, 2023 (No. 15 of 2023). The Entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The Entity's principal activity is, develop, operationalize and maintain the Comprehensive and Integrated Health Information System to manage the core digital systems and the infrastructure required for seamless health information exchange.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the DHA's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the DHA. *The* financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44:	<i>Applicable 1st January 2025</i> The Standard requires,

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Non- Current Assets Held for Sale and Discontinued Operations	Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value.
IPSAS 47: Revenue	<i>Applicable 1st January 2026</i> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transaction
IPSAS 48: Transfer Expenses	<i>Applicable 1st January 2026</i> The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and

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	cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49: Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2026</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

4. Summary of Significant Accounting Policies

a) Budget Information

The original budget for the FY2024/2025 was approved by the National Assembly on 31st July, 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget.

The agency budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of cash flows has been presented under section 18 of these financial statements.

b) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

c) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The* entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Entity's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

d) Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

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

Impairment

The Agency assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The Agency recognizes a loss allowance for such losses at each reporting date.

e) Financial liabilities

Classification

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

f) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method.
- ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Agency.

g) Provisions

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

h) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

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i) Contingent liabilities

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

j) Contingent assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

k) Nature and purpose of reserves

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

l) Changes in accounting policies and estimates

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

m) Borrowing costs

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

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

n) Related parties

The Agency regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers.

o) 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.

p) Subsequent events

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

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5. Transfers from Ministries, Departments and Agencies (MDAs)

Name of The Entity Sending The Grant	Amount recognized to Statement of Financial performance. *	Amount deferred under deferred income.	Amount recognised in capital fund.	Total transfers (Current FY)
	KShs	KShs	KShs	KShs
State Department of Medical Services	100,000,000	0	0	100,000,000.
Total	100,000,000	0	0	100,000,000

6. Use of Goods and Services

Description	As At 30th June 2025
	Kshs
Advertising	440,526
Conferences and Delegations	886,000
Fuel and Oil	1,200,000
Printing and Stationery	924,120
Rent expenses	4,477,800
Telecommunication	999,900
Training	677,000
Travel, Subsistence & Other Allowances	50,381,506
Bank charges	62,078
Total	60,048,930

7. Board Expenses

Description	As At 30th June 2025
	Kshs
Chairman/Directors' Honoraria	910,000
Sitting Allowances	5,780,000
Induction and Training	864,000
Travel and Accommodation	1,546,367
Total	9,100,367

8. a). Cash and Cash Equivalents

Description	As At 30th June 2025
	Kshs
Current Account	4,335,024
Total Cash and Cash Equivalents	4,335,024

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b). Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	As At 30th June 2025
		Kshs
Current Account		
Kenya Commercial Bank	1332861547	0
Cooperative Bank	01101131234001	4,335,024
Sub- Total		4,335,024
Grand Total		4,335,024

9. a). Property, Plant and Equipment

Cost	Motor vehicles	Furniture and fittings	Computers	Total
Depreciation Rate	Kshs	Kshs	Kshs	Kshs
As at 30 th June 2024	0	0	0	0
Additions	11,103,763	14,055,760	1,356,156	26,515,679
Disposals	0	0	0	0
Transfer/Adjustments	0	0	0	0
Revaluation adjustments	0	0	0	0
As at 30 th June 2025	11,103,763	14,055,760	1,356,156	26,515,679
Depreciation And Impairment				
As at 30 th June 2024	0	0	0	0
Depreciation	0	0	0	0
Disposals	0	0	0	0
Impairment	0	0	0	0
Transfer/Adjustment	0	0	0	0
As at 30 th June 2025	0	0	0	0
As at 30 th June 2024	0	0	0	0
Net Book Values				
As at 30 th June 2025	11,103,763	14,055,760	1,356,156	26,515,679

b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Motor Vehicles, Including Motorcycles	11,103,763	0	11,103,763
Computers And Related Equipment	1,356,156	0	1,356,156
Office Equipment, Furniture, And Fittings	14,055,760	0	14,055,760
Total	26,515,679	0	26,515,679

The Agency doesn't charge depreciation in the year of acquisition. Full depreciation is charged in the year of disposal.

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10. Trade and Other Payables

Description	As At 30th June 2025	
	Kshs	
Trade payables	0	
Total trade and other payables	0	
Ageing analysis: (Trade and other payables)		
	Current FY	% of the Total
Under one year	0	
Total (tie to above total)	0	

11. Cash Generated from Operations

Description	As At 30th June 2025
	Kshs
Surplus for the year before tax	30,850,703
Adjusted for:	
Working capital adjustments	
Increase in payables	0
Net cash flow from operating activities	30,850,703

Nature of related party relationships

a) Government of Kenya

The Government of Kenya is the principal stakeholder of the Agency.

b) Other related parties include:

- i) The Board of Directors.
- ii) The CEO
- iii) Senior Managers

12. Events after the Reporting Period

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

13. Ultimate and Holding Entity

DHA is a Semi-Autonomous Government Agency under the Ministry of Health. Its ultimate parent is the Government of Kenya.

14. Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

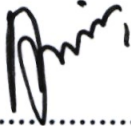
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20. Appendices

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:

This is DHA's first audit hence no previous audit recommendations.



.....
Eng. Antony Lenaiyara

C.E.O

Date:..... 7/19/2025

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Appendix II: Transfers from Other Government Entities

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/Development/Others	Total Amount - KES	Statement of Financial Performance	Where Recorded/recognized				Total Transfers during the Year
					Capital Fund	Deferred Income	Receivables	Others - must be specific	
Ministry of Health	16th Oct,2024	Recurrent	100,000,000	100,000,000	0	0	0	0	100,000,000
Total			100,000,000	100,000,000	0	0	0	0	100,000,000

Confirmation of amounts received by Digital Health Agency as at 30th June 2025

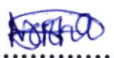
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)
FT242869K35	15 Oct-24	8,333,333	0	8,333,333
FT24289KJJ01	15 Oct-24	8,333,333	0	8,333,333
FT243175VB5C	12-Nov-24	8,333,333	0	8,333,333
FT24348HG79L	13-Dec-24	8,333,333	0	8,333,333
FT250087KZCO	08-Jan-25	8,333,333	0	8,333,333
FT25043PCY4Q	12-Feb-25	8,300,000	0	8,300,000
FT25076SXCG3	17-Mar-25	8,300,000	0	8,300,000
FT251054DJFP	15-Apr-25	10,433,334	0	10,433,334
FT25132KCW6K	12-May-25	20,866,667	0	20,866,667
FT25168X7CDL	17-Jun-25	10,433,334	0	10,433,334
TOTAL		100,000,000	0	100,000,000

I confirm that the amounts shown above are correct as of the date indicated.

Head of Accounts Department - Disbursing Entity:

Name Moses Gitau Sign  Date 7-11-25

Head of Accounts Department - Beneficiary Entity:

Name MARTHA WANGARI Sign  Date 07-11-25

