

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 15 FEB 2024	DAY: Thursday
TABLED BY: Hon. Owen Baya (Deputy Majority leader)	
CLERK-AT THE TABLE:	Shibuko

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REPORT

OF

THE AUDITOR-GENERAL

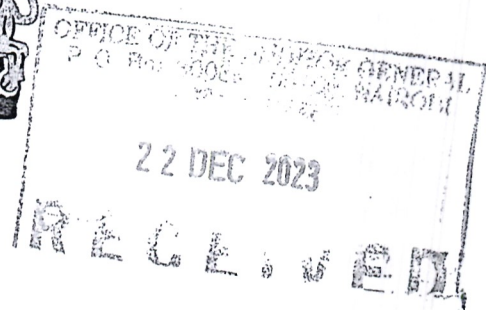
ON

REVENUE STATEMENTS

FOR THE YEAR ENDED

30 JUNE, 2023

**STATE DEPARTMENT FOR BLUE
ECONOMY AND FISHERIES**



MINISTRY OF MINING, BLUE ECONOMY, AND MARITIME AFFAIRS

STATE DEPARTMENT FOR BLUE ECONOMY AND FISHERIES

AMENDED REVENUE STATEMENTS

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

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

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II. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The *State Department for Blue Economy and fisheries* is under the Ministry of Mining, Blue Economy and Maritime Affairs. At cabinet level, the *State Department for Blue Economy and fisheries* is represented by the Cabinet Secretary for the Ministry of Mining, Blue Economy and Maritime Affairs, who is responsible for the general policy and strategic direction of the *State Department for Blue Economy and fisheries*. The *Principal Secretary* was designated as a receiver February 17th, 2021 by the Cabinet Secretary, National Treasury in accordance with section 75 of the PFM Act.

(b) Principal activities

The *State Department for Blue Economy and fisheries* collects revenue from 3540302 (Fishing Rights). Revenue collected is remitted to the National Treasury and used for funding government budget through exchequer.

(c) Key Management

The *State Department for Blue Economy and fisheries* day-to-day management is under the following key organs:

- Cabinet Secretary – Ministry of Mining, Blue Economy and Maritime Affairs;
- Principal Secretary - State Department for Blue Economy and fisheries Senior Management;
 - Directorate of Aquaculture Technology Development,
 - Directorate of Fisheries Policy Research and Regulations and
 - Directorate of Fisheries Resource Development and Marketing.

State Department for Blue Economy and fisheries

P.O. Box 58187
Kilimo House
Cathedral Road
Nairobi, KENYA

(d) Entity Contacts

Telephone: (254) 2716103/85
E-mail: psfisheries@kilimo.go.ke
Website: www.go.ke

(e) Independent Auditors

Auditor General

STATE DEPARTMENT FOR BLUE ECONOMY AND FISHERIES
REVENUE STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

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

(f) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
Telephone: (254) 22227461
E-mail: communications@central.go.ke
Website: www.go.ke

(g) Bankers (include all bankers)

1. Central Bank of Kenya Haile
Selassie Avenue Telephone:
(254) 202861000
E-mail: comms@central.go.ke
Website: www.go.ke

2. Kenya Commercial Bank
Moi Avenue
Telephone: + 254 – 203287000
E-Mail:
Website: www.kenya.info.ke

STATE DEPARTMENT FOR BLUE ECONOMY AND FISHERIES
REVENUE STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

III. STATEMENT OF RECEIVER OF REVENUE'S RESPONSIBILITIES

Section 82 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, a receiver of revenue shall prepare an account of the revenue received and collected by that receiver during that financial year.

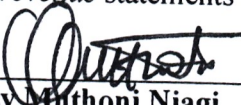
The Principal Secretary in charge of the The State Department for Blue Economy and fisheries is responsible for the preparation and presentation of the *revenue account*, which gives a true and fair view of the state of affairs of the *State Department* for and as at the end of the financial year (period) ended on June 30, 2023. 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 *State Department*; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

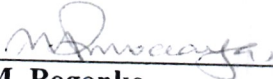
The Principal Secretary in charge of the The State Department for Blue Economy and fisheries accepts responsibility for the *State Department's revenue* accounts, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Principal Secretary is of the opinion that the *State Department's revenue* account gives a true and fair view of the state of the *State Department's revenue* transactions during the financial year ended June 30, 2023, and of the *State Department's* financial position as at that date. The Principal Secretary in charge of the The State Department for Blue Economy and fisheries further confirms the completeness of the accounting records maintained for the *State Department's revenue*, which have been relied upon in the preparation of the *State Department's revenue* account as well as the adequacy of the systems of internal financial control.

The Principal Secretary in charge of the The State Department for Blue Economy and fisheries confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Principal Secretary confirms that the *State Department's* accounts have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the Revenue Statements

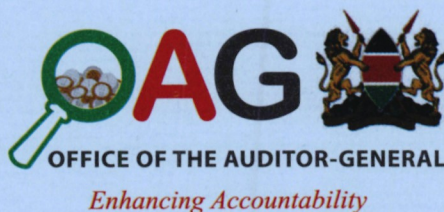
The *revenue* statements were approved on..... 22/12/23 and signed by:


Betsy Muthoni Njagi
Principal Secretary


John M. Bogonko
Head of Accounting Unit

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON REVENUE STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2023 - STATE DEPARTMENT FOR BLUE ECONOMY AND FISHERIES

PREAMBLE

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

- A. Report on the Revenue Statements that considers whether the revenue 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 revenue statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazetted notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- 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, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE REVENUE STATEMENTS

Qualified Opinion

I have audited the accompanying Revenue Statements of the State Department for Blue Economy and Fisheries set out on pages 1 to 9, which comprise of the statement of receipts and disbursements for the year ended 30 June, 2023 and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public

Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the revenue statements present fairly, in all material respects, the financial position of Revenue Statements - State Department for Blue Economy and Fisheries as at 30 June, 2023, and of its financial performance for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Presentation and Disclosures in the Revenue Statements

Review of revenue statements for the year ended 30 June, 2023 revealed the following anomalies and inaccuracies;

- i. The revenue statements for the year under review excluded requisite statements comprising of the statement of financial assets and liabilities, the statement of comparison of budget and actual amounts and the statement of arrears of revenue as required by the financial reporting guidelines and templates issued by the Public Sector Accounting Standards Board (PSASB)
- ii. The statement of receipts and disbursements reflects Nil balances in all revenue classes for non-tax receipts in the prior year 2021/2022. However, as previously reported, revenue amounting to USD 119,282 (approximately Kshs.16,750,055), relating to security and electricity charges for vessels which docked at the Liwatoni fishing port had been long outstanding, some dating back to August, 2020. Although Management had written demand letters to the operators, no response had been received and ships were still docked at Liwatoni and accumulating more charges. In addition, accumulated charges and fees was not being assessed and reported in the financial statements.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

2. Delay in Remitting Revenue to the Receiver of Revenue

The statement of receipts and disbursements reflect other receipts amount of Kshs.130,311,440. Included in the amount is Kshs.204,890 which was banked in the month of August, 2023. According to Management, the amount comprised of Kshs.75,740 and Kshs.129,150 collected at Sagana NADC and Sagana NARDTC during the year under review but was deposited on 9 August, 2023 and on 10 August, 2023 respectively, over a month after the closure of the financial year.

Similarly, revenue amounting to Kshs.1,632,045 received in June, 2023 and recorded in the ledger on various dates was banked on 3 July, 2023, which was long after it was received.

In addition, no documents such as receipt books and cashbooks were provided to confirm that the revenue amount related to the year under review, and that amounts collected were accounted for in full and banked in intact.

In the circumstances, the accuracy of the receipts totalling Kshs.130,311,440 could not be confirmed.

3. Unreconciled Cash Book and Bank Balances

During the year under review, Management maintained a bank account in which revenue collected from licenses, training and sale of fish fingerlings and fish feed was deposited. Review of the monthly bank statement balances and cashbook balances revealed differences between the two sets of records. However, no bank reconciliation statements for the balances were provided for review. Further, a reconciliation of amounts collected from various revenue points against banking made in respect of the collections was not provided for review.

In the circumstances, the accuracy of the receipts and disbursements for the year under review could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Revenue Statements - State Department for Blue Economy and Fisheries Management in accordance with ISSAI 130 on 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 revenue statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Audit Matters

In the audit of the previous year, several issues were raised under Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management has not indicated how the issues were resolved or explained the failure to adhere to the provisions of the Public Sector Accounting Standards Board reporting template and The National Treasury Circular AG.3/88/VoL.II (28) dated 9 May, 2023.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that nothing 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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

Management is also responsible for the submission of the revenue 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 preparing and presenting the revenue statements described above, Management is also responsible for ensuring that the activities, transactions and information reflected in the revenue statements comply with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the revenue statements as a whole are free from material misstatement, whether due to fraud or

error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these revenue statements.

In addition to the audit of the revenue statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, transactions and information reflected in the revenue statements comply with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution.

Further, in planning and performing the audit of the revenue statements and audit of compliance, I consider internal controls 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 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the revenue statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

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

uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the revenue statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the State Department to cease to continue to sustain its services.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

24 January, 2024

STATEMENT OF RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

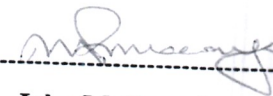
	Note	2022/2023 Kshs	2021/2022 Kshs
NON -TAX RECEIPTS (fishing rights)			
Fees on use of Goods/Services -fisherman licenses and registrations of boats	1	8,974,040.00	
Import and export of fish & fish products (KENTRADE) -issuance of health certificate, food handling and compliance certificate	2	120,191,210.00	
Sale of Goods and Services -sale of fingerlings and brooders, training and gate fee	3	1,146,190.00	
TOTAL NON -TAX RECEIPTS		130,311,440.00	125,504,663.75
TOTAL RECEIPTS (fishing rights)	4	130,311,440.00	125,504,663.75
DISBURSEMENTS TO EXCHEQUER ACCOUNT		(130,311,440.00)	(125,504,663.75)
BALANCE DUE FOR DISBURSMENT			

These revenue statements were approved on 22/12/23and signed

By:



Betsy Muthoni Njagi
Principal Secretary



John M. Bogonko
Head of Accounting Unit

IV. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

The revenue statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and relevant legal framework of the Government of Kenya. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *State Department*. The accounting policies adopted have been consistently applied to all the years presented.

The revenue statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the *State Department*.

2. Recognition of Receipts

The *State Department for Fisheries, Aquaculture and the Blue Economy* recognises all receipts from the various sources when the related cash has been received by the *State Department*.

3. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the revenue statements. The revenue budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the revenue's actual performance against the comparable budget for the financial year under review has been included in these revenue statements.

4. 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.

5. Revenue in Arrears

This relates to revenue earned and is yet to be received or collected by the receiver of revenue. These arrears are disclosed under the statement of arrears as required under the PFM Act, 2012 which is a memorandum statement.

6. Disbursements to the Exchequer

The Receiver of Revenue has a (daily, weekly, monthly) arrangement for sweeping of funds from its bank account to the Exchequer account. Total disbursements to the exchequer are as a result of the sweeping arrangement during the year.

7. Comparative Figures

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

8. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the revenue statements for the year ended June 30, 2023.

STATE DEPARTMENT FOR BLUE ECONOMY AND FISHERIES
 REVENUE STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023


NOTES TO THE FINANCIAL STATEMENTS (Continued)


1. FEES ON USE OF GOODS AND ON PERMISSION TO USE GOODS OR TO PERFORM SERVICES AND ACTIVITIES

Description	Original Estimates	Revised Estimates	Actual	% Realized
Fees on use of Goods/Services -fisherman licenses and registrations of boats	11,134,134.00	9,260,758.00	8,974,040.00	97%
Transfers to the Exchequer account			8,974,040.00	100%
Balance carried forward			NIL	N/A

Commentary on Actual Revenue against the Revised Estimates

The total actual collection is 97% fails to meet the Estimate by 3%. Although the state department has not hit the target, it has performed fairly well. The above revenue statement was approved on 22/12/2023 and signed by:


 Betsy Muthoni Njagi
 Principal Secretary


 John M. Bogonko
 Head of Accounting Unit

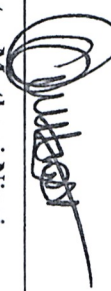
NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. IMPORT AND EXPORT(KENTRADE)

Description	Original Estimates	Revised Estimates	Actual	% Realized
Import and export of fish & fish products (KENTRADE) -issuance of health certificate, food handling and compliance certificate	149,121,811.00	123,785,468.00	120,191,210.00	97%
Transfers to the Exchequer account			120,191,210.00	100%
Balance carried forward			NIL	N/A

Commentary on Actual Revenue against the Revised Estimates

The total actual collection is 97% fails to meet the Estimate by 3%. Although the state department has not hit the target, it has performed fairly well. The above revenue statement was approved on 22/11/2023 and signed by:



Betsy Muthoni Njagi
Principal Secretary



John M. Bogonko
Head of Accounting Unit

STATE DEPARTMENT FOR BLUE ECONOMY AND FISHERIES
 REVENUE STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

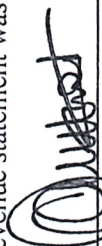
3. SALE OF GOODS AND SERVICES


Description	Original Estimates	Revised Estimates	Actual	% Realized
Sale of Goods and Services sale of fingerlings and brooders, training and gate fee	1,422,084.00	1,180,515.00	1,146,190.00	97%
Total Revenue	1,422,084.00	1,180,515.00	1,146,190.00	97%
Transfers to the Exchequer account			1,146,190.00	100%
Balance carried forward			NIL	N/A

Commentary on Actual Revenue against the Revised Estimates

There were neither Actual Revenue nor Revised Estimates during the Financial Year (period) under review as the State Department does not receive such incomes nor undertake such transactions in question.

The above revenue statement was approved on 22 of 12/23 and signed by:


 Betsy Muthoni Njagi
 Principal Secretary


 John M. Bogonko
 Head of Accounting Unit


NOTES TO THE FINANCIAL STATEMENTS (Continued)

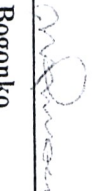
4. FISHING RIGHTS

Description	Original Estimates	Revised Estimates	Actual	% Realized
Fishing Rights	161,678,029.00	134,213,887.00	130,311,440.00	97%
Total Revenue	161,678,029.00	134,213,887.00	130,311,440.00	100%
Transfers to the Exchequer account			(130,311,440.00)	
Balance carried forward			NIL	N/A

Commentary on Actual Revenue against the Revised Estimates

The total actual collection is 97% fails to meet the Estimate by 3%. Although the state department has not hit the target, it has performed fairly well. The above revenue statement was approved on 05/12/23 and signed by:


 Betsy Muthoni Njagi
 Principal Secretary


 John M. Bogonko
 Head of Accounting Unit

STATE DEPARTMENT FOR BLUE ECONOMY AND FISHERIES
 REVENUE STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

a. BANK BALANCES

Name of Bank, Account No. & currency	Amount in bank account currency	Exc. rate (if in foreign currency)	2022-2023	2021-2022
			Kshs	Kshs
<i>Central Bank of Kenya, Acct. No. 1000387254 – Ksh.</i>	-	-	-	-
<i>Name of Bank, Account No. & currency</i>	-	-	-	-
<i>Name of Bank, Account No. & currency</i>	-	-	-	-
Total			-	-

b. PAYABLES- DUE TO EXCHEQUER

Payables	2022-2023	2021-2022
	Kshs	Kshs
<i>Amounts disbursed to Exchequer during the year</i>	130,311,440.00	125,504,663.75
Total	130,311,440.00	125,504,663.75

This relates to amounts yet to be disbursed to the exchequer at the end of the financial year. The amount should be supported by the bank balances as per note 16 above.

STATE DEPARTMENT FOR BLUE ECONOMY AND FISHERIES
 REVENUE STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

APPENDIX 2: PROGRESS ON FOLLOW UP OF PRIOR YEAR AUDITOR
 RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

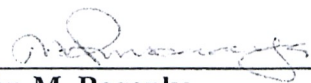
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
N/A	N/A	N/A	N/A	N/A	N/A

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.



 Betsy Muthoni Njagi
 Principal Secretary



 John M. Bogonko
 Head of Accounting Unit

Date:

Date: 22/12/23