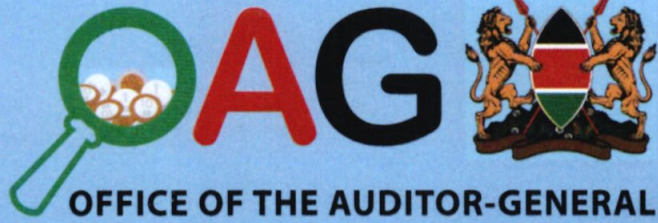
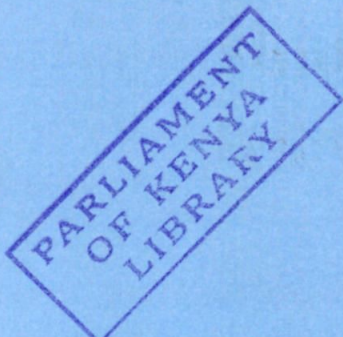


REPUBLIC OF KENYA

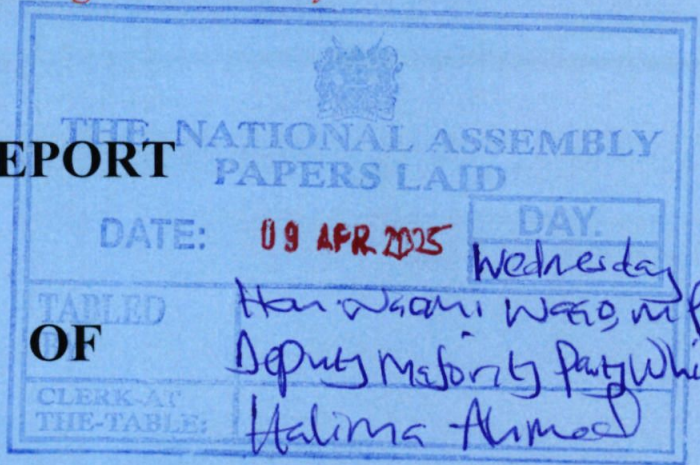


OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*



**REPORT**



**OF**

**THE AUDITOR-GENERAL**

**ON**

**FISH LEVY TRUST FUND**

**FOR THE YEAR ENDED**

**30 JUNE, 2024**

*Revised 30<sup>th</sup> June 2024*

OFFICE OF THE AUDITOR GENERAL  
P.O. Box 20034 - 00100, NAIROBI  
KENYA  
REGISTRY

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**FISH LEVY TRUST FUND**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>TH</sup> JUNE 2024**

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

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## **1. Acronyms, Abbreviations and Glossary of Terms**

### **A: Acronyms and Definition of Key Terms**

ARBEC	Aquatic Resources and Blue Economy Conference
BMU	Beach Management Unit
CEO	Chief Executive Officer
DTI	Dairy Training Institute
EEZ	Exclusive Economic Zone
FILMIS	Fish Levy Management Information System
FLTF	Fish Levy Trust Fund
FY	Financial Year
GPO	General Post Office
ICPAK	Institute of Certified Public Accountants of Kenya
ICT	Information and Communication Technology
IPSAS	International Public Sector Accounting Standards
KEMFSED	Kenya Marine Fisheries Social Economic Development
MOAL&F	Ministry of Agriculture, Livestock and Fisheries
MSc	Master of Science
NGO	Non-Governmental Organization
NHIF	National Hospital Insurance Fund
PFM	Public Finance Management
PPE	Property Plant and Equipment
SDG	Sustainable Development Goal

### **B: Definition of Key Terms**

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

**Comparative Year-** Means the prior period.

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**2. Key Fish Levy Trust Fund Information and Management**

**(a) Background information**

(b) The Fish Levy Trust Fund was incorporated/ established under section 28 of the Fisheries Management and Development Act, 2016. The Act provides for a five-member Board of Trustees to administer the Fund. The Fund is domiciled in Kenya with an office in Maji House. The Fund is yet to be fully operationalized.

**(c) Principal Activities**

***Vision Statement***

To be a leading agency in promoting management and development of the fisheries resource through supplementary funding.

***Mission Statement***

To provide supplementary funding for sustainable management and development of the fisheries resource for socio-economic development.

***Core Values***

**Fish Levy Trust Fund will be guided by the following principles: -**

- i) Integrity
- ii) professionalism
- iii) Equity and equality
- iv) Accountability
- v) Transparency
- vi) Team work
- vii) Good governance

***Core Functions***

The core functions of Fish Levy Trust Fund are to:

- i) Mobilize, manage and avail resources for grants, fisheries awards and capacity building.
- ii) Promote fisheries management and conservation.
- iii) Provide financial resources for urgent mitigation for climate change and natural disasters affecting the livelihoods of the fisher folk.
- iv) Promote public awareness on fisheries conservation and management.

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**c) Key Management**

The Fish Levy Trust Fund's day-to-day management is under the following key organs:

No.	Designation	Name
1	Board of Trustees	Pending appointment/reappointment
2.	Ag. Chief Executive Officer	Dr. Beatrice Ghettuba Akunga
3.	Director, Fund Management	Pending appointment
4.	Director, Resource mobilization & partnership	Pending appointment

**(d) Fiduciary Management**

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

No.	Designation	Name
1.	Ag. Chief Executive Officer	Dr. Beatrice Akunga
2.	Head of Corporate Services	N/ A
3.	Head of Finance	Mr. Martin Wamwea
4.	Head of Procurement	Mr. Sammy Okonji
5	Deputy Head Accounting Unit	Mr. Mathew Ouko

**Key Fish Levy Trust Fund Information and Management (continued)**

**(e) Fiduciary Oversight Arrangements**

The organisational structure of the Fund provides for the Audit and Risk Committee, Finance Committee, Technical Committee and Human Resource Committee. However, during the financial year under review the Board of Trustees was not in place. In the absence of the Board of Trustees, the Fund used officers (Audit and Finance) from the State department of Blue Economy to provide oversight.

**Parliamentary Committee activities**

**National Assembly -Departmental Committee on Blue Economy, Water and Irrigation**

The Fund participated in workshops and meetings with Departmental Committee.

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**(f) Fish Levy Trust Fund Headquarters**

P.O. Box 58187-00200  
Maji House  
Ngong Road  
Nairobi, KENYA

**(g) Fish Levy Trust Fund Contacts**

Telephone: (254) 2718870  
E-mail: [Info@flt看.go.ke](mailto:Info@flt看.go.ke)  
Website: <https://flt看.go.ke>

**(h) Fish Levy Trust Fund Bankers**

Kenya Commercial Bank  
Capital Hill Branch  
Ragati Road  
P.O Box 48400-00100  
NHIF Building  
NAIROBI, KENYA

**(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

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**3.The Board of Directors/ Council**

The Fund is still awaiting the appointment/ reappointment of the Board of Trustees

Ref	Directors	Details
1.	Board of Trustees Members	Pending appointment/reappointment.
3		<p>Ag. Chief Executive Officer Dr. Beatrice Ghattuba Akunga was born on 15th February, 1972 and holds a Doctor of Philosophy (PhD) and an Masters (MSc) in Environmental Studies both from Kenyatta University. She has over 27 years' experience in Fisheries Management. Since her appointment as Ag. CEO of the Fund, she has spearheaded the operationalization of the Fish Levy Trust Fund.</p> <p>She has expertise in policy making, Environmental Impact Assessment and has done Strategic Leadership Development Programme.</p> <p>Dr. Akunga has previously chaired the Technical Working Group that developed the Joint Agriculture Sector Consultation and Corporation Mechanism and worked in the Joint Agriculture Secretariat. She was Chairperson of the Transformation Secretariat in the MOAL&amp;F, where she Coordinated the Development of the Sector wide M&amp;E Framework.</p>

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**4. Key Management Team**

	<b>Management</b>	<b>Details</b>
1.		<p>Ag. Chief Executive Officer</p> <p>Dr. Beatrice Ghattuba Akunga was born on 15th February, 1972 and holds a Doctor of Philosophy (PhD) and an (MSc) in Environmental Studies both from Kenyatta University. She has over 27 years' experience in Fisheries Management. Since her appointment as Ag. CEO of the Fund, she has spearheaded the operationalization of the Fish Levy Trust Fund.</p> <p>She has expertise in policy making, Environmental Impact Assessment and has done Strategic Leadership Development Programme.</p> <p>Dr. Akunga has previously chaired the Technical Working Group that developed the Joint Agriculture Sector Consultation and Corporation Mechanism and worked in the Joint Agriculture Secretariat. She was Chairperson of the Transformation Secretariat in the MOAL&amp;F, where she Coordinated the Development of the Sector wide M&amp;E Framework.</p>

**5. Chairman's Statement**

During the financial year under review the Fund did not have a Board of Trustees.

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**6. Report of the Chief Executive Officer**

Although the Fisheries sector has huge potential, it has continued to receive limited budgetary allocation devoted to fisheries management, development, capacity building, fisheries research and enforcement.

The FLTF is envisioned as a collaborative effort to foster sustainable fisheries management and provide sustainable funding to the sector. The Fund anticipates to provide industry supportive mechanisms of levies remitted to a revolving fund in order to promote the development of persons in the fisheries sector; expand access of finances to persons in the fisheries sector including women, youth and persons with disability; attract and facilitate investment in micro, small and medium enterprises.

This is in line with The Kenya Kwanza bottom – up economic transformation agenda 2022 – 2027 that aims at promoting revenue generation, job creation, improving the livelihoods of the citizenry and promoting Micro, Small and Medium Enterprises in the country. The FLTF will provide supplementary funding in the fisheries sector with the aim of empowering and transforming small scale fishers to semi-industrial and industrial fishers.

The Fund will act as a catalyst in exploiting the fisheries potential through capacity enhancement initiatives for persons engaged in fishing or fishing related activities. This intervention will engender heightened production, employment opportunities, revenue generation and ultimately bolster the country's economic growth.

During the year under review 2023/2024 the Fish Levy Trust Fund made tremendous progress towards operationalization of the Fund. A key milestone achieved was the finalization and gazette of the Fish Levy Order. The Order will be vital in full operationalization of the Fund.

The Fund received an Exchequer Grant of Ksh. 30,000,000 compared to Ksh. 20, 000,000 in the previous year 2022/2023. The Fund continued to implement its Strategic Plan (2023-2027).

**Implementation Challenges**

The Fund faced various challenges during the implementation period. This included:

Lengthy processes in the finalization of the Fish Levy Order, pending appointment of the Board of Trustees, inadequate staff, inadequate resources to fast-track full operationalization of the Fund and delayed exchequer release among others.

**Steps to address the Challenges**

To mitigate the challenges faced by the Fund in the short term, the Fund uses staff from State Department of Blue Economy and Fisheries and Kenya Fisheries Service to assist in the operationalization of the fund as it awaits recruitment. The Human resource instruments have been developed and once approved will enable

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for recruitment of staff to the Fund. The gazettelement of the Fish Levy Order, will now enable the Fund to collect levies and this will contribute towards sustainable financing for the Fisheries sector.

**Out look**

The Fish Levy Trust Fund once fully operational will provide supplementary Funding to persons engaged in fishing and fishing related activities. It is anticipated that levies collected will contribute to a self -sustaining fisheries sector by providing the necessary capital for stakeholders along the value chain to invest in their businesses and increase productivity. It is expected that with the stakeholders being facilitated in terms of building their capacity, providing supplementary funding for infrastructure development, acquiring boats, improved gears etc., the return on investment will increase and this will translate to increased revenue generation for the country and improved livelihoods for the persons involved in fishing and fishing related activities.

As we embark on a new financial year, we look forward to the full operationalization of the Fund where we shall mobilize resources for the Fund and disburse the same to the beneficiaries.

The following recommendations are key to make the Fund fully administer its mandate:

- i) Appointment/Reappointment of the Board of Trustees
- ii) Timely disbursement of the Exchequer
- iii) Adequate funding for planned activities



Dr. Beatrice Akunga, PhD

**Ag. CHIEF EXECUTIVE OFFICER**

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**7.Statement of Performance against Predetermined Objectives for FY 2023/2024**

Fish Levy Trust Fund has four (4) strategic issues and objectives within the Strategic Plan. These strategic issues are as follows:

- (i) Issue 1: Development of regulations and guidelines
- (ii) Issue 2: Development and strengthening of human resource capacity
- (iii) Issue 3: Development and strengthening of capacity and visibility
- (iv) Issue 4: Resource mobilization and funds disbursement

Fish Levy Trust Fund developed its Annual Work Plan based on three of the above issues. Assessment of the Board's performance against its Annual Work Plan is done on a quarterly basis. The Fish Levy Trust Fund achieved its performance targets set for the FY 2023/24 period for its three (3) strategic issues, as indicated in the table below:

Strategic Pillar/Theme/ Issue	Objective	Key Performance Indicators	Activities	Achievements of annual target
<b>Issue 1:</b> Lack of FLTF regulations and guidelines	To develop regulations and guidelines	Number of guidelines, manuals and regulations developed and implemented	(i) Finalize Fish Levy Trust Fund Order	100% complete ( <i>Fisheries Management (Fish Levy Trust Fund) Order, 2024</i> has since been gazetted for enforcement)
			ii) Develop FLTF's Urgent Mitigation Guidelines	95% complete (Pending approval by the Board of Trustees)
			iii) Develop FLTF's Strategic Plan (2023 – 2027	100% complete (Pending approval by the Board of Trustees; New guidelines were issued and acted upon)
			(iv) Develop Workplace Productivity Improvement Strategy	95% complete (Pending approval by the Board of Trustees)
			(iv) Re-engineer core Fish Levy Trust Fund's processes	95% complete (Pending approval by the Board of Trustees)
			(v) Developed a Fish Levy Trust	95% complete (Pending approval by

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			Fund's Risk Management Policy Framework	the Board of Trustees)
<b>Issue 2:</b> Inadequate Skilled Human Resource	To develop and strengthen Human Resource capacity	Percentage of training needs addressed	Undertake training needs assessment and skills gap assessment	100% complete viz: - (i) Four (4) technical staff - including the CEO - trained on policy making. (ii) Three (3) drivers trained on defensive driving) in accordance with the Training Needs Assessment (iii) Two (2) accounts staff were refreshed on year-end closing procedures and the transition from cash to accrual-based accounting
<b>Issue 3:</b> Inadequate capacity and visibility	To develop and strengthen FLTF capacity and visibility	Level (%) of visibility and awareness on FLTF	(i) Provide necessary equipment, infrastructure, facilities and tools for service delivery; (ii) Conduct Public Education and Awareness on the Fund's services (iii) Sensitize county management on the mandate of FLTF	95% Complete viz: - (i) Procured office equipment including computers, fire-proof cabinets, furniture, etc.) (ii) Sensitized 169 Fish Marketing Cooperatives on the mandate of the Fish Levy Trust Fund (iii) Integrated the agency's digital platforms (i.e., Website, Twitter - now X) and Facebook. (iii) Organised five (5) workshops to sensitize Top County

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				management on FLTF Mandate.
<b>Issue 4:</b> Inadequate resource mobilization	To mobilize resources for the Fund and disburse to the stakeholders	Level (%) of collaboration with internal and external stakeholders	(i) Organize forums with stakeholders to source for funding (ii) Develop proposals for funding (iii) Collaborate with sector agencies, private sector, development partners and civil society for joint programming and fundraising (iv) Formulate call for proposals for funding and disbursement	0 % complete (Limited by insufficient budget allocation and delayed implementation of the regulations, which were only gazetted late in the financial year)

In conclusion, the Fund implemented the performance Contract for the FY 2023-2024 successfully and most of the targets set were achieved.

### **8. Corporate Governance Statement**

Fish Levy Trust Fund is committed to providing supplementary funding for sustainable management and development of the fisheries resource for socio-economic development. Section 28 of the Fisheries Management and Development Act provides for a five-member Board of Trustees.

The functions of the Board of Trustees are to:

- (a) oversee the administration of the Fund;
- (b) receive reports on the performance of the Fund;
- (c) advise the Cabinet Secretary on the operations of the Fund;
- (d) review the estimates of annual revenue and expenditure of the Fund and recommend them to the Cabinet Secretary for approval and submission to the Cabinet Secretary responsible for the National Treasury;
- (e) review the Fund priorities and criteria for allocation and disbursement of funds to beneficiaries in furtherance of the purposes of the Fund;
- (f) mobilize resources for the Fund;
- (g) open and operate a bank account with the approval of the National Treasury;
- (h) manage assets, equipment and all properties under the Fund; and
- (i) promote and facilitate realization of the objects and purposes of the Fund.

During the year under review the board of trustees did not hold any meetings as they were yet to be appointed

## **9. Management Discussion and Analysis**

### **1. Operational and Financial Performance**

The FLTF is committed to providing supplementary funding for the management and development of the fisheries sector. Over the last three years, the Fund has achieved key milestones in achieving its objectives while ensuring sound financial stewardship.

#### **1.1 Operational Performance**

Fish Levy Trust Fund continued to focus on operationalizing the Fund to enable it fully perform its mandate of providing supplementary funding for the management, development, capacity building and urgent mitigation and awards for sustainability of the fisheries resource.

During the period under review, the following activities were undertaken:

1. The Fund Participated in Productivity Mainstreaming workshop at Machakos University, Machakos County on 8<sup>th</sup> -12<sup>th</sup> January 2024.
2. The Fund in collaboration with Kenya Fish Marketing Authority participated in Transforming Beach Management Units into Cooperatives and sensitized them on Fish Levy Trust Fund's mandate and used the opportunity to administer questionnaires on urgent mitigation guidelines in Siaya County on 29<sup>th</sup> January - 3<sup>rd</sup> February, 2024.
3. The Ag. CEO and one officer attended a workshop for secretariats to Boards and Commissions at Lake Naivasha Resort, in Naivasha on 6<sup>th</sup> - 9<sup>th</sup> February 2024.
4. The Fund in collaboration with Kenya Fish Marketing Authority participated in Transforming Beach Management Units into Cooperatives and sensitized them on Fish Levy Trust Fund's mandate and administered questionnaires on urgent mitigation guidelines in Homabay County on 4<sup>th</sup> -11<sup>th</sup> February, 2024
5. The Fund in collaboration with Kenya Fish Marketing Authority participated in Transforming Beach Management Units into Cooperatives and sensitized them on Fish Levy Trust Fund's mandate in Kisumu County on 19<sup>th</sup> -23<sup>rd</sup> February, 2024.
6. The Fund in collaboration with Kenya Fish Marketing Authority participated in Transforming of Beach Management Units into Cooperatives and sensitized them on Fish Levy Trust Fund's mandate in Homabay County on 26<sup>th</sup> February -3<sup>rd</sup> March, 2024.
7. The Ag. CEO attended the 2<sup>nd</sup> International Investment Conference at Tom Mboya University on 27<sup>th</sup> -29<sup>th</sup> February 2024.
8. The Fund in collaboration with KEMFSED participated in Top County Management sensitization on Fish Levy Trust Fund's mandate in Western Region, Lake Region, Coastal Region and Rift Valley Region on date 4<sup>th</sup> - 8<sup>th</sup> March, 2024.
9. The fund trained 2 drivers on Defensive driving and First Aid Course from 4<sup>th</sup> to 15<sup>th</sup> March 2024.
10. The Ag CEO and one (1) officer attended a sensitization workshop for the Blue Economy Parliamentary Committees on 15<sup>th</sup> March, 2024.
11. The Fund participated in a meeting to review fisheries regulations which was held from 1<sup>st</sup> to 5<sup>th</sup> April 2024
12. The fund trained the staff on business process re-engineering at Naivasha from 22<sup>nd</sup> - 24<sup>th</sup> May, 2024.
13. The Ag. CEO and one officer attended a tree planting exercise in Lamu County from 9<sup>th</sup> - 10<sup>th</sup> May, 2024
14. Three Senior officers were trained on policy and budget making at Kenya School of Government.
15. The Fund Participated in Productivity Mainstreaming workshop at Naivasha DTI, from 1<sup>st</sup> to 4<sup>th</sup> May, 2024.

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16. The Fund sensitized two accountants on end of year closing procedures and transition from cash to accrual basis of accounting at Naivasha - Simba lodge from 27<sup>th</sup> -31<sup>st</sup> May 2024
17. The Fund trained one (1) driver on Defensive driving and First Aid Course from 24<sup>th</sup> June to 5<sup>th</sup> July 2024.
18. The Ag. CEO and one officer attended a tree planting exercise in Tana-River County on 12<sup>th</sup> June, 2024
19. The Fund participated in the 2<sup>nd</sup> Aquatic Resources and Blue Economy Conference in Kisumu- (ARBEC) from 17<sup>th</sup> to 21<sup>st</sup> June 2024.
20. The Ag. CEO Presented the Fish Levy Order to the Committee on delegated Legislation (National Assembly and Senate)
21. The Fund Participated in the development of Risk Management Policy Framework workshop at Naivasha-DTI from 24<sup>th</sup> - 27<sup>th</sup> June, 2024.
22. The Fund finalized the Fish Levy Trust Fund Order, 2024

**1.1.2 Collaborations and Partnership's**

Fish Levy Trust Fund collaborated with other State agencies and NGO's in advancing the agenda of the Fund. The collaborations and partnerships enabled the fund to save on costs during the development of the various instruments. The Fund will continue engaging partners into the future.

**1.2 Financial Performance**

During the period under review, the Fund received a total of Kshs.30,000,000 from the National Treasury. The Funds were utilised for general operating & administrative costs.

**Compliance with statutory requirements**

During the period under review, the Fund complied with all statutory obligations including compliance with regulatory requirements including PFM Act 2012, The Public Procurement and Asset Disposal Act, 2015. The funds released by the government were used towards the approved workplan of the Fund.

**Risk Management, compliance and Conflict of Interest:**

The Board of Trustees are responsible for the Fund's risk management. The Fund has developed Risk management policy framework to identify, assess, and mitigate potential risks. Compliance with relevant laws and regulations is paramount in procurement and other areas. The Fund has continuously ensured that conflict of interest policy was in place to guide the institution.

**Future development and other key relevant information**

**a. Revenue Generation**

Fish Levy Trust Fund anticipates to collect fish levies from persons engaged in fishing or fishing related activities in line with the Fish Levy Order. This will be used to support the small-scale fishers expand access to finances and attract and facilitate investment in micro, small and medium enterprises.

**b. Climate Change Resilience**

Climate change has impacted negatively on the health, structure and functioning of marine and coastal ecosystems and hence affecting fishing communities. During the financial year, staff from the Fund participated in planting trees in line with the presidential directive. Once fully operational, the Fund will support fishers to mitigate climate change impacts by providing supplementary funds for urgent mitigations for climate change and natural disasters affecting the livelihoods of the fisherfolk.

**c. Technology Integration**

The FLTF will endeavour to put in place measures to ensure efficient, effective and economic utilization of the available resources including Integration of ICT to increase efficiency e.g. Fish Levy Management Information System (FILMIS), use of e-mails, WhatsApp and virtual meetings);

## **10.Environmental and Sustainability Reporting**

Sustainable Development Goal 1 calls for the end of poverty in all forms. The pledge to ‘*Leave No One Behind*’ aims to eradicate every form of extreme poverty including the lack of food, clean drinking water, and sanitation. Achieving this goal includes finding solutions to new threats caused by climate change and conflicts. This SDG focuses not just on people living in poverty, but also on the services people rely on and social policy that either promotes or prevents poverty.

The Fish Levy Trust Fund's overall goal is to contribute to food and nutrition security, revenue generation and improve livelihoods of fisher community along the value chain.

### **i) Sustainability strategy and profile**

To achieve ecologically sustainable development, decision-makers must ensure that fishing activities do not pose a risk of unsustainable or unacceptable impacts on the marine ecosystem.

The primary issues affecting the sustainability of marine fisheries include overfishing, illegal fishing, habitat damage, bycatch, and management.

The Fisheries sector in Kenya faces various challenges including; Overfishing, Pollution, inadequate information on investment and finance, limited capacity to exploit fisheries resources in the EEZ and impacts of climate Change among others.

Sustainable management of the fisheries resources is key to the Fisheries sector. The Fish Levy Trust Fund anticipates to give achievement awards to recognize individual fishers/ BMU's/ agencies that have made outstanding contributions to environmental protection and sustainable fishing.

### **ii) Environmental Performance**

Climate change impacts on fisheries could potentially affect the four dimensions of food security; Availability of aquatic foods will vary due to changes in habitats, stocks and species distribution; stability of supply will be impacted by changes in seasonality and increased variance in ecosystem productivity.

In the recent past, key infrastructure like landing sites have been affected by flooding and this has seriously affected fishers from landing their produce hence affecting their source of revenue and livelihoods. One of the key mandates of the Fund is to provide urgent mitigation to fishers affected by climate change and variability. The Fund when fully operational will set aside funds to cushion fishers against climate change.

### **iii) Employee welfare**

The Public Service Commission of Kenya is mandated to recruit staff, both technical and non-technical. The recruitment is thus guided by the guidelines issued by the Commission. The Board of Management, in consultation with the Commission, is in charge of promotions of junior and middle-level staff that is carried out in accordance to the guidelines issued by the Commission on delegated authority.

The Fund shall be administered by a five- member Board of Trustees nominated through an open and competitive process and they shall meet the requirements of Chapter six of the Constitution.

During recruitment and promotions, it is important for the Fund to consider gender parity as envisaged in the Constitution of Kenya, 2010 and the Diversity Policy for the Public Service, 2016.

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The performance of the public service is the engine of effective governance delivery in the world economy. The Fund measures the performance of its staff annually as per the guidelines on Staff Performance Appraisal System in the Public Service, 2016 and the appropriate sanctions and rewards applied where necessary.

The Fund has been training officers on a needs basis to ensure service delivery. Group training has been used to save on costs.

**iv) Community Engagements**

The constitution of Kenya provides for public consultations or engagements. Fish level Trust Fund involved all the 47 Counties in seeking their views during the development of the Fish Levy Trust Fund Order and the and Regulatory Impact Assessment. This was done physically as well as using on line platforms.

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**11. Report of the Directors**

The Directors submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the Fund's affairs.

**i. Principal activities**

The Mandate of the Fund as per the Fisheries management and Development Act, 2016 is to Provide Supplementary Funding for activities geared towards the Management, Development, Capacity building, Urgent mitigation and Awards for the sustainability of the fisheries resource. The Fund Through its Strategic Plan will work towards achieving this mandate

**ii. Results**

The results of the Fish Levy Trust Fund for the year ended June 30, 2024, are set out on page 1

**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. The Fund did not have any surplus Funds to remit to the consolidated Fund.

**iv. Auditors**

The Auditor-General is responsible for the statutory audit of the Fish Levy Trust Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 or Certified Public Accountants were nominated by the Auditor General to carry out the audit of the Fish Levy Trust Fund for the year/period ended June 30, 2024, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board

.....

**Name**

**Corporation Secretary/Secretary to the Board**

## **12. Statement of Board of Trustee Responsibilities**

Section 81 of the Public Finance Management Act, 2012 and the Fisheries Management and Development Act, 2016 require the Board of Trustees to prepare financial statements in respect of the FLTF, which give a true and fair view of the state of affairs of the FLTF at the end of the financial year/period and the operating results of the FLTF for that year/period. The Board of Trustees are also required to ensure that the FLTF keeps proper accounting records which disclose with reasonable accuracy the financial position of the Fund. The Board of Trustees are also responsible for safeguarding the assets of the Fund.

The Board of Trustees are responsible for the preparation and presentation of the FLTF's financial statements, which give a true and fair view of the state of affairs of the Fund as at the end of the financial period ended on 30<sup>th</sup> June, 2024. This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund;
- (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 Fund;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Board of Trustees accept responsibility for the FLTF'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 Fisheries Management and Development Act no. 35 of 2016. The Directors are of the opinion that the Fund's financial statements give a true and fair view of the state of FLTF transactions during the 4<sup>th</sup> quarter ended 30<sup>th</sup> June, 2024, and of the Fund's financial position as at that date. The Board of Trustees further confirm the completeness of the accounting records maintained for the FLTF, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

**Fish Levy Trust Fund  
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In preparing the financial statements, the board of Trustees have assessed the Fish Levy Trust Fund ability to continue as a going concern and nothing has come to the attention of the Directors to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the financial statements**

The financial statements were signed on behalf of the Board of Trustees by:

.....

**Name**

**Chairperson of the Board/Council**



.....

**Name** Dr. Beatrice Akunga, PhD

**Accounting Officer**

# REPUBLIC OF KENYA



*Enhancing Accountability*

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

## **REPORT OF THE AUDITOR-GENERAL ON FISH LEVY TRUST FUND FOR THE YEAR ENDED 30 JUNE, 2024**

---

### **PREAMBLE**

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

- A. Report on 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 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, 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 Fish Levy Trust Fund set out on pages 1 to 11, which comprise the statement of financial position as at 30 June, 2024

and the statement of 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 Fish Levy Trust Fund as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Fisheries Management and Development Act, 2016 and the Public Finance Management Act, 2012.

### **Key Audit Matters**

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

### **Other Matter**

### **Unresolved Prior Year Issues**

In the audit of the previous year, various matters were raised under the Report on Financial Statements, the Report of Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management Governance. However, although Management has not indicated having resolved /not resolved those matters in the financial statements, no evidence was provided to support that status.

### **Other Information**

Management is responsible for the other information set out on page iv to xxii which comprise of Key Fish Levy Trust Fund Information and Management. The Board of Directors/Council, Key Management Team, Chairman's Statement, Report of the Chief Executive Officer, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of Directors and Statement of Board of Trustees. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Fund'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. Lack of a Board of Trustees**

During the year under review, the Fund operated without a Board of Trustees. Although Management wrote severally to the Cabinet Secretary on the issues. No Board had been established as at 30 June, 2024. Additionally, the financial statements have not been signed by the chairman of the Board. This is contrary to Section 28(4) of the Fisheries Management and Development Act, 2016 and approved financial reporting template.

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

#### **2. Inadequate Staff**

During the year under review, the Fund carried its operations using interns and officers seconded from the State Department for Blue Economy and Fisheries. In addition, during the year, the Fund undertook a training of four (4) technical staff, including the Chief Executive Officer and two accounts staff who are also seconded from this State Department. However, it was not certain the Fund will retain the staff after the training.

Further, there is no Board of Trustees to recruit its own employees for effective and efficient operations.

#### **3. Delayed Exchequer Releases**

The statement of financial performance reflects transfers from other government entities of Kshs.30,000,000. Review of the receipts ledger and bank statements of the Fund revealed that a transfer of Kshs.2,500,000 was received on 8 July, 2024 which was after the closure of the financial year. This was despite the amount having been budgeted for the period under review. The late receipt of exchequer affected implementation of planned activities which may have impacted negatively on service delivery.

In the circumstances, full operationalization of the fund may not be achieved.

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, I confirm that nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### **Basis for Conclusion**

The audit was conducted in accordance with 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 Board of Trustees**

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 Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 Trustees is responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how Management monitors compliance with

relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for 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**

**27 December, 2024**

**Fish Levy Trust Fund  
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**14. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	Period ended 30th June 2024	Period ended 30th June 2023
		Kshs	Kshs
<b>Revenue from non-exchange transactions</b>			
Transfers from other governments entities	5	30,000,000	20,000,000
Public contributions and donations		-	-
<b>Revenue from exchange transactions</b>			
<b>Total revenue</b>		<b>30,000,000</b>	<b>20,000,000</b>
<b>Expenses</b>			
Use of goods and services	6	22,942,193	18,079,800
Depreciation and amortization expense	7	2,027,707	248,723
Repairs and maintenance	9	346,052	
<b>Total expenses</b>		<b>25,315,952</b>	<b>18,328,523</b>
<b>Surplus before tax</b>			<b>1,671,477</b>
Taxation			
<b>Surplus/(deficit) for the period/year</b>		<b>4,684,048</b>	<b>1,671,477</b>
Remission to National Treasury			
<b>Net Surplus for the year</b>		<b>4,684,048</b>	<b>1,671,477</b>

The notes set out on pages 6-12 form an integral part of these Financial Statements. The Financial Statement set out on pages 1-5 were signed on behalf of the Board of Trustees by:

  
.....  
**Dr. Beatrice Akunga, PhD**  
Accounting Officer

  
.....  
**Mr. Mathews Ouko**  
Assistant Accountant General  
ICPAK M/ No:6747

.....  
**Name:**  
Chairman of the Board

**Date** 13/12/24

**Date** 13/12/24

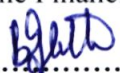
**Date**

**Fish Levy Trust Fund**  
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**15. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024**

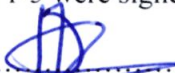
	Notes	Period ended 30th June 2024	Period ended 30th June 2023
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	10	0.00	81,397.00
<b>Total Current Assets</b>		<b>0.00</b>	<b>81,397.00</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	8	7,198,350.00	2,432,905.00
<b>Total Non- Current Assets</b>			<b>2,432,905.00</b>
<b>Total Assets</b>		<b>7,198,350.00</b>	<b>2,514,302.00</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Total Current Liabilities</b>			-
<b>Non-Current Liabilities</b>			
<b>Total Non- Current Liabilities</b>			-
<b>Total Liabilities</b>			-
<b>Net assets</b>		<b>7,198,350.00</b>	<b>2,514,302.00</b>
Reserves		2,514,302.00	-
Accumulated surplus		4,684,048.00	-
<b>Total Net Assets and Liabilities</b>		<b>7,198,350.00</b>	<b>2,514,302.00</b>

The Financial Statements set out on pages 1-5 were signed on behalf of the Board of Directors by:

  
 .....

**Dr. Beatrice Akunga, PhD**  
**Accounting Officer**

Date 13/12/24

  
 .....

**Mr. Mathews Ouko**  
**Assistant Accountant General**  
**ICPAK M/ No:6747**

Date 13/12/24

.....

**Name:**  
**Chairman of the Board**

**Date**

16. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2024

	notes	Retained earnings	Total
		Kshs	Kshs
As at July 1, 2023		2,514,302.00	2,514,302.00
Surplus/ Deficit for the previous year		0.00	0.00
Total Surplus/ Deficit at the end of the year		2,514,302.00	2,514,302.00
Changes during the year		0.00	0.00
Surplus/ Deficit for the year		4,684,048.00	4,684,048.00
As at June 30, 2024		7,198,350.00	7,198,350.00

**17. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024**

		Period ended 30th June 2024	Period ended 30th June 2023
	Notes	Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from other governments entities	5	30,000,000.00	20,000,000.00
Public contributions and donations			-
<b>Total Receipts</b>		<b>30,000,000.00</b>	<b>20,000,000.00</b>
<b>Payments</b>			
Use of goods and services	6	22,942,193.00	18,079,800.00
Repairs and maintenance	9	346,052.00	-
<b>Total Payments</b>		<b>23,288,245.00</b>	<b>18,079,800.00</b>
<b>Net cash flows from/(used in) operating activities</b>		<b>6,711,755.00</b>	
<b>Cash flows from investing activities</b>			<b>1,846,320.00</b>
Purchase of PPE and intangible assets	8	-6,793,152.00	
<b>Net cash flows from/(used in) investing activities</b>			<b>-</b>
<b>Cash flows from financing activities</b>			
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>-81,397.00</b>	<b>73,880.00</b>
Cash and cash equivalents at 1 <sup>st</sup> July, 2023	10	<b>81,397.00</b>	7,517.00
<b>Cash and cash equivalents at 30th June 2023</b>	10	<b>0.00</b>	<b>81,397.00</b>

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**18. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE  
YEAR ENDED 30 JUNE 2024**

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	Kshs	Kshs	Kshs	Kshs	Kshs	
	A	b	C=(a+b)	D	e=(c-d)	F=d/c
<b>Revenue</b>						
Transfers from other governments entities	107,000,000	-77000000	30,000,000	30,000,000	0.00	100%
<b>Total income</b>	<b>107,000,000</b>	<b>-77000000</b>	<b>30,000,000</b>	<b>30,000,000</b>	0.00	100%
<b>Expenses</b>						
Use of goods and services		-	22,942,193	22,942,193	0.00	100%
Repairs and maintenance			346,052	346,052	0.00	100%
Acquisition of Assets		-	6,793,152	6,793,152	0.00	100%
<b>Total expenditure</b>	<b>107,000,000</b>	<b>-77000000</b>	<b>30,081,397</b>	<b>30,081,397</b>	-	100%
<b>Surplus for the period</b>	-		<b>(81,397)</b>	<b>(81,397)</b>		
<b>Capital Expenditure</b>						

**Fish Levy Trust Fund  
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**Budget Notes**

**Board of Directors expenses**

The Board of Trustees were not appointed during the financial year under review.

**19. NOTES TO THE FINANCIAL STATEMENTS**

**1. General Information**

The Fish Levy Trust Fund was established under section 28 (1) of the Fisheries Management and Development Act 2016, Section 28(3) The is wholly owned by the Government of Kenya and is domiciled in Kenya.

The mandate of the FLTF is to mobilize resources for financing development and management of a sustainable fisheries sector in Kenya.

**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 proper judgement in the process of applying FLTF 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 6 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of FLTF. 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. Summary of Significant Accounting Policies**

**a) Revenue recognition**

**i. Revenue from non-exchange transactions**

**Transfers from other government entities**

Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realized in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services, and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Fish Levy Trust Fund and can be measured reliably.

**Fish Levy Trust Fund  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**Budget information**

The original budget for FY 2023-2024 was approved by the National Assembly on June 2023. Subsequent revisions or additional appropriations, if need be, will be made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations will be added to the original budget by the Fish Levy Trust Fund upon receiving the respective approvals in order to conclude the final budget.

The Fish Levy Trust Fund budget is prepared on a different basis from the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on an 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 financial performance has been presented on page 1 of these financial statements.

**Fish Levy Trust Fund  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**a) Related parties**

The Fish Levy Trust Fund 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 Fish Levy Trust Fund or vice versa. Members of key management are regarded as related parties and comprise the members of the Board of Directors/Ag. CEO.

**b) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at the 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 an 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.

**c) 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.

The annual rates in use are:

Computers & related equipment	33.3%
Office equipment, furniture & fittings	12.5%
Freehold Land	Nil
Buildings and civil works	25 years or the unexpired lease period
Plant and machinery	12.5 years
Motor vehicles, including motor cycles	4 years
Computers and related equipment	3 years
Office equipment, furniture and fittings	12.5 years

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**4. Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the Fish Levy Trust Fund financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. State all judgements, estimates and assumptions made.

**5. Transfers from Other Government Entities**

Description	2023/2024	2022/2023
	KShs	KShs
<b>Unconditional grants</b>		
Operational grant	30,000,000.00	20,000,000.00
<b>Total Unconditional Grants</b>	<b>30,000,000.00</b>	<b>20,000,000.00</b>
<b>Conditional grants</b>	-	-
<b>Total government grants and subsidies</b>	<b>30,000,000.00</b>	<b>20,000,000.00</b>

**6. Use of Goods and Services**

Description	2023/2024	2022/2023
	Kshs	Kshs
Professional services	600,000	-
Advertising	594,110	342,000
Conferences and Delegations	2,907,906	1,423,990
Consumables	350,000	370,000
Fuel and Oil	913,397	691,000
Repairs and Maintenance		220,388
Telecommunication	204,000	144,000
Travel, accommodation, subsistence and other allowances	17,362,810	14,865,782
Bank Charges	9,970	22,640
<b>Total</b>	<b>22,942,193</b>	<b>18,079,800</b>

**7. Depreciation and Amortization Expense**

Description	2023/2024	2022/2023
Office equipment	99,374	17,688
Computers	1,928,333	231,035
<b>Total depreciation and amortization</b>	<b>2,027,707</b>	<b>248,723</b>

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**8. Property, Plant and Equipment Schedule**

Note:

PPE	Office equipment, furniture & fittings	Computers & related equipment	Total
	kshs	kshs	kshs
<b>As At 30<sup>th</sup> June 2021</b>	<b>0</b>	<b>0</b>	<b>0</b>
Additions	141,508	693,800	<b>835,308</b>
<b>As At 30<sup>th</sup> June 2022</b>	<b>141,508</b>	<b>693,800</b>	<b>835,308</b>
Additions	187,500	1,658,820	<b>1,846,320</b>
<b>As At 30<sup>th</sup> June 2023</b>	<b>329,008</b>	<b>2,352,620</b>	<b>2,681,628</b>
Additions	1,133,440	5,659,712	<b>6,793,152</b>
<b>As At 30<sup>th</sup> June 2024</b>	<b>1,462,448</b>	<b>8,012,332</b>	<b>9,474,780</b>
<b>Depreciation and impairment</b>			
<b>As At 30<sup>th</sup> June 2021</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation	0	0	0
<b>As At 30<sup>th</sup> June 2022</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation	17,688	231,035	<b>248,723</b>
<b>As At 30<sup>th</sup> June 2023</b>	<b>17,688</b>	<b>231,035</b>	<b>248,723</b>
Depreciation	99,374.00	1,928,333.00	<b>2,027,707.00</b>
<b>As At 30<sup>th</sup> June 2024</b>	<b>117,062</b>	<b>2,159,368.00</b>	<b>2,276,430.00</b>
<b>Net Book Value As At 30<sup>th</sup></b>	141,508	693,800	835,308
<b>Net Book Value As At 30<sup>th</sup></b>	311,320	2,121,585	2,432,905
<b>Net Book Value As At 30<sup>th</sup></b>	<b>1,345,386</b>	<b>5,852,964.00</b>	<b>7,198,350.00</b>

Assets bought in the last financial year is what were depreciated. Assets procured in the current financial year 2023/2024 will be depreciated in the next financial year.

**9. Repairs and Maintenance**

Description	2023/2024
Repairs and Maintenance	346,052.00
<b>Total Repairs and maintenance</b>	<b>346,052.00</b>

**10. Cash and Cash Equivalents as per cash book**

Description	2023/2024	2022/2023
Kenya Commercial Bank	00.00	81,397.00
<b>Total cash and cash equivalents</b>	<b>00.00</b>	<b>81,397.00</b>

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**10 (a) Detailed Analysis of the Cash and Cash Equivalents as per cash book**

Description			
Financial institution	Account number	2023/2024	2022/2023
<b>a) Current account</b>			
Kenya Commercial Bank	1287562914	00.00	81,397.00
<b>Sub- total</b>		<b>00.00</b>	<b>81,397.00</b>
<b>Grand total</b>		<b>00.00</b>	<b>81,397.00</b>

**11. Balance brought forward at the Beginning of FY**

Description	2023/2024
	Kshs
Balance c/f at the beginning as at 01.07.2024 under the current a/c account	00.00
<b>Total Balance brought forward at start of the 1<sup>st</sup> July 2024</b>	<b>00.00</b>

**12. Events after the Reporting Period**

No events occurred

**13. Ultimate and Holding Entity**

The Fish Levy Trust Fund is a Fund in the Ministry of Mining, Blue Economy and Maritime Affairs. Its ultimate parent is the Government of Kenya.

**14. Currency**

The financial statements are presented in Kenya Shillings (Kshs)

**FIXED ASSETS**


Description	Date of Acquisition	Cost
<b>Orthopaedic chairs 4</b>	7/2/2024	180,000.00
<b>Four way work station 2</b>	7/2/2024	557,240.00
<b>Fire proof Office cabinet</b>	10/7/2024	396,200.00
<b>Desktops 3</b>	10/7/2024	867,660.00
<b>Laptop</b>	22/12/2023	684,500.00
<b>Laptops 2</b>	10/7/2024	696,360.00
<b>All in one scanner and printer</b>	10/7/2024	321,400.00
<b>IPBX</b>	14/02/2024	3,010,852
<b>Shredder</b>	10/7/2024	78,940.00
<b>Total</b>		<b>6,793,152.00</b>

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**APPENDIX 1: INTER-ENTITY TRANSFERS**

ENTITY NAME:		FISH LEVY TRUST FUND		
Break down of Transfers from the State Department of Blue Economy and Fisheries				
FY 2023/2024				
a.	Recurrent Grants			
		<b>Bank Statement Date</b>	<b>Amount (KShs)</b>	<b>Indicate the FY to which the amounts relate</b>
		04/09/2023	2,500,000.00	2023/2024
		04/09/2023	2,500,000.00	2023/2024
		27/09/2023	2,500,000.00	2023/2024
		16/11/2023	2,500,000.00	2023/2024
		11/12/2024	2,500,000.00	2023/2024
		10/01/2024	2,500,000.00	2023/2024
		15/02/2024	2,500,000.00	2023/2024
		12/03/2024	2,500,000.00	2023/2024
		22/04/2024	2,500,000.00	2023/2024
		02/05/2024	2,500,000.00	2023/2024
		12/06/2024	2,500,000.00	2023/2024
		08/07/2024	2,500,000.00	2023/2024
		<b>Total</b>	<b>30,000,000.00</b>	

The above amounts have been communicated to and reconciled with the parent Ministry

  
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**Dr. Beatrice Akunga, PhD**

**Mr. Mathews Ouko**

**Name:**

**Accounting Officer**

**Assistant Accountant General  
ICPAK Member Number:6747**

**Chairman of the Board**

**Date**

13/12/24

**Date**

13/12/24

**Date**