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**REVENUE ACCOUNTABILITY
STATEMENTS**

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

KENYA REVENUE AUTHORITY



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**KENYA REVENUE
AUTHORITY**

REVENUE ACCOUNTABILITY STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2023

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

Tulipe Ushuru Tujitegemee!

KENYA REVENUE AUTHORITY
ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED
30TH JUNE 2023

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1. KEY INFORMATION AND MANAGEMENT

(a) Background Information

Kenya Revenue Authority (KRA) is a statutory body established by an Act of Parliament, KRA Act Cap 469 of 1995.

(b) Principal Activities

The Authority's objectives are the assessment and collection of revenue, administration, enforcement of laws relating to and accounting for revenue collected under the Act.

MISSION Building Trust through Facilitation so as to foster Compliance with Tax and Customs Legislation.

VISION A Globally Trusted Revenue Agency Facilitating Tax and Customs Compliance.

CORE VALUES

- Trustworthy
- Ethical
- Competent
- Helpful
- Simple

(c) Key Management

The Authority's day-to-day management is under the following key organs;

- Office of the Commissioner General,
- Domestic Taxes Department,
- Customs & Border Control Department,
- Corporate Support Services Department,
- Investigations and Enforcement Department,
- Strategy, Innovation & Risk Management Department,
- Legal Services & Board Coordination Department,
- Intelligence & Strategic Operations Department and,
- Kenya School of Revenue Administration (KESRA)

(d) Fiduciary Management

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

- Commissioner General
- Domestic Taxes Department
- Customs & Border Control Department
- Corporate Support Services Department
- Investigations, Enforcement Intelligence and Strategic Operations
- Strategy, Innovation & Risk Management Department
- Legal Services & Board Coordination Department
- Kenya School of Revenue Administration (KESRA)
- Finance Division
- Procurement Division

Rispah Simiyu.
David M Mwangi.
Pamela Ahago.
Nancy Ng'etich.
David Yego.
Mohamed Omar.
Paul Matuku.
Fred Mugambi.
Josephat Omondi.
Benson Kiruja.

(e) Fiduciary Oversight Arrangements

1. Human Resources Committee

The Committee:

1.1 Oversees:

- (a)** Implementation of Human Resources Instruments as approved by the Board and the relevant Authorities;
- (b)** First level interviews for Senior Management and recommend to the Board appropriate Candidates for final interviews;
- (c)** Implementation of the Human Resources Annual Work Plan and
- (d)** Implementation of the Board of Directors Performance Contract.

1.2 Reviews and recommends to the Board for approval:

- (a)** Human Resources policies, Management proposals on changes in the organizational structures as provided for in the KRA Act,
- (b)** Mitigation strategies to address potential workforce productivity risks and Board of Directors Performance Contract,
- (c)** Quarterly Self-assessments and National Treasury Annual assessments.

1.3 Reviews and recommends to the Board on the status of:

- (a)** Human Resources Demographics and Diversity,
- (b)** Staff Establishments, Exits and Recruitments,
- (c)** Staff Training and Capacity Development,
- (d)** Employee Welfare and Discipline Management and Employee Performance Management.

2. Finance, Administration and Procurement Committee

The Committee:

2.1 Reviews and recommends to the Board for approval statutory financial statements prior to submission to statutory bodies.

2.2 Receives financial reports for consideration and recommendation to the Board for information or approval.

2.3 Provides oversight on:

- (a)** Assets management for optimal utilization;
- (b)** Work environment for improved staff and customer satisfaction;
- (c)** Facilities management for provision and maintenance of good working tools and environment and
- (d)** Security and safety reports to ensure a secure and safe working environment.

2.4 Offers oversight on procurement and disposal matters.

3. Board Audit and Risk Committee

The Committee:

- (a)** Provides assurance to the Board regarding the quality and reliability of both financial and operating information.
- (b)** Receives reports on the audit work plan and activities of both the internal and external auditors.
- (c)** Reviews the effectiveness of the Internal Audit function, including compliance with Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors.

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- (d) Reviews the effectiveness of the system monitoring compliance with Laws and Regulations, approved Procedures, Guidelines and Instructions of the Board of Directors and the results of Management's investigation and follow up (including disciplinary action) of any instances of non-compliance.
- (e) Advises the Board on the Authority's on the overall risk appetite, tolerance and strategy, taking account of the current and prospective macroeconomic and financial environment and current risk exposures of the Authority and future risk strategy.
- (f) Reviews the Authority's overall risk assessment processes that inform the Board's decision making, ensuring both qualitative and quantitative metrics are used and approve the parameters used in these measures and the methodology adopted; the Authority's capability to identify and manage new risk types and reports on any material breaches of risk limits and the adequacy of proposed action.

4. Revenue, Strategy and Technology Committee

The Committee:

- (a) Reviews, guides the development and monitor the implementation of corporate Strategic Plan and recommend to the Board for approval.
- (b) Monitors implementation of research agenda and innovation outcomes and recommend to the Board for approval.
- (c) Reviews and offer guidance on matters related to tax administration and collection of revenue.
- (d) Review and provide guidance and oversight on ICT policies and strategies and optimisation of ICT in revenue collection and administration.

(f) Headquarters

Times Tower Building,
Haile Selassie Avenue,
P.O. Box 48240 – 00100, Nairobi, Kenya.

(g) Contacts

Telephone (254) 020-310900, 2810000, 315553
Email callcentre@kra.go.ke , cic@kra.go.ke
Website www.kra.go.ke

(h) Bankers

National Bank of Kenya Limited,
Harambee Avenue Branch,
P.O. Box 41862-00100 Nairobi, Kenya.

Kenya Commercial Bank Limited,
Haile Selassie Branch,
P.O. Box 58992-00200 Nairobi, Kenya.

Cooperative Bank of Kenya Limited,
Co-op House Branch,
P.O. Box 67881-00200 Nairobi, Kenya.

Housing Finance Group,
Rehani House,

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P.O. Box 30088-00100 Nairobi, Kenya.

(i) Independent Auditors

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

(j) Principal Legal Advisor

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

2. BOARD OF DIRECTORS

(a) ANTHONY NG'ANG'A MWAURA **Independent Board Chairman**



Mr. Anthony Ng'ang'a Mwaura is the Chairman of the Board of Directors of Kenya Revenue Authority (KRA). He was appointed as the Chairman of the Board on 17th November, 2022 for a term of three (3) years.

Mr. Mwaura is a dynamic professional with vast experience in Strategy, Vision & Mission Planning; Sales & Marketing Leadership; Profitability & Cost Analysis; Programs, Services & Products Billing; Debt Recovery & Cash Management; Contract Negotiations & Strategic Alliances; Finance, Budgeting & Costs Management; Public Relations & Media Affairs; Policy & Products Development; Government Regulations & Relations; Team Building & Performance Improvement and Human Resources Management. He is an experienced manager, team player and problem-solver with keen attention to customer needs and details.

Mr. Mwaura has vast experience in Managing Learning Institutions and is an Educationist. He holds a Bachelor of Education Degree from the Kisii University and a Diploma in Business Management from the Kenya Institute of Management.

(b) AMB. DR. FRANCIS MUTHAURA, EGH, MBS **Independent Board Chairman**



Amb. Dr. Muthaura was appointed as the Chairman of the Board on 22nd May, 2018 and subsequently re-appointed for a further term of three (3) years on 21st October, 2019, which ended on 20th October, 2022.

He holds a Bachelor of Arts Degree in Economics and Political Science and a Post Graduate Diploma in Diplomacy and International Relations from the University of Nairobi. He was awarded Honorary Doctorate Degrees for Diplomacy and Public Administration by the Kenya Methodist University of Kenya and Honorary Doctorates of Humane Letters (Honoris Causa) by Kenyatta University and The Meru University of Science and Technology.

Amb. Dr. Muthaura has served as a career diplomat, and held ambassadorial appointments to the European Union in Brussels and the Permanent representative to the United Nations in New York. He is the founder Secretary General for East African Community and has also served as a Permanent Secretary in the Ministries of: Information, Transport and Communications; Environment, Water and Natural Resources; Provincial Administration and Internal Security.

He served as the Head of Public Service and Secretary to the Cabinet for nine and half years before retiring from full time public service. He has previously served as a Chairman of the Boards of the Lamu Port, South Sudan, Ethiopia Transport Corridor (LAPSSET) and BRITAM Holdings Limited.

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(c) MS. WILKISTER SIMIYU

Independent Director



Ms. Wilkister Simiyu is a Member of the Board of Directors of Kenya Revenue Authority (KRA). She was appointed on 12th January, 2023 for a term of three (3) years with effect from 13th January, 2023.

She holds a Bachelor of Laws (LLB) Degree from Moi University and a Master of Laws Degree (Commercial and Corporate Law) from the University of London and is also a Certified Public Secretary (Kenya). She is a trained legal and governance auditor as well as a Governance, Ethics, Risk and Compliance expert.

Ms. Wilkister Simiyu is a consummate governance professional who has worked as an advocate in various law firms. She has also worked as an in-house advocate and Company Secretary in various organisations in Kenya and East Africa. She is currently engaged in Private practice, Training and Consultancy on Governance.

She is an Advocate of the High Court of Kenya and Member of the Law Society of Kenya (LSK) and East African Law Society (EALS) and Institute of Certified Secretaries (ICPS-K).

Ms. Wilkister Simiyu is a Member of the Human Resources Committee of KRA's Board of Directors and the Chairperson of the Kenya Revenue Authority Staff Pension Scheme Board of Trustees.

(d) MR. DARSHAN SHAH

Independent Director



Mr. Darshan Shah is a Member of the Board of Directors of Kenya Revenue Authority (KRA). He was appointed on 12th January, 2023 for a term of three (3) years with effect from 13th January, 2023.

He is a partner with PKF Kenya LLP with twenty-two (22) years of professional experience in tax advisory, mergers and acquisitions, financial consultancy and audit/assurance services. He currently serves as the Head of Assurance for PKF in Eastern Africa.

He is also the co-author of the Wiley International Financial Reporting Standards (IFRS) Interpretations Guide 2014 - 2022 and has extensive knowledge and experience of IFRS.

He is a member of the Institute of Certified Public Accountants of Kenya (ICPAK), Institute of Certified Public Accountants of Uganda and Institute of Chartered Accountants in England and Wales, UK (ACA). He is also a Fellow of the Chartered Institute of Certified Accountants (FCCA), UK.

Mr. Darshan Shah has served as the Chairperson of the Audit and Risk Committee of KRA's Board of Directors and a Member of the Kenya Revenue Authority Staff Pension Scheme (KRASPS) Board of Trustees and Chairperson of the KRASPS Finance and Investment Committee.

He is currently the Chairperson of the Finance, Administration and Procurement Committee and a Member of the Revenue, Strategy and Technology Committee of the KRA's Board of Directors.

(e) MR. MICHAEL KAMAU KAMIRU

Independent Director



Mr. Michael Kamau Kamiru is a Member of the Board of Directors of Kenya Revenue Authority (KRA). He was appointed on 12th January, 2023 for a term of three (3) years with effect from 13th January, 2023.

He holds a Bachelor of Commerce Degree (Honours) from Catholic University of Eastern Africa and a Master Degree in Business Administration (Corporate Management) from KCA university.

Mr. Kamiru is currently the Head of Governance, Risk and Compliance at Jubilee Allianz General Insurance Limited. He is a Finance Management and Risk Management professional with over twenty-seven (27) years of demonstrated leadership and management experience in the Kenyan insurance industry. He also has extensive experience in strategic management; financial management; financial reporting; budgetary control management; forecasts and projection models; Governance and risk management.

In social service, he is the current Chairman of the Gaicanjiru High School Board of Management, Vice Chairman of the Nkoroi Catholic Parish and member of the Board of United Family Sacco Limited.

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

Mr. Kamiru is the Chairperson of the Human Resources Committee and a Member of the Finance, Administration and Procurement Committee of the KRA's Board of Directors.

(f) MR. SAMIR IBRAHIM

Independent Director



Mr. Samir Ibrahim is a Member of the Board of Directors of Kenya Revenue Authority (KRA). He was appointed on 12th January, 2023 for a term of three (3) years with effect from 13th January, 2023.

He holds a Bachelor of Science Degree in Finance and International Business from the New York University, Leonard N. Stern School of Business.

Mr. Samir Ibrahim is the Chief Executive Officer and Co-Founder of SunCulture Kenya Limited, which deals with climate, solar, agriculture, food systems and security, water, financing and Internet of Things. He is also an advisor to Ezra Venture Studio, a team and network of company builders and climate finance experts.

In social service, he is the founder of Shikilia, a collaboration between private sector and non-profit organizations to raise money and advocate for sending monthly cash transfers to low-income households during the Covid-19 pandemic. He is also a member of the Young Presidents Organization, an Endeavour Entrepreneur, and a Future Energy Leader Alumni of the World Energy Council.

Mr. Samir Ibrahim has served as a Member of the Finance, Administration and Procurement Committee and Revenue, Strategy and Technology Committee of KRA's Board of Directors.

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He is a member of the Board Audit and Risk Committee and a Member of the Kenya Revenue Authority Staff Pension Scheme (KRASPS) Board of Trustees.

(g) DR. FANCY TOO
Independent Director



Dr. Fancy Too is a Member of the Board of Directors of Kenya Revenue Authority (KRA). He was appointed on 12th January, 2023 for a term of three (3) years with effect from 13th January, 2023.

She holds a Bachelor of Laws (Honours) (LLB) Degree from Moi University, a Master of Laws Degree and a Doctor of Philosophy (PhD) in Laws from Nottingham Trent University (United Kingdom).

She is a resourceful legal expert with excellent communication skills; deep knowledge on constitutional law, corporate governance, contracts, commercial law, insolvency and intellectual property and a legal researcher with experience in legal analysis and reasoning techniques.

Dr. Fancy Too is an accomplished author and widely published in Insolvency Law.

She is the Director, Graduate Programs (LLM and LLD) at the Strathmore University Law School. She has also previously served as the Dean, Kabarak University Law School.

In social service, she is a Board of Management Chair at Kipteris Girls High School.

Dr. Fancy Too is an Advocate of the High Court of Kenya and Member of the Law Society of Kenya.

She is the Chairperson of the Revenue, Strategy and Technology Committee and a Member of the Audit and Risk Committee of KRA's Board of Directors.

(h) MR. ASHIF KASSAM, OGW
Independent Director

Mr. Ashif Kassam is a Member of the Board of Directors of Kenya Revenue Authority (KRA). He was appointed on 12th June, 2023 for a term of three (3) years with effect from 12th June, 2023.



He is a professional accountant with a wealth of expertise and experience dating back to 1994. He specialises in audit and assurance, tax, transaction advisory, corporate restructuring and family business consulting, helping organisations create and deliver value.

Mr. Ashif Kassam is the Founder and Executive Chairman of RSM Eastern Africa LLP. He is the outgoing President of the Entrepreneurs Organisation (EO) where he has been a member since 2014. Mr Kassam is the Vice President of the Aga Khan Council for Kenya, Director of Jubilee Holdings Ltd, Jubilee Health Insurance Ltd and the Chairman of Jubilee Asset Management Ltd. He has been a member of KEPSA's Governing Council and Chair of its Finance Sector Board and Tax Taskforce and has served as a Director of Telkom Kenya Ltd.

He has represented Middle East and Africa on the International Audit and Assurance Standards Board (IAASB). He has also been a member on the ICPAK Council and has over twenty-five (25)

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years of service on various committees including Public Finance, Financial Services and Professional Standards.

Mr. Ashif Kassam is a fellow member of Institute of Certified Public Accountants of Kenya (ICPAK), a fellow member of Association of Chartered Certified Accountants, UK (ACCA), a practicing member of Institute of Certified Public Accountants of Uganda (ICPAU), a member of the National Board of Accountants and Auditors in Tanzania (NBAA), and a member of Chartered Institute of Arbitrators, UK (MCI Arb).

He is the Chairperson of the Board Audit and Risk Committee and a Member of the Kenya Revenue Authority Staff Pension Scheme (KRASPS) Board of Trustees.

(h) MRS. SALLY MAHIHU

Independent Director



Mrs. Sally Mahihu was a Member of the Board of Directors of Kenya Revenue Authority (KRA). She was appointed on 5th August, 2022 for a term of three (3) years but her appointment was revoked on 13th January, 2023.

She holds a Bachelor of Laws (LLB) degree from Bristol University, London, United Kingdom and a Master of Laws (LLM) degree from the London School of Economics and Political Science, London, United Kingdom. She has a Diploma in Law from the Kenya School of Law.

Mrs. Sally Mahihu is an advocate of the High Court of Kenya for over thirty-five (35) years and is currently the Proprietor and Co-founder of Bowyer Mahihu & Co. Advocates, one of the top legal firms that has steadily established a formidable base in the echelons of legal practice in Kenya.

She is the current chairperson of Help A Child Africa Organization and Member of various Boards. She is a Commissioner of Oaths, a Notary Public, a Certified Mediator and a Certified Public Secretary. She is a member of the Institute of Certified Secretaries of Kenya, Chartered Institute of Arbitrators and the Commonwealth Law Association.

Mrs. Sally Mahihu is the founder of The Seasoned Woman, a forum for the empowerment of women in the market place towards them making a positive influence and impact in their society and nation. She is also an international conference speaker, a Certified Professional Life and Work Coach, an impactful seasoned mentor and trainer working with several corporate organizations and groups as well as individuals addressing various topics on leadership, business, entrepreneurship, relationship, career and life skills.

She was a member of the Human Resources Committee and Revenue, Strategy and Technology Committee of KRA's Board of Directors.

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(i) HON. MRS. ROSE WARUHIU, EBS, OGW

Independent Director



Hon. Mrs. Rose Waruhiu, EBS, OGW was a Member of the Board of Directors of Kenya Revenue Authority (KRA). She was first appointed as a Member of the Board on 21st October, 2016 and re-appointed for a further term of three (3) years on 21st October, 2019. Her term came to an end on 5th August, 2022.

She holds a Bachelor of Arts (Economics) degree from Makerere University College, and postgraduate Certificate in Management of Higher Education from the University of Manchester. In 1990, she was appointed a Fellow at the Institute of Politics, Kennedy School of Government, Harvard University.

Hon. Mrs. Rose Waruhiu worked as a senior Administrator in the University of Nairobi, early in her career, and later as consultant in Deloitte Haskins&Sells. She has also worked as a consultant in the public sector, undertaking assignments in policy formulation and documentation.

She has held elected positions in women organisations locally and internationally and served in the pro-democracy movement as convener/chair of several initiatives in Kenya and was a nominated member of Kenya Parliament and the EEC/ACP Joint Assembly, and was later a Member of the East African Legislative Assembly.

She has served on the boards of Kenya Post Bank, Kenyatta National Hospital, the National Museums of Kenya and as Vice Chair of the Council of the Jomo Kenyatta University of Science and Technology and was the Chairperson of the Audit and Risk Committee and member of the Human Resources Committee of KRA's Board of Directors.

(j) MR. PAUL ICHARIA

Independent Director



Mr. Paul Icharia was a Member of the Board of Directors of Kenya Revenue Authority (KRA). He was first appointed as a member of the Board on 11th November, 2016 and subsequently re-appointed for a further term of three (3) years on 11th November, 2019. His term came to an end on 5th August, 2022.

He holds a Bachelor of Science (BSc) Degree in Finance, from California State University, Sacramento USA and a Master of Business Administration (MBA) in Global Management from the University of Phoenix USA. He is a professional with extensive experience in Financial Services, Business Development and Social Services Development.

Mr. Paul Icharia has served in senior positions at the Royal Bank of Canada (RBC) and Citigroup in the United States of America.

He was the Chairperson of the Kenya Revenue Authority Staff Pension Scheme Board of Trustees and a member of the Finance, Administration and Procurement Committee of KRA's Board of Directors.

(k) ENG. LEONARD ITHAU

Independent Director



Eng. Leonard Ithau was a Member of the Board of Directors of Kenya Revenue Authority (KRA). He was first appointed on 30th May, 2018 and subsequently re-appointed for a further term of three (3) years on 21st October, 2019. His term was further extended to 1st March 2024 but revoked on 12th January, 2023.

He holds a Bachelor of Science Degree in Civil Engineering from the University of Nairobi and a Master of Science Degree in Construction Management from the University of Birmingham, England.

He has served in the public service at the Kenya Ports Authority (KPA) and in professional service as a Project Management Consultant to various private bodies in the Health, Port and Harbours/Rail, Roads, Telecommunications, Oil and Gas, Hospitality, Industrial/Commercial and Housing Sectors. He is currently the Executive Director of Quemec Limited, a project management and advisory consultancy.

Eng. Leonard Ithau has over thirty seven (37) years' experience in senior project advisory, design and construction management roles on major civil engineering, infrastructure and building works in Kenya and the broader South East Africa region and is a Registered Engineer with the Engineers Board of Kenya, a member of the Association for Project Management (UK) and the Institute of Directors (K).

In social service, he is the current District Governor Elect for Rotary International, District 9212 and will serve as District Governor from July, 2023 to June, 2024 and is a member of the Board of Governors of Karen Technical Training Institute for the Deaf, Nairobi.

He was the Chairperson of the Human Resources Committee and Vice Chairperson of the Audit and Risk Committee of KRA's Board of Directors.

(l) MR. CHARLES MAKORI OMANGA

Independent Director



Mr. Charles Makori Omanga was a Member of the Board of Directors of Kenya Revenue Authority (KRA). He was appointed as a Member of the Board on 30th May, 2018 and subsequently re-appointed for a further term of three (3) years on 18th June, 2020. His term was further extended to 1st March, 2024 but revoked on 12th January, 2023.

He holds a Bachelor of Science Degree in Management Information Systems from USIU – Africa and Master of Business Administration from the University of Leicester, United Kingdom.

Earlier in his career he served in the private sector as a Relationship and Product Manager at Citibank Kenya; Regional Head, Trade Finance (EA) and Head, Public Sector at the Barclays Bank of Kenya (now Absa Bank) and Head, Corporate Banking, CFC Stanbic Bank Limited (now Stanbic Bank).

Mr. Charles Makori Omanga is currently co-Managing Principal, Horizon Africa Capital Limited which is a financial advisory firm dealing in mergers and acquisitions in East Africa. In this role, he

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has developed significant commercial and transactional expertise in various industries. From a governance perspective, he has also served in various boards in the financial services sector including banking and stock brokerage.

He was a member of the Institute of Certified Investment, Financial Analysts (ICIFA) and was also the Chairperson of the Board Audit and Risk Committee and Member of the Human Resources Committees of KRA's Board of Directors.

(m) MR. MUKESH K R SHAH

Independent Director



Mr. Mr. Mukesh K.R. Shah was a Member of the Board of Directors of Kenya Revenue Authority (KRA). He was first appointed on 30th May, 2018 and subsequently re-appointed for a further term of three (3) years on 21st October, 2019. His term was further extended to 1st March 2024 but revoked on 12th January, 2023.

He is a Director and founder of Strategic Consultants Limited, a practice that he established in 1992, which provides specialised consultancy services in the areas of strategic planning, high level advisory to family owned business, business revival and reconstruction and mergers and acquisitions to national and international clients.

Prior to founding the Strategic Consultants practice, he was with Price Waterhouse UK and Price Waterhouse Kenya for eighteen years (18) years and held the position of partner for over nine (9) years. At Price Waterhouse, he specialized in assurance, accounting and investigations. He was an authority in the audit of banks, financial institutions, oil companies, tour operators and hotels.

Mr. Mukesh K.R. Shah holds directorships of private companies mainly in a professional capacity and is a non- executive Director of NCBA Group Plc and Carbacid Investments Plc, which are companies listed on the Nairobi Securities Exchange and of NCBA Bank Plc, a leading bank in East Africa. He advises Boards of various other corporate and family owned businesses.

He is a Fellow of the Chartered Association of Certified Accountants (UK), Member of the Institute of Certified Public Accountants of Kenya and Institute of Certified Secretaries of Kenya.

Mr. Mukesh K.R. Shah was the Chairperson of the Revenue, Strategy and Technology Committee of KRA's Board of Directors. He was also a member of the Board of Trustees of the KRA Staff Pensions Scheme and chairs the Scheme's Finance and Investment Committee.

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(n) MRS. SUSAN MUDHUNE, MBS

Independent Director



Mrs. Susan Mudhune is a Member of the Board of Kenya Revenue Authority (KRA). She was first appointed as a Member of the Board on 30th May, 2018 and subsequently re-appointed for a further term of three (3) years on 21st October, 2019. Her term was further extended to 1st March 2024, but revoked on 12th January, 2023.

She holds a Bachelor of Arts (Education) Degree and a Master of Business Administration degree from the University of Nairobi.

She has served in various management positions in the local banking industry for over twenty (20) years, from which she retired in 2001.

Mrs. Susan Mudhune is a past Chairperson of the Board of Kenya Commercial Bank Group and the Kenya Girl Guides Association; has served as a non-executive Director in various Boards including Safaricom (K) Limited and Sanlam Limited and is currently a non-executive Director of Carbacid Group Limited and chairs the Board of Kenya Innovative Finance Facility for Water (KIFFWA) Foundation.

She is a Certified Corporate Governance trainer and a Member of Women Corporate Directors (Kenya Chapter) and Institute of Directors (Kenya).

Mrs. Susan Mudhune was the Chairperson of the Finance, Administration and Procurement Committee of KRA's Board of Directors and the Chairperson of the KRA Staff Pension Scheme Board of Trustees.

(o) AMB. RICHARD ANGULU OPEMBE

Independent Director



Amb. Richard Angulu Opembe was a Member of the Board of Directors of Kenya Revenue Authority (KRA). He was appointed on 5th August, 2022 for a term of three (3) years but his appointment was revoked on 12th January, 2023.

He holds a Diploma in Sales and marketing from Trans-World Tutorial College, Jersey – Britain and a Diploma in Foreign and International Relations from the Foreign Service Academy, Kenya. He is a Certified Leader, Institute of Sales and Marketing (United Kingdom).

Amb. Richard Opembe is a professional with extensive experience in sales and marketing; strategic planning; partnership development and organization capacity building; project management; research and development.

He has served as a diplomat and held ambassadorial appointments to the Republic of Ireland and to the Kingdom of Spain. He has also been the past Chairman of Butere-Mumias, Kenya Red Cross Society.

He is a life member of the Kenya Red Cross Society.

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Amb. Richard Opembe was a member of the Finance, Administration and Procurement Committee of KRA's Board of Directors and a Sponsor nominated member of the KRA Staff Pension Scheme Board of Trustees.

(p) ACTING COMMISSIONER GENERAL

FCCA CS RISPAAH SIMIYU (MRS) ADVOCATE, EBS



Mrs. Rispaah Simiyu was appointed Acting Commissioner General, with effect from 23rd February, 2023. Prior to her appointment, she served as Commissioner of Domestic Taxes with effect from 22nd October, 2020.

She holds a Master of Laws degree with a bias in International Trade and Investment from the University of Nairobi, a Bachelor of Laws degree from the University of Dar-es-Salaam and a post-graduate Diploma in Law from Kenya School of Law. She has practiced and consulted on tax matters in Kenya, Tanzania and Uganda. She is a Fellow Chartered and Certified Accountant (FCCA), an Advocate of the High Court of Kenya, Notary Public and Commissioner for Oaths, a Certified Public Secretary and a certified mediator (MTI).

Mrs. Rispaah Simiyu is a seasoned and grounded tax professional with over 21 years of experience. Before joining KRA in April 2018, she served as the Standard Chartered Bank Regional Tax Manager East Africa, where she provided tax advice to East Africa Businesses as well as covered Transfer Pricing assignments in the larger Africa, Middle East and Pakistan. While at the Bank, she served as a member of the Kenya Bankers Association (KBA) Finance and Audit Committee, and specifically as the Chairperson of the Tax Sub-Committee. She began her career at PricewaterhouseCoopers (PwC) in 2001 rising to the position of Tax Manager.

She is a member of the Law Society of Kenya, Institute of Certified Public Accountants and Institute of Certified Secretaries.

(q) FCPA - GITHII MBURU, MGH, CBS



Mr. Githii Mburu was appointed Commissioner General with effect from 1st July, 2019. He tendered his resignation with effect from 23rd February, 2023.

He holds a Bachelor of Commerce Degree (Accounting Option) from Kenyatta University and a Master of Science degree in Public Policy & Analysis from the Jomo Kenyatta University of Agriculture & Technology (JKUAT). He is also a Certified Public Accountant.

He previously worked as Head of Technical Standards at the Institute of Certified Public Accountants of Kenya (ICPAK) and also worked with CFC Stanbic Bank. Prior to his appointment as Commissioner General, he served as the Commissioner for Intelligence & Strategic Operations (I&SO), where he led KRA in establishing and operationalising a formidable intelligence gathering and tax investigations infrastructure which has played a critical role in combating tax evasion and in enforcing KRA's Code of Conduct. He further led the enforcement team against illicit trade under the Multi-Agency Task Force.

He is a Member of the Institute of Certified Public Accountants of Kenya (ICPAK).

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EX OFFICIO MEMBERS

1. MR. MUSA KATHANJE (ALTERNATE DIRECTOR TO THE CABINET SECRETARY, NATIONAL TREASURY AND PLANNING)



Mr. Musa Kathanje was appointed to the Kenya Revenue Authority Board as the Alternate to the Cabinet Secretary, National Treasury and Planning on 17th March, 2021.

He holds a Masters degree in Business Administration and Bachelor degree in Economics, both from the University of Nairobi and is currently finalising a Phd in Business Administration - Finance from Jomo Kenyatta University of Agriculture and Technology (JKUAT), Kenya. He also holds a certificate in macroeconomic modeling under the United Nations/African Research Network for Development Policy Analysis from the University of Pretoria,

South Africa.

Mr. Musa Kathanje is the Director of Macro and Fiscal Affairs Department at the National Treasury having been appointed to the post in November, 2016. He joined the National Treasury in June, 2013 as the Head of Macro Division in the then Economic Affairs Department, on secondment from the Central Bank of Kenya where he was the Head of Monetary Policy Analysis Division.

He has over 26 years of experience in macro-economic policy formulation and analysis, fiscal and monetary policies formulation as well as regional economic integration policy gained from both the Central Bank of Kenya (June, 1996 to June, 2013) and at the National Treasury (June, 2013 to date).

He is a Member of the Audit and Risk Committee and Revenue, Strategy and Technology Committee of KRA's Board of Directors.

2. MS. JENNIFER WANGUI GITIRI, HSC
(ALTERNATE DIRECTOR TO THE ATTORNEY GENERAL)



Ms. Jennifer Gitiri is a Member of the Board of Directors of Kenya Revenue Authority (KRA). She was appointed as a Member of the Board on 10th January, 2023 as the alternate to the Attorney General of the Republic of Kenya.

She holds a Bachelor of Laws (Honours) (LLB) Degree and two (2) Master of Laws Degrees in Public International Law and in Comparative Constitutional Law from the University of Nairobi and Central European University (Budapest, Hungary) respectively.

Ms. Jennifer Gitiri is the Corporation Secretary and Deputy Director, Legal Services at the Assets Recovery Agency. Prior to her current posting, she was a Principal State Counsel, Office of the Attorney General and Department of Justice. She is an experienced legal expert in constitutional law, international law, anti-money laundering, anti-corruption and assets recovery.

She is a Certified Public Secretary (CPS-K) and a trained Financial Action Taskforce (FATF) assessor by the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG).

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Ms. Jennifer Gitiri is, an Advocate of the High Court of Kenya, a member of the Law Society of Kenya and a Member of the Institute of Certified Public Secretaries of Kenya.

She is a member of the Human Resources Committee and Audit and Risk Committee of KRA's Board of Directors.

3. MS. MARYANN MUTHONI NJAU-KIMANI, EBS, OGW (ALTERNATE DIRECTOR TO THE ATTORNEY GENERAL)



Ms. Maryann Njau-Kimani was a Member of the Board of Directors of Kenya Revenue Authority (KRA). She was appointed as a Member of the Board on 24th March, 2017 as the alternate to the Attorney General of the Republic of Kenya. Her appointed ended on 9th January, 2023.

She holds a Bachelor of Laws (LLB) degree and a Master of Business Administration degree from the University of Nairobi and is an Advocate of the High Court of Kenya with over thirty (30) years post admission experience in private and public law practice.

Ms. Maryann Njau-Kimani is a Senior Deputy Solicitor General and the Secretary, Justice and Constitutional Affairs in the State Law Office and Department of Justice. She is the head of the Department of Justice.

She is an accredited mediator and a United Nations Certified Justice Rapid Response Expert on Women Sexual and Gender Based Violence and has management, financial, research, consultancy and training experience and skills.

3. MANAGEMENT TEAM

(a) Acting Commissioner General -FCCA CS Rispah Simiyu (Mrs) Advocate, EBS



Mrs. Rispah Simiyu was appointed Acting Commissioner General, with effect from 23rd February, 2023. Prior to her appointment, she served as Commissioner of Domestic Taxes with effect from 22nd October, 2020.

She holds a Master of Laws degree with a bias in International Trade and Investment from the University of Nairobi, a Bachelor of Laws degree from the University of Dar-es-Salaam and a post-graduate Diploma in Law from Kenya School of Law. She has practiced and consulted on tax matters in Kenya, Tanzania and Uganda. She is a Fellow Chartered and Certified Accountant (FCCA), an Advocate of the High Court of Kenya, Notary Public and Commissioner for Oaths, a Certified Public Secretary and a certified mediator (MTI).

Mrs. Rispah Simiyu is a seasoned and grounded tax professional with over 21 years of experience. Before joining KRA in April 2018, she served as the Standard Chartered Bank Regional Tax Manager East Africa, where she provided tax advice to East Africa Businesses as well as covered Transfer Pricing assignments in the larger Africa, Middle East and Pakistan. While at the Bank, she served as a member of the Kenya Bankers Association (KBA) Finance and Audit Committee, and specifically as the Chairperson of the Tax Sub-Committee. She began her career at PricewaterhouseCoopers (PwC) in 2001 rising to the position of Tax Manager.

She is a member of the Law Society of Kenya, Institute of Certified Public Accountants and Institute of Certified Secretaries.

(b)FCPA - Githii Mburu, MGH, CBS



Mr. Githii Mburu was appointed Commissioner General with effect from 1st July, 2019. He tendered his resignation with effect from 23rd February, 2023.

He holds a Bachelor of Commerce Degree (Accounting Option) from Kenyatta University and a Master of Science degree in Public Policy & Analysis from the Jomo Kenyatta University of Agriculture & Technology (JKUAT). He is also a Certified Public Accountant.

He previously worked as Head of Technical Standards at the Institute of Certified Public Accountants of Kenya (ICPAK) and also worked with CFC Stanbic Bank. Prior to his appointment as Commissioner General, he served as the Commissioner for Intelligence & Strategic Operations (I&SO), where he led KRA in establishing and operationalising a formidable intelligence gathering and tax investigations infrastructure which has played a critical role in combating tax evasion and in enforcing KRA's Code of Conduct. He further led the enforcement team against illicit trade under the Multi-Agency Task Force.

He is a Member of the Institute of Certified Public Accountants of Kenya (ICPAK).

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(c) Dr. Mohamed Mohamud

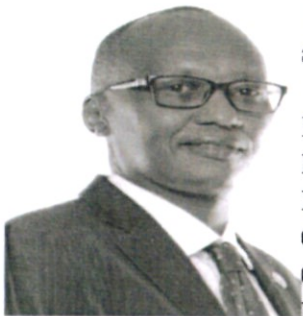


Dr. Mohamed Omar was appointed Commissioner, Strategy Innovation & Risk Management from 1st October, 2015. His contract was renewed on 1st October, 2018 for further term of five (5) years.

He is a holder of Doctors degree of Philosophy from The University of Leeds – UK, Master of Business Administration degree – MBA (E-Business) from The University of Sheffield, UK and Bachelor of Science degree (BSC-Business & Economics) from Vaxjo University, Sweden.

Dr. Mohamed Omar has vast experience in Strategy and Policy, spanning academia and public sector. Before joining KRA, he was the Economic Pillar Director at the Kenya Vision 2030 Delivery Secretariat, where he was responsible for providing leadership and strategic direction to the implementation of the economic pillar flagship projects. Previously, Dr Omar also worked as a lecturer at the University of Nairobi.

(d) Mr. Paul Muema Matuku, EBS



Mr. Paul Muema Matuku was appointed Commissioner, Legal Services and Board Coordination on 15th May, 2019.

He is a holder of a Bachelors Degree in Law (LLB) from the University of Nairobi and a Post Graduate Diploma in Law from the Kenya School of Law. He is a Certified Public Secretary and a Fellow of the University of Sydney, Graduate School of Government: Extractive Industries: Effective Governance, Taxation and Financial Management. He is an Advocate of the High Court of Kenya, Notary Public and Commissioner for Oaths and a Certified Public Secretary.

Mr. Paul Muema Matuku joined the Kenya Revenue Authority in 1996 as a Graduate Trainee and rose through the ranks to be a Commissioner.

He has been instrumental in the development and management of dispute resolution mechanisms in KRA having overseen the take-over of the defense of KRA tax disputes cases from the Attorney General in the year 2000 and the development and roll out of a more robust Alternative Dispute Resolution mechanism in the year 2015. He also contributed to the promulgation of the National Energy Policy, 2018; Petroleum Act, 2019 and the Model Production Sharing Contract.

Mr. Paul Muema Matuku is the Secretary to the Kenya Revenue Authority Board.

He is a member of the Law Society of Kenya, the East African Law Society and the Institute of Certified Secretaries, Kenya.

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Mr. David Yego



Mr. David K. S. Yego, was appointed Commissioner, Investigations, Enforcement Intelligence and Strategic Operations Department on 23rd February, 2023. He has previously served as Commissioner, Investigations & Enforcement Department and Commissioner, Regional Coordination. His appointment was a continuation of his five (5) years contract that had been renewed on 24th March, 2020.

He is a holder of a Master's Degree in Business Administration (MBA) from the University of Nairobi and a Bachelor's Degree in Mathematics and Economics from Kenyatta University. He is also a certified Public Accountant (CPA).

Mr. David K. S. Yego joined the Kenya Revenue Authority in 1996 as a Graduate Trainee and rose through the ranks to be a Commissioner.

He has over fifteen (15) years' experience in senior management with roles in various Departments within the Kenya Revenue Authority with stint in the Internal Audit, Customs and Border Control Department and Commissioner General's office. He was instrumental in setting up the Prosecution unit within the Investigations and Enforcement Department in alignment with the 10 OECD Global principles to ensure tax offense are criminalised.

Mr. David K. S. Yego is a member of the Institute of Certified Public Accountants of Kenya.

(e) Dr. Fred Mugambi Mwirigi



Dr. Fred Mugambi Mwirigi was appointed as Head of the Kenya School of Revenue Administration (KESRA) with effect from 15th May, 2019. He has previously served as the Deputy Commissioner in charge of Academic and Students Affairs at KESRA.

He holds a PhD in Entrepreneurship, and a Master of Science degree in Entrepreneurship from JKUAT, a Bachelor of Business Administration degree from Kenya Methodist University and a Diploma in Small Enterprise Management from Galilee International Management College, Israel.

Dr. Fred Mugambi Mwirigi was the founding director of JKUAT's Mombasa Campus, where he served for seven (7) years. He taught at JKUAT for eleven (11) years and rose to the level of senior lecturer. Prior to joining JKUAT, Dr Mugambi taught at the Kenya Methodist University. He also served as the chairman of a task force appointed by the Education Cabinet Secretary to select the Board of the Technical and Vocational Education and Training Authority (TVETA), under the Ministry of Education. Dr Mugambi has been involved in consultancy and training tasks for many national and international organisations across six countries. He has published three books and over thirty research papers.

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(f) Ms. Nancy Ng'etich



Ms. Nancy Ng'etich was appointed Acting Commissioner, Corporate Support Services on 23rd February, 2023.

She holds a Master's Degree in Business Administration, Strategic Management from Kenyatta University, a Bachelor's degree in Law from Moi University, postgraduate Diploma in Law from the Kenya School of Law, Senior Leadership training from Commonwealth Administration of Tax Administration (CATA) and Strathmore Business School (SBS).

Ms. Nancy Ng'etich joined Kenya Revenue Authority as a Graduate Trainee and has risen through the ranks to the position of Deputy Commissioner in Customs and Border Control. She has also served at Ernest & Young LLP as a Senior Manager Customs and Tax Advisory consulting.

She is a legal tax administrator in International Global Trade and Customs Laws. She has been instrumental in the Customs Reforms & Modernization Agenda, Process Re-engineering, Border Coordination Management, Implementation of One Stop Border Posts and Operationalization of Authorized Economic Operator.

While at Customs and Border Control, she represented the Department at the National Treasury as a Customs Tax expert in the National Budget making process, Policy formulation and implementation of tax laws and fiscal measures.

Regionally, she was the Kenya Customs representative in the National Working Group involved in the formulation of the African Continental Free Trade Agreement Protocol on Trade in Goods, Intellectual property rights, Competition Policy and Rules and Procedures on the Settlement of Disputes. She has also been the Customs team lead at the East African Community (EAC) level in the formulation and implementation of the EAC Customs laws and Regulations.

Ms. Nancy Ng'etich is an Advocate of the High Court of Kenya and a member of the Law Society of Kenya, the Institute of Certified Public Secretaries and the Kenya Institute of Management.

(g) Mrs. Pamela Ahago



Mrs. Pamela Ahago is the Acting Commissioner for Customs & Border Control effective 1st March 2023. Until her appointment, Mrs. Ahago was serving as the Regional Coordinator for Western Region. Prior to that she served as Deputy Commissioner for Policy & International Affairs and Deputy Commissioner Valuation and Tariff.

She is a holder of a Bachelor of Commerce Degree, with a Masters of Business Administration (MBA) from Maastricht University (Netherlands) and a Post Graduate Diploma in Finance.

Mrs. Pamela Ahago joined the then Customs & Excise Department in 1988. as a Graduate Trainee (Collector II) and worked in various tasks until July 2002, when she was promoted to the rank of Assistant Commissioner in July 2015. She was promoted to the position of Chief Manager in

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February 2017 and worked in Trade Facilitation Division. In July 2019, she was promoted to the rank of a Deputy Commissioner.

She is a trained negotiator with experience in regional and international negotiations and has represented KRA in regional and international negotiations on trade. Some of the trade agreements she has negotiated include the WTO Trade Facilitation Agreement (TFA) and the EU- Kenya Economic Partnership Agreement (EPA). She served as the Vice Chair of the National Trade Facilitation Committee.

Mrs. Pamela Ahago has worked with the World Customs Organization (WCO) as head of the Regional Intelligence Liaison Office for Eastern & Southern Africa (RILO ESA). As an expert on Rules of Origin, she has participated in the formulation of policy for both the East African Community (EAC) and the Common Market for Eastern and Southern Africa (COMESA).

(h) Mr. David Mugo Mwangi



Mr. David Mugo Mwangi was appointed the Acting Commissioner for Domestic Taxes on 23rd February, 2023. Before his appointment, he was the Deputy Commissioner in charge of Tax Disputes Resolution in Kenya Revenue Authority.

He is a holder of a Bachelor of Arts Degree in Economics and Government from the University of Nairobi (UON) and Associate Diploma in insurance from the Kenya College of Insurance. He is also a Certified Professional Mediator from Mediation Training Institute (MTI).

Mr. David Mugo Mwangi joined the Kenya Revenue Authority in 1996 as an Assessor I.

He has a career in tax administration spanning over thirty three (33) years and has worked in many areas of tax administration including Taxpayer Audit, Tax Policy formulation, Taxpayer Compliance Management and Dispute Resolution. He pioneered the Independent Review of Objections in Kenya Revenue Authority in 2018 and has been a trainer at the Kenya School of Revenue Administration since 2005.

(i) Dr. Terra Saidimu, EBS



Dr. Terra Saidimu was appointed Commissioner, Intelligence & Strategic Operations with effect from 2nd December, 2019. He was deployed to the National Treasury on 23rd February, 2023. His contract with the Authority ended on 31st May, 2023.

He holds a Doctorate degree in Risk Management from University of Southampton, a Masters of Science in Corporate Risk and Security Management, Masters of Business Administration-Finance and a Bachelor of Business & Management-Accounting.

He has fifteen (15) years of experience in Tax Investigations and Intelligence having served in various positions in the Investigations and Enforcement Department prior to joining the Intelligence and Strategic Operations Department (I&SO). Dr. Saidimu has made great achievements in multiple areas including leading KRA Management in mainstreaming Ethics and Integrity, development and management of a wide range of intelligence tools and practices which have identified taxpayers

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devising methods to evade taxes. He played a leading role in the ratification of the Multilateral Convention on Mutual Administrative Assistance on Exchange of Information for tax purposes.

He is a member of the Institute of Certified Public Accounts-Kenya (ICPA-K).

(j) Dr. David Kinuu, EBS



Dr. David Kinuu was appointed Commissioner for Corporate Support Services Department with effect from 1st November, 2019. He was deployed to the National Treasury on 23rd February, 2023. His contract with the Authority ended on 31st May, 2023.

He holds a PhD and a Masters Degree in Business Administration from the University of Nairobi, a Postgraduate Certificate in Environmental Assessment & Audit from Jomo Kenyatta University of Agriculture & Technology and Bachelors of Science degree in Mechanical Engineering from the University of Nairobi.

Before joining KRA, he had worked at Safaricom Ltd for more than seven (7) years in various capacities, including Head of Human Resources Shared Services and Senior Manager, Facilities, Health & Safety. Dr Kinuu also worked at different managerial roles in Shell Kenya Ltd and Oil Libya Kenya and Mozambique, among other companies. Dr Kinuu is a member of the Institute of Human Resource Management and the Institute of Engineers of Kenya.

(k) Lillian Anyango Nyawanda



Ms. Lilian Anyango Nyawanda was appointed Commissioner, Customs & Border Control effective 15th April, 2021.

She holds a Masters of Business Administration degree from United States International University, Bachelor of Commerce (Finance) degree from the University of Nairobi and a Certificate in Customs and Tax Administration from Kenya School of Revenue Administration. She is currently pursuing a Doctorate in Public Policy & Administration from Walden University. She is a member of the National Society of Leadership and Success (Sigma Alpha Pi Honor – September, 2020).

(l) Dr Edward Karanja



Dr. Edward Karanja was appointed Commissioner, Investigations and Enforcement effective 26th March, 2021. He was deployed to the National Treasury on 23rd February, 2023. His contract with the Authority ended on 31st May, 2023.

He holds a PhD in Business Administration from Washington International University (WIU), MBA in Entrepreneurship and Strategic Management from United States International University, Master of Arts in Public Finance from Grips University, Tokyo, Japan and a Bachelor of Arts Degree in Economics and Mathematics from Egerton University.

He is an Associate Member of Certified Fraud Examiners (ACFE), and a fellow of the Institute of Certified Public Accountants of Kenya (ICPAK).

4. CHAIRMAN'S STATEMENT FOR THE FINANCIAL YEAR 2022/2023

Foreword

I am greatly honoured to present the Kenya Revenue Authority (KRA) Annual Report and Financial Statements for the Financial Year 2022/23. This is the second report within KRA's Eighth Corporate Plan implementation period (FY 2021/2022 to 2023/2024).

The 8th Corporate Plan theme is "**Revenue Mobilisation through Tax simplification, technology-driven compliance and tax base expansion**". The strategic thrusts adopted in realizing KRA's principal role of mobilizing resources to finance the country's development agenda including the Government's Bottom Up Economic Transformation Agenda and the Sustainable Development Goals, are i) revenue mobilization; ii) Tax base expansion; iii) Simplification of the tax regime to ease compliance and service delivery; iv) Application of cutting-edge technology; v) Performance-oriented and ethical organization culture; vi) Strategic partnerships to bolster compliance.

During the 8th plan period, the Kenya Revenue Authority targets to collect **Kshs. 6.831 Trillion**. In the second year of the plan, FY 2022/23, KRA attained an overall net revenue performance of **95.3 percent** (collected **Kshs. 2.166 Trillion** against the revenue target of **Kshs. 2.274 Trillion**) despite the challenging global and domestic economic environment. This is a revenue growth of **6.7 percent**, as compared to **Kshs. 2.03 Trillion** collected in FY 2021/22. This revenue collection is the highest in KRA history, an indication of the sustained transformation of the Authority into a high-performance culture, leveraging technology as well as strict enforcement of tax laws.

Enhanced domestic revenue mobilisation by KRA is key to realizing the Government's Bottom-Up Economic Transformation Agenda (BETA). The Agenda is geared towards an economic turnaround and inclusive growth and aims to increase investments in at least five sectors envisaged to have the largest impact and linkages to the economy as well as on household welfare. These include Agricultural Transformation; Micro, Small and Medium Enterprise (MSME); Housing and Settlement; Healthcare; Digital Superhighway and Creative Industry. As part of the economic turnaround plan, the Government aims to scale up revenue collection efforts by the Kenya Revenue Authority (KRA) to over Kshs. 3.0 Trillion in the short term.

Kenya's Economy

In the year 2022, Kenya's economy expanded by 4.8 percent, albeit at a slower pace than the 7.6 percent recorded in 2021. The 2022 growth was spread across all sectors of the economy but was more pronounced in service-oriented activities though suppressed agricultural production somewhat subdued the growth.

The external sector has remained stable despite the tight global financial conditions attributed to the strengthening of the US Dollar and uncertainties regarding the ongoing Russian-Ukraine conflict. Due to the strong dollar, the exchange rate to the Kenya shilling, like all world currencies, has weakened but strengthened against other major international currencies. The current account deficit

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was generally stable at 5.2 percent of GDP in the 12 months to November 2022 compared to 5.4 percent of GDP in November 2021 on account of improved receipts from service exports and resilient remittances.

Global Economy

The global economic outlook has become more uncertain - reflecting the impact of the ongoing Russia-Ukraine conflict, elevated global inflation, lingering effects of the COVID-19 pandemic, and persistent supply chain disruptions. Global growth is projected to slow down to 2.9 percent in 2023 from the estimated 3.4 percent in 2022 mainly driven by sluggish growth in advanced economies.

The advanced economies are projected to decline from the estimated 2.7 percent in 2022 to 1.2 percent in 2023 reflecting a slowdown in the growth in the USA, Euro Area and United Kingdom. Growth in the emerging markets and developing economies is projected to rise modestly to 4.0 percent in 2023 from an estimated 3.9 percent in 2022 mainly driven by the recovery of activities in China with the full reopening in 2023. China's economy is projected to improve to 5.2 percent from 3.0 percent in 2022. In the sub-Saharan Africa region, growth is projected to remain moderate at 3.8 percent in 2023.

Revenue Performance

During the Financial Year 2022/23, the Authority collected a net of Kshs. **2.166 Trillion** against the target of **Kshs. 2.274 Trillion**. This represents a performance rate of **95.3 percent** and revenue growth of **6.7%** over Kshs. **2.031 Trillion** collected in the Financial Year 2021/22. This performance reflects improved compliance among taxpayers.

Exchequer Revenue

During the Financial Year 2022/23, the net Exchequer Revenue was **Kshs. 2.029 Trillion** against a target of **Kshs. 2.134 Trillion** and above the **Kshs. 1.899 Trillion** collected in the previous financial year. This represents a performance rate of **95.1 percent** and a growth of **6.9 percent**.

Agency Revenue

In the FY 2022/23, **Kshs. 136.390 Billion** was collected as Agency revenue against a target of **Kshs. 139.469 Billion** translating to a performance rate of **97.8 percent**. The Agency revenue grew by **3.7** as compared to **Kshs. 131.481 Billion** collected in the Financial Year 2021/2022.

Overview of factors underpinning revenue performance in 2022/23

Despite the slowdown in the domestic economy and the challenges in the global economy, the Authority recorded an impressive revenue performance attributed to the implementation of revenue mobilisation strategies as enshrined in KRA's 8th Corporate Plan, tax policy measures, and enhanced revenue administration.

KRA has continued to employ the use of technology to curb revenue leakages. Some of the developments include the implementation of eTIMS, enhancement of i-Tax, use of scanners to give smart alerts, and use of Integrated Customs Management System (iCMS) including targeting and profiling through the use of smart alerts and iCMS risk engine as well bond management and reconciliation.

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KRA has also embarked on continuous and close monitoring to ensure compliance across all tax heads. The extensive use of data and intelligence to unearth unpaid taxes has led to improved voluntary compliance and tax base expansion which is aimed at on-boarding taxpayers previously not paying their fair share of taxes. Additionally, the strengthening of integrity measures has contributed to the continued realization of set revenue collection objectives.

Kenya's Economic Outlook

The National Treasury in the 2023 BPS projects the Kenyan economy to grow by 6.1 percent in FY 2023/24 and maintain that momentum over the medium-term to reach 6.2% in FY 2024/25 and 6.1% in FY 2025/26. This growth will be supported by a broad-based private sector growth, including recoveries in agriculture while the public sector consolidates. From an expenditure perspective, private consumption is expected to boost aggregate demand, supported by the ongoing labour market recovery, improved consumer confidence, and resilient remittances.

Appreciation

On behalf of the Board of Directors, I wish to extend my appreciation to the National Treasury and look forward to their continued support as KRA undertakes its mandate of revenue mobilization. I'd like to take this opportunity to thank my fellow Board members, KRA management and all staff for their tireless efforts in ensuring the Authority achieved a remarkable revenue performance despite the challenging macroeconomic environment.

To our esteemed taxpayers, thank you for honouring your tax obligations and contributing to our slogan of '*tulipe ushuru tujitegemee*'. It is your commitment to our nation through filing and paying your fair share of taxes that has enabled us to come this far.



MR. ANTHONY MWAURA, EBS
CHAIRMAN, KRA BOARD OF DIRECTORS

5. REPORT OF THE CHIEF EXECUTIVE OFFICER

1) Introduction

The Financial Year 2022/23 fell midway through the implementation of the 8th Corporate Plan (2021/22 to 2023/24). The plan's theme is "**Revenue Mobilisation Through Tax Simplification, Technology-Driven Compliance, and Tax Base Expansion.**" The Plan builds on the successes gained by KRA since it was established by focusing on tax simplification, the use of modern technology, and strategic partnerships. Despite an economic downturn caused by an unfriendly global fiscal climate, KRA achieved a net revenue collection of Kshs 2.166 Trillion for the period July 2022 - June 2023, compared to Kshs. 2.031 Trillion in the previous fiscal year.

2) Operating Environment

Kenya's GDP was expected to expand by 5.8 percent in FY 2022/23 and 6.1 percent in FY 2023/24, according to the 2023 Budget Policy Statement. This projected rebound will be bolstered by the government's Bottom-Up Economic Transformation Agenda, which is aimed at economic recovery and inclusive growth. This expansion will be aided further by broad-based private-sector growth, particularly agricultural activities, while the public sector consolidates. Private consumption is likely to sustain aggregate demand in terms of expenditure, thanks to the ongoing labour market recovery, rising consumer confidence, and resilient remittances.

3) Revenue Performance

Revenue collection in the FY 2022/23 stood at a net of **Kshs. 2.166 Trillion** compared to **Kshs. 2.03 Trillion** collected in FY 2021/22. The revenue collected fell short of the revenue target of **Kshs. 2.274 Trillion**, translating to a performance rate of **95.3 percent** and revenue growth of **6.7 percent**.

It is important to note that revenue collection has progressively increased in the last 5 years from **Kshs. 1.58 Trillion** in FY2018/2019 to **Kshs. 2.166 Trillion** in FY2022/23, a growth of **37 percent** (Kshs 585.856 Billion). The trend in revenue performance as shown in Figure 1 indicates consistent revenue growth from 2015/16 to 2022/23, with average annual revenue growth of **9.5 percent** in the eight years.

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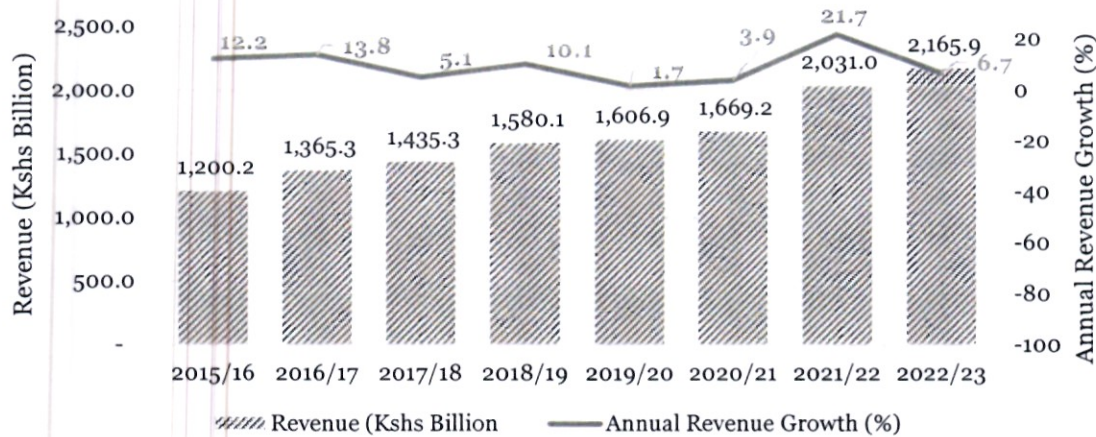


Figure 1: Tax Revenue Trends (2015/16 – 2022/23)

i. Customs and Domestic Taxes Performance

Net Revenue collection by Departments is shown in Figure 2. Customs and Border Control collected **Kshs. 754.090 Billion** in FY 2022/23 against a target of **Kshs. 788.611 Billion** registering a revenue shortfall of **Kshs. 34.521 Billion**. Customs revenues grew by **3.5 percent** over **Kshs. 728.497 Billion** collected in FY 2021/22 and recorded a performance rate of **95.6%**.

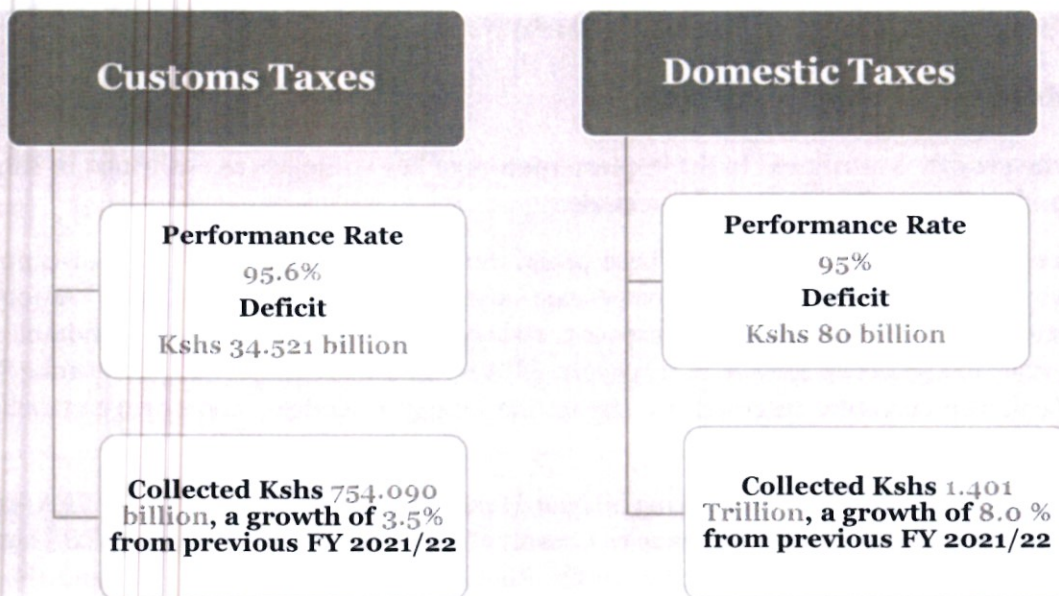


Figure 2: FY 2022/23 Performance rate against the target

On the other hand, the Domestic Taxes Department collected **Kshs. 1.401 Trillion** in FY 2022/23 against a target of **Kshs. 1.481 Trillion**, a revenue shortfall of **Kshs. 80 Billion**. Domestic tax revenue grew by **8.0 percent** over **Kshs. 1.297 Trillion** collections in FY 2021/22 and recorded a performance rate of **95 percent**.

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ii. Performance of Key Tax Heads

Corporation Tax: Income Tax from Corporations performed at **Kshs 443.827 billion** against a target of **Kshs 478.691 billion**, a performance of **93%**. The tax head recorded a growth of **7 percent** in the FY 2022/23. This performance was driven by increased remittance from sectors like: Wholesale & Retail Trade; Finance & Insurance; Information & Communication; Electricity, Oil, & Gas. These sectors contributed **66.2 percent** of the Corporation taxes.

Pay As You Earn (PAYE): P.A.Y.E collection was **Kshs. 494.979 Billion** against a target of **Kshs. 511.316 Billion**. The performance was mainly driven by remittance from private firms and the public sector, which grew by **10.7%** and **1.9%** respectively.

Domestic Excise: The tax head recorded a growth of **2.8 percent** in FY 2022/23, with a collection of **Kshs 68.124 Billion** against a target of **Kshs 74.559 Billion**. The performance is attributed to the growth in revenue from Cosmetics (60.6% growth); Wines and Spirits (8.7% growth); Bottled Water (4.4% growth); Soft Drinks (8.0% growth); Beer (0.4% growth); and Tobacco (2.8% growth).

Domestic VAT: Domestic VAT collection amounted to **Kshs. 272. 451 Billion** in FY 2022/23 compared to **Kshs 244.706 Billion** in FY 2021/22, a growth of **11.3 percent**. The growth is attributed to the implementation of the Tax Invoice Management System (TIMS), which has enhanced compliance among VAT-registered taxpayers.

4) Key Revenue Drivers FY 2022/23

The revenue growth is attributed to the implementation of key strategies as enshrined in KRA's 8th Corporate Plan. Some of these strategies include:

Customer Support Programmes: These programmes strive to create a customer-centric tax environment to increase voluntary compliance and boost revenue collection. Among the programmes are tax education and awareness, stakeholder engagements and roundtables, and customer visits to appreciate compliant taxpayers. KRA is also rebranding as Kenya Revenue Service (KRS) to enhance customer interactions, streamline taxpayer services, and engage stakeholders more efficiently.

Tax Base Expansion: This seeks to bring on board taxpayers previously not paying. KRA was able to collect **Kshs 14.649 Billion** in revenue as a result of the programme. Some of the TBE activities include landlord recruitment under the Monthly Rental Income (MRI) obligation and the Block Management System (BMS) to map out new taxpayers, among others. During the period under review, KRA recruited 940,483 new active taxpayers under the project.

Taxation of the digital economy: Digital Service Tax and VAT on Digital Market Supply have brought inclusivity in the payment of taxes, especially from non-residents. KRA collected a total of **Kshs 5.328 Billion** from these tax heads, translating to a growth of **207.9%** compared to the same period in the financial year 2021/2022.

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Tax at Source: This programme allows KRA to collect information and revenue directly at the source of income on a real-time basis. Some of the initiatives under this programme that KRA has implemented include;

- **Electronic Tax Invoice Management System (eTIMS)** which has minimised VAT fraud and increased tax revenue. A total of **95,732 VAT registered taxpayers** were onboarded which led to remittances of **Kshs 272.365 Billion**. The revenue performance outlook is expected to improve further upon enhanced uptake of eTIMS. In addition, eTIMS is also expected to achieve simplified return filing through prepopulated VAT returns.
- **Integration of betting and gaming companies** into the KRA tax system. The integration has given KRA real-time access to all companies in the gaming and betting sector. This enabled KRA to collect **Kshs 14.234 Billion** in Excise Duty and Withholding Tax from 21 taxpayers that have been on-boarded.

Debt collection initiatives: KRA enhanced collection from debt programmes on non-compliant taxpayers, netting a total of **Kshs 99.272 Billion** in FY 2022/2023. This performance is attributable to follow-ups on demand notices and the debt instalment plans agreed upon with taxpayers, which has netted **Kshs 64.681 Billion**, and follow-ups of agency notices, which enabled KRA to collect **Kshs 34.591 Billion**, among others.

Dispute resolution framework: The framework enhanced revenue collection from Litigation, Alternative Dispute Resolution (ADR), and Tax Appeals Tribunal (TAT). As of June 2023, a total of 1,036 cases had been resolved through ADR generating Kshs 15.255 Billion while 2,000 court cases had a revenue potential of Kshs 45.363 Billion.

KRA has continued to use technology to streamline tax administration and facilitate trade. Among the systems implemented are the Integrated Customs Management System (iCMS), iTax, Regional Electronic Management System (RECTS), Smart Gates, Data Warehouse and Business Intelligence, and Integrated Scanners, as well as the Excisable Goods Management System (EGMS). KRA will adopt an online public auction in the new fiscal year, which will streamline the **procedure and offer a level playing field for taxpayers eager to engage in the process.**

5) Outlook

The revenue target for the FY 2023/24 is **Kshs. 2.768 Trillion**, implying a growth of **27.8 percent** over FY 2022/2023 collection. Revenue contribution for key tax categories is as follows: PAYE (**22.4%**), Dry taxes (**21.4%**), VAT Domestic (**12.9%**), Petroleum taxes (**12.0%**) and Corporation Tax (**12.2%**).

The National Treasury projected that the economy would expand by **5.8 percent** in FY 2022/23 and maintain momentum over the medium term (2023/24-2025/26). The growth outlook will be reinforced by the Government's Bottom-Up Economic Agenda (BETA) geared towards economic turnaround and inclusive growth.

The Authority is implementing the last phase of the 8th Corporate Plan (2021/22 to 2023/24). With taxpayers' continued support, projected economic growth of 5.8 percent in FY 2022/23, a commitment to the implementation of the 3 Trillion strategy, a progressive tax policy framework,

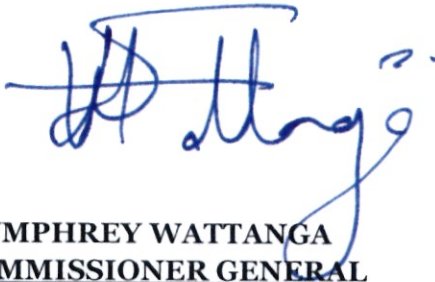
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tax simplification, and a robust tax compliance mechanism, KRA is confident that it will meet this target and enable the government to finance its economic agenda.

6) Conclusion

I'd like to thank the KRA Board of Directors, management, and staff for their hard work and dedication during the just concluded financial year 2022/23. I am glad to inform you that, despite the volatile and unpredictable economic environment coupled with other challenges, KRA recorded revenue growth. I would also take this opportunity to thank The National Treasury and Economic Planning for the support accorded to KRA in executing its mandate.

On behalf of the KRA Board of Directors and Staff, I thank all compliant taxpayers for respecting their tax commitments and contributing to Kenya's economic sustainability by registering, filing, reporting accurately, and paying their due share of taxes. KRA strives to be more approachable and to make taxpaying a pleasurable experience. KRA reiterates its commitment to serving taxpayers with integrity and competence.



HUMPHREY WATTANGA
COMMISSIONER GENERAL

6. REVIEW OF KENYA REGULATORY & NON-COMMERCIAL ENTERPRISE'S PERFORMANCE FOR FY 2022/23

Statement of Performance against Pre-Determined Objectives

KRA has four balanced scorecard perspectives and four overarching goals within its strategic plan for the period 2021/22 to 2023/24. These strategic perspectives are:

- 1) Revenue,
- 2) People,
- 3) Customer, and
- 4) Business process.

KRA develops Annual Work Plans based on the above four perspectives. Assessment of the Board's performance against its annual work plan is done monthly by perspective. KRA achieved most of its performance targets set for the FY 2022/23 period for its four strategic perspectives as indicated in Table 1.

Table 1: Strategic Achievements in FY 2022-23

Strategic pillar/ perspective	Objective	KPIs	Activities	Measure	FY 2022/23 Achievement
Revenue	Realize government revenue targets while building a sustainable tax base.	Total Revenue collected	<ul style="list-style-type: none"> • Risk-based compliance management • Debt management • Smart intelligence and investigation • Tax base expansion • Post clearance audit • Integrated scanner management • Cargo tracking 	Kshs. Bn	Kshs. 2.166 Trillion was collected against a target of Kshs. 2.274 Trillion . The Exchequer Revenue amounted to Kshs. 2.030 Trillion against a target of Kshs. 2.135 Trillion while agency revenue collection was Kshs. 136 Billion against a target of Kshs. 139 Billion
		On-time payment	Compliance activities	%	The on-time payment rate

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Strategic pillar/ perspective	Objective	KPIs	Activities	Measure	FY 2022/23 Achievement
					for June 2023 was 76%.
		Active taxpayers	<ul style="list-style-type: none"> Tax base expansion Turning around non-filers 	No	The number of active taxpayers by June 2023 was 8.153 million. This included 2,029 VAT non-filers turned around.
		Landlords recruited	Implement Block Management System	No	203,632 MRI obligations were added as of June 2023 against a target of 193,625
		High net worth individuals recruited	i. Review the HNWI framework to redefine sub-segments of HNWIs to include wealth value ii. Implement the revised framework, identify and recruit more HNWIs	No	170 High Net worth individuals were recruited with a collection of Kshs. 1,896 million against a target of Kshs. 1,543 million
		Cases investigated	Enhance intelligence-driven investigation	No	417 cases were investigated with a revenue collection of Kshs. 21.57 Billion
		Cases resolved out of suitable disputes received under ADR	Interdepartmental collaboration and support to the ADR mechanism	%	1,038 out of 1,301 cases were resolved (79.8%). The target for FY

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Strategic pillar/ perspective	Objective	KPIs	Activities	Measure	FY 2022/23 Achievement
					2022/23 was 77%
		Systems integrated	Integrate internal and external systems.	No	Achieved 3 system integrations with iTax: <ul style="list-style-type: none"> • Central Bank of Kenya (CBK) securities • EGMS integration for Excise and TCC validation • 36 GBLPs (Gaming, Betting, Lottery and Prize)
		Value of illicit goods removed from the market	<ul style="list-style-type: none"> • Implementation of stringent measures provided in law • Awareness creation and deterrence through publicity • Collaboration with other agencies 	Kshs. Mn	Illicit goods worth Kshs 1,625.2 million were removed from the market. This performance is attributed to joint interventions by DTD, C&BC and I&SO.
Customer	Achieve exceptional customer service and community outreach	Customer satisfaction index	<ul style="list-style-type: none"> • Tax simplification • Stakeholder engagements • Trade facilitation • Refunds management 	%	KRA satisfaction index for the FY 2022/23 Was 73.3% a 0.8% improvement from 72.5% in the FY 2021/22 survey.
		Pre-arrival Cargo Clearance	Uptake of clearance of goods before	%	Attained Pre-arrival processing

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Strategic pillar/ perspective	Objective	KPIs	Activities	Measure	FY 2022/23 Achievement
			docking at the Port of Mombasa		(PAP) uptake of 34% in June 2023 from 25% achieved in FY 2021/22.
		Time taken to release goods (Port of Mombasa, ICD-N, KR Shed)		Hours	Time taken to release goods at Port of Mombasa and ICD-N decreased from 112.6 hours in 2021/22 to a cumulative average of 50.29 hours as of June 2023 against a target of 111 hours.
Business process	Reduce the overall cost of collection while improving the quality of operations and services	Cost of collection	<ul style="list-style-type: none"> Roll out of simplified online self-services Systems Integration Advanced data analytics Reliable and resilient IT infrastructure Maintenance of quality standards 	%	Achieved a cost of collection of 1.38% <ul style="list-style-type: none"> Recurrent Expenditure of Kshs 28.05 Billion incurred against Exchequer Revenue collection of Kshs. 1,821.346 Billion.
		Automation level		%	96.6% automation level as of June 2022 (External assessment by ICT Authority)
People	Continue to build a performance-driven and	Optimise human resource	<ul style="list-style-type: none"> Talent management 	%	Ratio of technical to support staff increased from

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Strategic pillar/ perspective	Objective	KPIs	Activities	Measure	FY 2022/23 Achievement
	ethical workforce	capability and capacity	<ul style="list-style-type: none"> • Implementation of structured training • Improved performance management • Repositioning KESRA as a premier training institution 		<p>70.6% to 73.6% as of June 2022.</p> <p>1,171 Officers from various departments trained in foundation courses in Tax & Customs</p>
		Improved work environment	<ul style="list-style-type: none"> • Provision of working tools • Implementation of transport management framework 	No	<ul style="list-style-type: none"> • Procured 225 laptops • Purchased 5 Motor vehicles and disposed 22 • 20,000sq. ft of office space leased • Developed a Property Development Strategy.
		Enhancing integrity	<ul style="list-style-type: none"> • Staff vetting and investigation • Corruption risk analysis and prevention • Integrity awareness to internal and external stakeholders 		<p>Corruption perception about KRA improved (corruption perception index declined from 31.3% in 2021/22 to 31.12% in 2022/23).</p>

7. MANAGEMENT DISCUSSION AND ANALYSIS

1. Revenue Performance and Growth FY 2015/16 – FY 2022/23

KRA continues to implement her mandate of assessing, collecting, and accounting for all revenues per specific laws governing it. At the same time, the Authority, advises on matters relating to the administration of, and collection of revenue under the written laws or the specified provisions of the written laws while performing such other functions concerning revenue as the Minister for Finance may direct. In the following sections, the report presents the revenue collected, the contribution from the two main departments, and the collection against the target for the eight years. It also gives an overview of some anticipated risks and their mitigation measures.

In Figure 1, the revenue collection trend from FY 2015/16 to FY 2022/23 is presented. The figure shows consistent revenue performance in this period, with average annual revenue growth of **9.4 percent** in the eight years and **10.8 percent** in the last three years. The highest revenue growth was recorded in FY 2021/22 at **21.7 percent**.

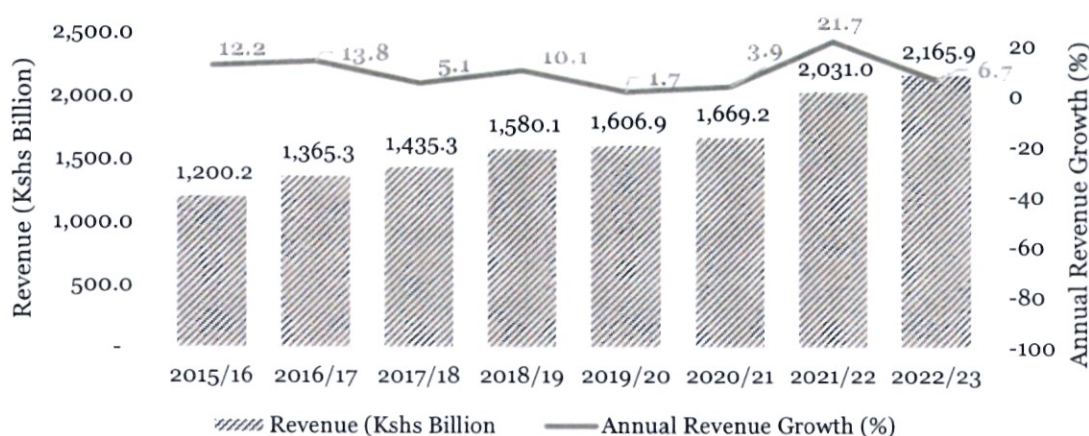


Figure 3: Tax Revenue Trends (2015/16 – 2022/23)

As shown in Figure 2, Customs and Border Control collected **Kshs. 754.090 Billion** in FY 2022/23 against a target of **Kshs. 788.611 Billion** registering a revenue shortfall of **Kshs. 34.521 Billion**. Customs revenues grew by **3.5 percent** over **Kshs. 728.497 Billion** collections in FY 2021/22 and recorded a performance rate of **95.6%**. On the other hand, the Domestic Taxes Department collected **Kshs. 1.401 Trillion** in FY 2022/23 against a target of **Kshs. 1.481 Trillion**, a revenue shortfall of **Kshs. 80 Billion**. Domestic tax revenue grew by **8.0 percent** over **Kshs. 1.297 Trillion** collections in FY 2021/22 and recorded a performance rate of **95 percent**.

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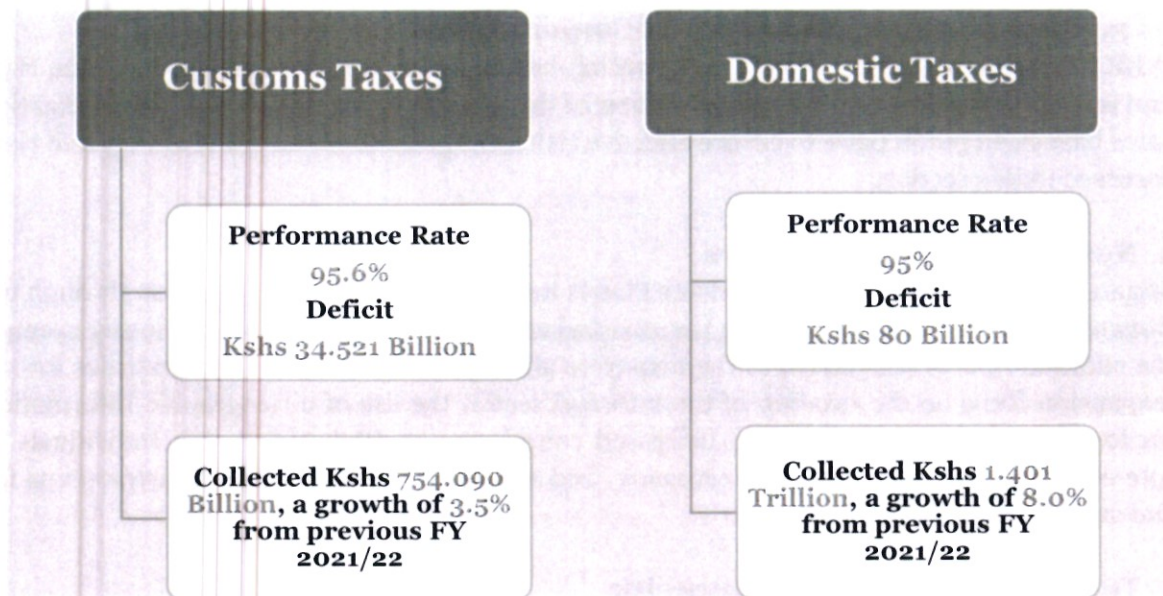


Figure 4: FY 2021/22 Performance rate against the target

2. Revenue Performance against Target FY 2015/16 – FY 2022/23

In Figure 3, we present the historical performance of revenue against revised targets. It is noted that the target has been revised over the years to adjust for changes in the macroeconomic environment that dictates the level of revenue collection. For the last eight years, KRA has consistently missed her target by an average of 2.43%. However, in FY 2020/21 and FY 2021/22, the targets were surpassed by 1.04% and 2.78% respectively despite the challenges in the operating environment. In FY 2022/23, the revenue collection fell short of the revised target by 4.76 percent, occasioned by the effects of the slowed economic growth in 2022 which went down to 4.8 percent from 7.6 percent in 2021.

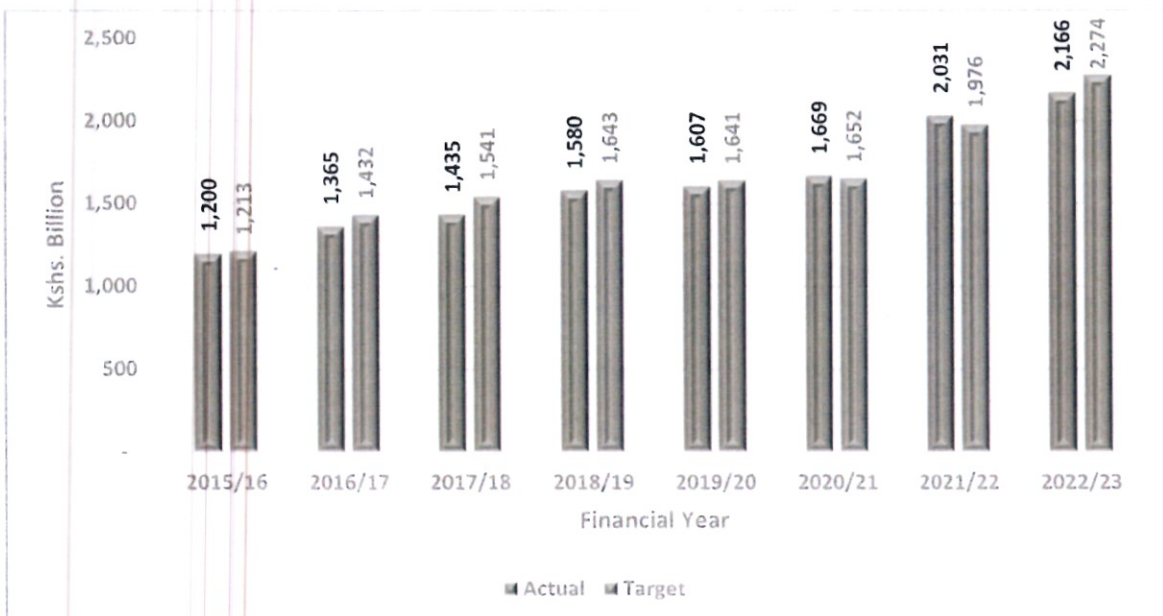


Figure 3: FY 2015/16 - FY2022/23 Actual Collection against Revised Target

3. Risks and Mitigation in the 8th Corporate Plan

While KRA remains optimistic about implementing her mandate, we take cognisance of the risks that can lead to challenges in the implementation of this mandate. For this reason, risk mitigation measures have been put in place to ensure effective risk management. Some of the anticipated risks are discussed in this section.

a. Non-registration of taxpayers

To mitigate this risk, KRA's Eighth Corporate Plan is implementing tax base expansion through the recruitment of new taxpayers, subjecting persons and entities to taxes that were previously exempt, and the addition of new obligations to the taxpayers already in the tax base. The strategies for tax base expansion focus on the taxation of the informal sector, the use of a Geographic Information System for Block management system, increased compliance by High Net-Worth Individuals to promote equity, taxation of the digital economy, and strategic collaboration and partnerships for revenue mobilization.

b. Taxpayer/Customer experience risk

To mitigate this risk, KRA has enhanced efforts towards simplification of tax processes and technology links to make it easy for taxpayers to comply with their tax obligations. KRA is also implementing tax policy reforms to ensure stability and clarity of tax laws and avert risks associated with policy formulation and design.

c. Data integrity risk

This is the risk that data stored and processed by Information Technology (IT) systems are incomplete, inaccurate, or inconsistent across different IT systems. KRA is in the process of cleaning up the taxpayer database. A clean taxpayer database is critical for revenue mobilisation as it ensures that the taxpayers have the correct obligations and ledger balances reflect the correct position.

d. Smuggling risk

This comes about due to the instability and underdevelopment of some neighbouring countries thus facilitating smuggling across porous borders. This risk is mitigated through the following strategies:
i) Use of East Africa Community Centralized Platform for information and data exchange interface;
ii) Work with the multi-agency task force to tackle security, smuggling, and illicit trade; and iii) Improve border management.

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4. KRA Project Portfolio

KRA is implementing the following projects with the goal of effectively delivering its primary mandate of revenue mobilization. The projects are at different stages of completion and are shown in Table 2.

Table 2: KRA's Project Portfolio

Stage	Number of Projects	Projects
Completed Projects (Since July 2020)	15	<ol style="list-style-type: none"> 1. eJuris (iLaw) /Dec, 2020 2. Imposter Detection System /Dec 2020 3. VDI (Centralised End User Computing) /Dec, 2020 4. New Data Centre /Nov, 2020 5. iTax Take over /Feb, 2021 6. iScan /Feb, 2021 7. IP Telephony II - June 2021 8. IDEA- June 2021 9. Regional Electronic Cargo Tracking System (RECTS) – June 2021 10. WAN Optimization and Kilindini Network Upgrade – June 2021 11. Tenable Security – June 2022 12. KESRA Chatbot/Mobile App – June 2022 13. M-service – October 2022 14. Nairobi Revenue Services System – October 2022 15. TIMS – January 2022

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<p>Completion & Closure (90% - 100%)</p>	<p>8</p>	<ol style="list-style-type: none"> 1. iCMS 2. Ushuru Pensions Towers Phase II Fit out 3. Travel Management on Share Point 4. Integrated Access & Identity Management Solution 5. Social Media Management tool 6. DWBI (insight) 7. Refurbishment of Secondary Data Centre 8. Case Management System
<p>Execution (16% - 89%)</p>	<p>9</p>	<ol style="list-style-type: none"> 1. East African Regional Transport, Trade and Development Facilitation Project (EARTTDFP) 2. Electronic Queue Management System 3. Security Operations Centre 4. Digital Forensics Lab 5. Performance Management Solution 6. Exchange of Information System (EOIS) 7. Horn of Africa Gateway Development Project (HoAGDP) 8. Anonymous Reporting System (Phase III) 9. eTIMS

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ENVIRONMENTAL AND SUSTAINABILITY REPORTING
Employee Welfare Activities for FY 2022/2023

The Authority complies with Occupational Safety and Health Act of 2007 (OSHA) as operationalised by Work Environment Standard Policy. This enhances provision of safety and health for internal and external stakeholders (both male and Female) as follows;

- i) Promoting and maintaining high standards of health and safety of employees, customers and general by;
 - a) conducting sensitizations on regular basis
 - b) Reporting accidents and incidences to Directorate of Occupational Safety and Health(DOSH) when they occur.
- ii) Ensuring Annual work environment Audits are conducted in the workplaces as follows;
 - a) HR conducts and report gaps to relevant HoDs to ensure a safe and healthy work environment
 - b) Employees/ departments channel their work environment challenges to HR for facilitation as necessary
 - c) HR conducts regular work environment spot checks and submits recommendations for implementation to ensure compliance by relevant departments
 - d) Security and Safety Division reports accidents and incidences to DOSH when they occur.
- iii) Ensuring utilization of leave entitlement in compliance with the leave management policy as follows;
 - a) Facilitating staff to utilize their annual leave entitlement when it becomes due.
 - b) HR conducts sensitizations on the importance of leave (rest and avoid burn out) on a regular basis.

Efforts made in improving the reward systems

- a) The Authority in an effort to improve the reward system offers performance based rewards.
- b) The Authority offers competitive remuneration packages and benefits geared towards improving the pay package. To ensure the remuneration package remains competitive, the Authority has engaged a consultant to conduct a salary survey with a view to enhancing the remuneration package.

Efforts made in improving skills and managing careers

The Authority has continued to optimise capability human resource capability and capacity through implementation of talent management, structured trainings and repositioning KESRA as a premier training institution.

- a) The ratio of technical to support staff stood at 73.60% as at June 2023 thereby surpassing our target as per the Authority's strategic plan.
- b) 999 Officers from various departments trained in foundation courses in Tax & Customs against a target of 700.

8. CORPORATE GOVERNANCE STATEMENT

Corporate governance is the structure and processes used to direct and manage an organization in order to enhance corporate performance, accountability, fairness and transparency and accountability. It also entails the balancing of the interests of all stakeholders of the organization.

The Kenya Revenue Authority Board of Directors is the governing body of the Authority. The Board of Directors is responsible for the governance of the Authority and is accountable to the Cabinet Secretary, National Treasury to ensure compliance with the Kenya Revenue Authority Act, The Mwongozo Code of Conduct for State Corporations, international best practice and business ethics. The Directors attach great importance to the need to conduct business and operations of the Authority with integrity, professionalism and in accordance with generally accepted international corporate governance practice. The Authority is committed to the implementation of good corporate governance practices as outlined by promotion of ethical leadership, accountability and ensure the sustainability of the organization.

The Board's responsibilities are broadly set out in Section 6 (6) of the Kenya Revenue Act CAP 469 of the Laws of Kenya.

Board Meetings

The Board meets on a monthly basis to review Management performance, including revenue collection, operational issues and future planning. The Directors are given appropriate and timely information to enable them maintain full and effective control over strategic, financial, operational, revenue and compliance issues. All the Directors are independent of Management and free from any business relationship that could materially interfere with the exercise of their independent judgment. In the period under review, the Board held fifteen (15) meetings which included three (3) special meetings.

Board Committees

The Board had four (4) standing Committees during the period under review, which met regularly under the Terms of Reference set out by the Board.

Human Resources Committee

The Committee is responsible for monitoring and appraising the performance of Senior Management, reviewing of human resource policies, approval of remuneration policy for employees and making recommendations on Senior Management appointments to the Board. The Committee met seven (7) times and its Members were:

- i. Mr. Michael Kamiru,
- ii. Ms. Wilkister Simiyu,
- iii. The Attorney General and
- iv. Commissioner General.

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Finance, Administration and Procurement Committee

The Committee is responsible for review of the Authority's annual budget, Procurement and Disposal Plans and related policies. The Committee met seven (7) times and its Members were:

- i. Mr. Darshan Shah,
- ii. Mr. Michael Kamiru,
- iii. The Attorney General and
- iv. Commissioner General.

Board Audit and Risk Committee

The Committee is responsible for review of audit reports, compliance with relevant laws, procedure and standards, quality of financial reporting and oversight on internal control and risk, among others. The Committee assists the Board in discharging its supervisory and good corporate governance responsibilities. The Committee met ten (10) times and its Members were:

- i. Mr. Ashif Kassam,
- ii. Dr. Fancy Too,
- iii. Mr. Samir Ibrahim and
- iv. Principal Secretary – National Treasury and Planning.

Revenue, Strategy and Technology Committee

The Committee is responsible for review of the Authority's strategic implementation of the Corporate Plan and Reform Programme. It also serves as a forum to encourage continuous research and review of tax policy proposals; regulatory framework and revenue collection. The Committee met five (5) times and its Members were:

- i. Dr. Fancy Too,
- ii. Mr. Darshan Shah,
- iii. Principal Secretary – National Treasury and Planning and
- iv. Commissioner General.

Board of Trustees

The Authority has a Staff Pension Scheme which is supervised, managed and administered by a Board of Trustees. The Authority as sponsor of the Scheme, is represented by the following Board Members:

- i. Ms. Wilkister Simiyu
- ii. Mr. Samir Ibrahim,
- iii. Ms. Ashif Kassam and
- iv. Commissioner Corporate Support Services.

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Board Matters

Attendance to board meetings by members	In the Financial Year 2022/2023: There were fifteen (15) full Board Meetings and twenty-nine (29) Board Committees Meetings attended by Members.												
	<table border="1"> <thead> <tr> <th>Meetings</th> <th>No. of Meetings</th> </tr> </thead> <tbody> <tr> <td>Full Board</td> <td>15</td> </tr> <tr> <td>Finance, Administration and Procurement Committee</td> <td>7</td> </tr> <tr> <td>Human Resources Committee</td> <td>7</td> </tr> <tr> <td>Revenue, Strategy and Technology Committee</td> <td>5</td> </tr> <tr> <td>Audit Committee</td> <td>10</td> </tr> </tbody> </table>	Meetings	No. of Meetings	Full Board	15	Finance, Administration and Procurement Committee	7	Human Resources Committee	7	Revenue, Strategy and Technology Committee	5	Audit Committee	10
	Meetings	No. of Meetings											
	Full Board	15											
	Finance, Administration and Procurement Committee	7											
	Human Resources Committee	7											
Revenue, Strategy and Technology Committee	5												
Audit Committee	10												
Succession plan	Appointment is by the President (for the Board Chairman) and Cabinet Secretary – The National Treasury (for Board Members) as per the Kenya Revenue Authority Act Section 6(2)(a) and Section 6(2)(e). Expiry of term is usually communicated to The National Treasury at least 3 months before expiry of Term												
Existence of a board charter	There is an existing Board Charter, which was reviewed and approved by the Board on 18 th March, 2021.												
Process of appointment and removal of directors	As per the Kenya Revenue Authority Act Sections 7 and 8.												
Roles and functions of the Board	As per the Kenya Revenue Authority Act Section 6(6).												
Induction and training	The Directors attended the following Workshops: <ul style="list-style-type: none"> • Induction Programme for Public Sector Boards at the Kenya School of Government (20th to 22nd March, 2023) – 7 Directors attended. • Induction Workshop for Board Members of State Corporations facilitated by the State Corporations Advisory Committee (17th to 19th April, 2023) – 1 Director attended. 												
Board and member performance	The Board Performance Self-Assessment for Financial Year 2022/2023 is scheduled for 11 th August, 2023 and facilitated by the State Corporations Advisory Committee.												
Conflict of interest	Conflict of interest is declared in all Board and Board Committees Meeting and recorded as part of the proceedings.												
Board remuneration	As per the relevant Government Circular: Sitting Allowance: Letter dated 11 th February, 2011 Ref ZZ MOF 131/04												
Ethics and conduct	This is provided for under chapter 3 of the Board Charter, which quotes policies and acts that the Board Members as public officers are subject to.												
Governance audit	The State Corporations Advisory Committee (SCAC) vide their letter Ref No. OP/SCAC.9/175A dated 20 th February, 2020 indicated that the SCAC was in the process of accrediting Governance Auditors and they would share the list once the process was complete. The Governance Audit to be undertaken by SCAC upon accreditation of auditors. The Authority awaits further guidance.												

9. CORPORATE SOCIAL RESPONSIBILITY (CSR) STATEMENT

Statement Purpose

Kenya Revenue Authority's (KRA) goal is to positively impact the lives of taxpayers by collaborating and sponsoring different community social engagements that demonstrate the role of tax in Kenya's development. In addition, KRA seeks to influence the public perception and generate positive reputation.

The Corporate Social Responsibility (CSR) statement is a progress report on the community engagements towards our good corporate citizenship mantra. KRA's corporate sustainability target audience include employees, their families, local communities and society. The CSR initiatives aim to improve quality of life, the environment and the economy in the long-term. Since 2016, KRA has been implementing CSR initiatives through four pillars namely: Environment, Health, Education, and Sports.

In the 2022/2023 Financial Year, KRA staff volunteers played a key role in the implementation of forty-three social engagement initiatives through a **CSR Volunteerism Programme** and CSR sponsorship.

Theme of FY 2022/23 CSR Initiatives

Our theme for CSR this year is ***Twasonga Pamoja***. This statement highlights our journey of collaboration with both our internal and external through partnerships for a common goal is supporting initiatives for people, planet and profit. During this period, KRA participated in the Government of Kenya (GoK) 15 Billion tree planting drive towards national climate change mitigation. KRA also implemented innovative approaches to CSR that led to the success articulated in this report.

Innovative approach to CSR

- **Staff Volunteers Programme**

Kenya Revenue Authority (KRA) has entrenched volunteerism as an enabler of Corporate Social Responsibility (CSR) where KRA staff invest their time and resources to engage with the community on social related causes aside from their tax collection duties. This demonstrates the human face of KRA and contribute in empowering the Kenyan populace. KRA as registered **342 Staff Volunteers**. In the FY 2022/ 23 KRA Volunteers gave **763 Hours** to community service. This is approximately 32 days of their time in serving the community.

- **Feeding programme**

The Feeding Programme is a partnership between Relationship Haven and the Hindu Council of Kenya conducted every Sunday from 12.30 pm to 5:00 pm. Between March and June, 2023 KRA volunteers gave their time in serving **3000** families and children in Nairobi slums namely; Umama Grounds, Komarok, Kawangware kwa Chief, Huruma, Soweto, Embakasi, Dagoretti, Ngando Ward, Mwiki, Kasarani, Mihango, Lake View Junior Academy, Kibera High- Rise Soweto Resource Centre, Dagoretti, Ngando Ward, Babadogo area.

KENYA REVENUE AUTHORITY
ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR
ENDED 30TH JUNE 2023

1. Environment pillar

• **From Tree Planting to Tree Growing**

KRA has adopted a sustainable tree-growing model where students adopted trees in schools and are nurturing them. Some of the partner schools include; Bohorera and Kombe in Isebania, Malaba Township School amongst others. This model has seen **100%** survival rate for the trees planted. This year alone KRA has planted **45,604 trees**. This translates to **KShs. 6,840,600** spend on trees at KShs. 150 per seedling. Part of the trees planted were attributed to a partnership with Nairobi Arboretum Conservancy Community Forest Association (NACCFA) where 16,000 trees were planted.

2. Education pillar

• **Mentorship initiatives**

Through the volunteers programme KRA implements mentorship initiative under the education pillar and targets the youth from underserved areas enrolled in primary, secondary and university levels. During the year, KRA engaged with various partners and **60** volunteers mentored **358** youth and teen mothers in Ngong, Kibra and Mukuru kwa Reuben.

a. Inaugural mentorship programme in Kibra

KRA implemented its inaugural School Holiday Mentorship programme in Soweto, Kibra on 23rd September 2022 where **13 staff Volunteered** to mentor **63** primary and secondary Students.

b. Mentorship programme at Mukuru Skills Centre

KRA took part in a mentorship program at Mukuru Skills Training Centre in Mukuru Kwa Reuben on 31st March 2023 under the theme "*The future is bright, form ni Kujituma*". About 300 teen mothers were mentored with 30 KRA staff. KRA through Corporate Social Responsibility (CSR) program organized the mentorship program in partnership with The Kenya Red Cross, YMCA, Hope Worldwide, Health Right Kenya, PHDA among others health focused organizations that provided free medical check-ups to the women and their children. KRA staff also participated in chapati forum where they interacted with the teen mothers at more personal level.

c. Standing with Boys during International Women's Day

KRA joined the world in celebrating International Women's Day (IWD) on 8th March 2023 through community social engagements in various parts of the country under the theme# '*Embrace Equity.*' In the spirit of embracing equity, KRA organized a community engagement program for boys and young men in partnership with Life Song at the Halfway house in Ngong, Kibiko area. Thirty KRA volunteers mentored 36 young adults, counselled, cooked and danced with the boys

• **Sustainability**

The 8th Corporate plan 2022-24 committed integrating sustainability in CSR. To this end, KRA supported a dairy goat project to support the boys as a source of economic independence.

• **Capacity building for volunteers**

KRA facilitated capacity-building sessions for 160 volunteer mentors on national volunteerism policy and mentorship

KENYA REVENUE AUTHORITY
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3. Health pillar

KRA observed the International Dyslexia Awareness month on 31st October by sensitizing **1116 staff** on volunteers' staff neurodiversity programme and Dyslexia in the work place.

4. Sports pillar

KRA sponsored football match in Western Region at Customs stadium with participants from Kuria West, Kuria East and parts of Migori.

Summary of Community Social Engagements

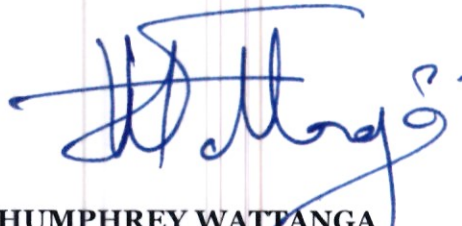
No.	CSR Engagement	Month/Date	Description
1.	Registration Drive Campaign for Volunteers	June 2022	KRA establishment the staff volunteerism programme in June 2022 and has so far registered 343 volunteers.
2.	Mentorship Programme	September 2022	KRA launched its inaugural mentorship programme. . So far, KRA has conducted three mentorship sessions as follows; <ul style="list-style-type: none"> • Soweto, Kibra where 63 primary and secondary students were mentored by 13 staff volunteers • Ngong Halfway House where 36 young adults by 10 mentors and counsellor. KRA staff also cooked and cleaned the home • Mukuru Skill Centre where 30 KRA staff volunteers mentored 300 youth and teen mothers.
3.	Dyslexia Sensitization	October 2022	KRA established a staff led neurodiversity initiative that seeks to sensitize staff neurodiversity matters by marking key international days. KRA organized staff sensitization themed 'Dyslexia in the Work Place,' to mark International Dyslexia Awareness month where 1116 staff participated
4.	Sports	December 2022	KRA Western Region sponsored sponsorship a football tournament at the KRA Customs Stadium where staff competed against the public in Kuria West ,Kuria East and parts of Migori
5.	Tree planting		KRA planted 45,604 trees in the FY ending June 2023. The trees were planted by KRA staff in Mombasa, Kwale, Embu, Elgeyo Marakwet, Eldoret, Kisumu and Swan Border point

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6.	Tenda Wema Campaign	December 2022	<p>Tenda Wema campaign is a voluntary staff donation drive that enabled staff give back to the society in kind through food, clothes and dignity kits donations. Different KRA regions participated as follows;</p> <ol style="list-style-type: none"> 1. <u>Northern region</u> Food, clothes and dignity kits donations were made to: <ul style="list-style-type: none"> • Families in rural Makindu. • Stephen’s Children's Home in Embu • Families in Hadesa and Qualaliwe Village, Wajir • Bethsaida Home for the Elderly and Disabled in Korompoi, Kajiado. <p>The team also painted classrooms at Meru School for Mentally Handicapped.</p> <ol style="list-style-type: none"> 2. <u>North Rift Region</u> Food, clothes and dignity kits donation to Cerebral Palsy Children’s home in Eldoret. 3. <u>Central Region</u> KRA participated in a community cleanup of Nyeri town. 4. <u>Western Region</u> Food and dignity kits donation to St. Mary Ukwala. 5. <u>Southern Region</u> Food and dignity kits donations to APDK Children Home in Port Reitz and Ziwani School for the Deaf. <p>The team also participated in a community cleanup of Majengo market.</p> <ol style="list-style-type: none"> 6. <u>South Rift</u> Food and dignity kits donations to Nakuru Hills School and Phyllis Wamboi Children’s home located near Kabarak. 7. <u>Nairobi</u> Conducted a countrywide Legal Clinic for KRA staff. Volunteers to run the clinic were drawn from the Legal Service & Board Coordination Department.
		February 2023	<p>A Feeding Programme was established in partnership between Relationship Haven and the Hindu Council of Kenya conducted every Sunday from 12.30 pm to 5:00 pm.</p>

**KENYA REVENUE AUTHORITY
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7	Feeding Programme		<p>KRA volunteers have participated in feeding individuals in in the following low income areas:</p> <ul style="list-style-type: none"> • Umma Grounds in Komarok • Kawangware kwa Chief • Huruma kwa Chief • Soweto, Embakasi • Dagoretti, Ngando Ward • Mwiki, Kasarani Area • Mihango, Late View Junior Academy • Kibera High- Rise Soweto Resource Centre • Babadogo area
8.	Good Deeds Day	April 2023	<p>As part of the community social engagements KRA marked International Good Deeds Day Celebration on 16th April 2023 at City Hall Way where six (6) KRA staff participated in a march.</p> <p>KRA also assisted taxpayers to file their returns</p>



**HUMPHREY WATTANGA
COMMISSIONER GENERAL**

10. REPORT OF THE BOARD OF THE DIRECTORS

The Directors submit their report together with the unaudited Revenue Accountability Statements for the year ended June, 2023 which show the state of Kenya Revenue Authority's affairs.

Principal activities

The principal activities of the Authority continue to be assessment and collection of revenue, administration, enforcement of laws relating to and accounting for revenue collected under the relevant Acts.

Results

The results of the Authority for the year ended June, 2023 are set out on pages 54 to 91.

Directors

The Members of the Board who served during the year are shown on page 7 to 18.

Auditors

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



.....
Paul Matuku, EBS

By Order of the Board

Board Secretary

Date:

29th February 2024

**KENYA REVENUE AUTHORITY
ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR
ENDED 30TH JUNE 2023**

11. STATEMENT OF DIRECTORS' RESPONSIBILITIES

Section 82 (1) of the Public Finance Management Act, 2012 requires that, at the end of each quarter and financial year, a receiver of revenue shall prepare an account of the revenue received and collected by the receiver during that financial year. As the collector of revenue, the Kenya Revenue Authority prepares the Revenue Accountability Statement, which give a true and fair view of the state of affairs of the collections at the end of each quarter and the financial year. The Directors are also required to ensure that the Authority keeps proper accounting records, which disclose with reasonable accuracy the collections, by the Authority.

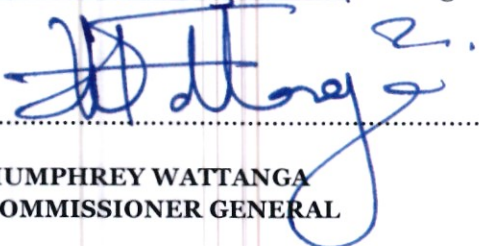
The Directors are responsible for the preparation and presentation of the Authority's Revenue Accountability Statement, which give a true and fair view of the collections by the Authority for the year ended on 30th June, 2023. This responsibility includes: (i) maintaining adequate financial management 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 collections by the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the Revenue Accountability statement, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Authority; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.


The Directors accept responsibility for the Authority's Revenue Accountability Statement, which has 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 KRA Act. The Directors are of the opinion that the Authority's Revenue Accountability Statement give a true and fair view of the state of Authority's transactions during the year ended 30th June, 2023. The Directors further confirm the completeness of the accounting records maintained for the Authority, which have been relied upon in the preparation of the Authority's Revenue Accountability Statement as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Authority will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the Revenue Accountability Statement

The Authority's Revenue Accountability Statement was approved by the Board on 29th February 2024 and signed on its behalf by:


.....
**HUMPHREY WATTANGA
COMMISSIONER GENERAL**


.....
**ANTHONY NG'ANG'A MWAURA
CHAIRMAN**

KENYA REVENUE AUTHORITY
ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023
12. STATEMENT OF THE REVENUE COLLECTION AND TRANSFERS.

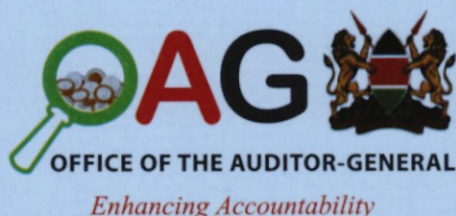
	Notes	Actual for the year ended 30th June 2023	Actual for the year ended 30th June 2022
		KShs	KShs
Current Year Collections (FY 2022-2023)			
1 (a) Treasury collections			
Taxes on Income, Profits and Capital Gains	17.1	944,413,247,665	882,100,207,001
Taxes on Property	17.2	200,317,577	309,686,946
Taxes on Goods and Services	17.3	844,930,443,291	799,038,096,158
Taxes on International Trade & Transactions	17.4	192,359,194,116	174,985,040,580
Other Taxes not elsewhere classified (Stamp Duty)	17.5	12,205,806,845	13,351,312,525
Sales of Goods and Services (Traffic Fees)	17.6	4,400,006,574	4,420,991,923
Railway Development Levy	17.7	39,899,400,353	36,360,699,782
Betting Tax	17.8	3,875,436,823	3,389,305,733
Surplus Funds	17.9	*8,211,995,804	5,794,192,298
Total Treasury Collections		2,050,495,849,046	1,919,749,532,946
(b) Agency collections	17.10	135,584,056,479	131,037,075,923
(c) National Industrial Training (NITA) Levy	17.13	791,384,622	430,896,554
(d) AIA Revenue (Miscellaneous Revenue)	17.11(A)	14,574,902	13,459,368
Total Collections for the Year excluding Nairobi County Government Collections		2,186,885,865,050	2,051,230,964,790
Nairobi County Government Collections	17.12	*9,331,046,235	8,967,423,181
Unallocated Revenue Balance	17.20 (A) i & ii	395,802,640	155,803,397
Funds available for transfer from prior years	17.20 (B)	15,275,664,866	17,274,235,445
Total Collections for the year including NCCG & Unallocated Revenue Balance		2,211,888,378,791	2,077,628,426,814
2 Exchequer Additional Funding for Refunds & Penalty Receipts from Spire Bank	17.11(B)	152,247,266	2,361,104,816
3 Total funds available for Transfer during the year		2,212,040,626,057	2,079,989,531,628
Accounted for as follows:			
Transfers			
Transfers to Treasury and Fund Accounts	17.14	2,019,102,557,219	1,900,618,757,953
Transfers to Principals	17.15(A)	130,952,519,441	127,647,645,644
AIA-Revenue	17.15(B)	2,301,001,503	13,184,272
Transfers to County Revenue Fund A/C and related Charges	17.15(C)	9,320,954,576	8,955,545,981
Agency commissions and 16% VAT deducted	17.16	3,106,854,113	3,035,543,994
Refund Payments	17.19(A) i & ii	27,256,536,555	23,582,421,834
Transfer to NITA Levy Account	17.15(D)	723,429,343	430,590,354
Total transfers and commissions		2,192,763,852,749	2,064,283,690,033
Cash in Transit		19,276,773,308	15,705,841,595

Note: 1. The Statement of the Revenue Collections and Transfers reflect gross collections

2. *Surplus funds excludes Kshs 6,495,100,000.00 remitted directly to The National Treasury

3. *Nairobi County Government Collections are for the period July 2022 to 30th June, 2023. However, the KRA mandate on collections expired on 15th September, 2022 on which date the collections totaled Kshs. 1,030,712,853. Collections have continued to be received in the KRA Accounts pending conclusion of the Transition to the County. The collections from 16th September to 30th June, 2023 totaled Kshs. 8,300,333,383 thereby totaling to Kshs. 9,331,046,235 for the financial year See Note 17.12.

REPUBLIC OF KENYA



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

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

REPORT OF THE AUDITOR-GENERAL ON REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2023 - KENYA REVENUE AUTHORITY

PREAMBLE

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

- A. Report on the Revenue Accountability Statements that considers whether the revenue accountability statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, legal notices, circulars, guidelines and manuals and whether public resources are collected 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 ACCOUNTABILITY STATEMENTS

Qualified Opinion

I have audited the accompanying Revenue Accountability Statements of Kenya Revenue Authority set out on pages 54 to 88, which comprise the statement of financial position as

Report of the Auditor-General on Revenue Accountability Statements for the year ended 30 June, 2023 - Kenya Revenue Authority

at 30 June, 2023 and the statement of revenue collections and transfers, statement of targets versus actual performance by tax head 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, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the Revenue Accountability Statements present fairly, in all material respects, the financial position of the Kenya Revenue Authority as at 30 June, 2023, and of its revenue collections for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Kenya Revenue Authority Act, Cap 469.

Basis for Qualified Opinion

1. Non-Collection of Capital Gains Tax

The statement of revenue collections and transfers reflects taxes on income, profits and capital gains of Kshs.944,413,247,665 which, as disclosed in Note 17.1 to the financial statements includes an amount of Kshs.5,606,957,074 in respect of capital gains tax. However, analysis of stamp duty collection reports revealed that a total of 10,528 properties valued at Kshs.198,625,539,869 were transferred during the financial year. Based on a sample of 3,296 properties transferred, the Authority did not collect capital gains tax revenue amounting to Kshs.5,146,578,129 from 2,188 properties valued at Kshs.34,310,520,865.

In the circumstances, the accuracy and completeness of the reported capital gains tax amount of Kshs.5,606,957,074 could not be confirmed.

2. Under-Declaration of Income Tax Revenue

The statement of revenue collections and transfers reflects total treasury collections of Kshs.2,050,495,849,046. Included in the treasury collections are receipts of Kshs.944,413,247,665 from income, profits and capital gains and Kshs.844,930,443,291, from taxes on goods and services as disclosed in Notes 17.1 and 17.3 to the financial statements. However, review of taxpayers' declarations in i-Tax system from the Large and Medium Taxpayers Offices for the 2022/2023 financial year revealed that 1,486 taxpayers declared a gross turnover of Kshs. 2,539,360,229,377 under the VAT obligation while the same taxpayers declared gross turnover of Kshs.2,049,318,070,324 under the income tax obligation resulting to an under-declaration of Kshs.490,041,822,592 turnover under the income tax obligation. The underdeclared turnover of Kshs.490,041,822,592 under the income tax obligation would have attracted a corporation tax of Kshs.147,012,647,716 which the Authority did not collect.

Although Management indicated that action has been taken through the issuance of additional assessments, amendment of returns and compliance audit of the clients, no explanation was provided why action was not taken as required by Sections 6.02(ii) and

6.03(v) and (vi) of the Domestic Tax Department Compliance Management Manual which requires Management to establish the inconsistencies and underlying causes and further prepare a report recommending action by each of the taxpayers account managers.

In the circumstances, the Authority under collected revenue by Kshs.147,012,647,716 in respect of income taxes.

3. Outstanding Refund Claims

Note 17.18 (B) to the revenue statements discloses outstanding refund claims balance of Kshs.107,527,342,393 as at 30 June, 2023 compared to Kshs.122,507,810,213 reported as at 30 June, 2022. Analysis of the outstanding refund schedule indicated that the outstanding refund comprised of 183,262 claims. However, verification of the claims indicated that 19,978 refund claims totalling Kshs.46,512,205,778 were outstanding for over two (2) years. Management indicated that the claims were under verification and had not been approved for payment. Were the claims to be approved, contingent penalties of Kshs.16,093,166,465 payable at 1% per month as prescribed under Section 47(5) of Tax Procedures Act, 2015 would have to be incurred by the Authority.

Further, included in the 19,978 claims are 488 claims amounting to Kshs.5,960,590,084 which have been outstanding between 5 and 15 years. Management did not provide an explanation why the claims had not been reviewed and settled. It was also noted that the Authority's Tax Manual does not provide guidance on payments prioritizing of claims leaving the decision at the discretion of the staff processing the claims. This has resulted in accumulation of long outstanding claims while more recent claims are promptly settled.

In addition, review of the 183,262 refund claims revealed that 3,165 refund claims amounting to Kshs.18,363,174,737 were confirmed as verified and payable by the Finance Department. Included in the 3,165 claims are 313 claims amounting to Kshs.1,156,783,981 which were over two (2) years from the date of lodgement and had accrued interests amounting to Kshs.222,661,383. However, the accrued interest on the outstanding claims has not been disclosed in the revenue accountability statements. Review of refunds also indicates that claims totalling Kshs.195,553,859 by nine (9) tea factories were disallowed but had not been expunged from the Authority's core tax collection system.

In the circumstances, the accuracy of the outstanding refund claims of Kshs.107,527,342,393 could not be confirmed.

4. Long Outstanding Revenue Debt

As previously reported, the statement of revenue debt in Note 17.18(A)(i) to the financial statements reflects an outstanding revenue debt balance of Kshs.999,599,467,329 as at 30 June, 2023 which was Kshs.558,659,105,393 lower than Kshs.1,558,258,572,722 reported as at 30 June, 2022. Management indicated that out of the debt balance of Kshs.999,599,467,329, only an amount of Kshs.95,004,762,592 or approximately 5% is

estimated to be collectible while the balance of Kshs.904,594,704,737 or approximately 95% is classified as uncollectible, doubtful or under validation as detailed below.

Classification	Customs (Kshs.)	Domestic Taxes Department (Kshs.)	Total (Kshs.)
Collectible	9,498,589,177	85,506,173,415	95,004,762,592
Doubtful	2,784,113,932	534,076,393,093	536,860,507,025
Uncollectible	906,156,082	0	906,156,082
Under Validation	0	366,828,041,630	366,828,041,630
Sub-total	3,690,270,014	900,904,434,723	904,594,704,737
Grand-total	13,188,859,191	986,410,608,138	999,599,467,329

Review of the supporting schedules indicated that there was a revenue debt of Kshs.542,192,103,181 as at 30 June, 2022 in respect of debt contained in the legacy system which was under ledger reconciliation process, waiver applications and debt under tax appeal processes. However, the Authority did not provide evidence on the outcome of each of the reconciliation processes that resulted in nil balances casting doubt on the accuracy of the legacy system debts. Management did not explain why some doubtful and uncollectible long outstanding balances of Kshs.537,766,663,107 continue to be retained in the books of account.

Further, Management indicated that the exercise of validating the debt, as a pre-requisite for updating taxpayers ledgers, is ongoing and various measures have been put in place with a view of reducing the debts. However, the strategies implemented have not yielded much results over the years and it is not clear why the Authority continues to employ the same interventions that are not yielding adequate results.

In the circumstances, the accuracy and recoverability of the outstanding revenue debt of Kshs.999,599,467,329 as at 30 June, 2023 could not be confirmed.

5. Public Sector Revenue Debt

Note 17.18(A)(i) reflects an outstanding revenue debt of Kshs.999,599,467,329 as at 30 June, 2023 out of which Kshs.245,553,868,392 related to public sector revenue debt. However, the public sector revenue debt amount of Kshs.245,553,868,392 varied by Kshs.140,631,653,392 with outstanding revenue debt extracted from i-Tax system of Kshs.386,185,521,784. The variance was attributed to errors in taxpayers ledgers casting doubt on the accuracy of the debt amount disclosed in revenue accountability statements.

Further, eighty-nine (89) public sector entities that responded to circularization of public sector debts, indicated an amount of Kshs.21,071,361,935 as taxes owed to the Authority. However, the i-Tax system reflected an amount of Kshs.65,525,185,389 as due from the eighty-nine (89) public sector entities resulting to a variance of Kshs.44,453,823,454.

Management explained that the variance was as a result of payment of taxes manually outside the i-Tax system by some of the taxpayers.

In the circumstances, the accuracy and recoverability of the public sector revenue debt of Kshs.245,553,868,392 could not be confirmed.

6. Unallocated Domestic Taxes Collections

The statement of revenue collections and transfers reflects total treasury collections of Kshs.2,050,495,849,046. Review of domestic tax collections supporting schedules indicated that the Authority collected domestic taxes totalling Kshs.167,293,035,361 through CBK direct credits/payments which had not been reconciled and updated in the respective taxpayers i-Tax ledgers as at 30 June, 2023. Management indicated that continuous reconciliation is ongoing to allocate the received taxes to the specific taxpayers ledger accounts. However, at the time of audit in December, 2023, an amount of Kshs.55,317,924,175 was yet to be updated and allocated in the taxpayer's ledgers. Further, although an amount of Kshs.111,975,111,186 was indicated as updated in taxpayer ledgers accounts, details of the taxpayer, tax period and evidence of update were not provided for audit confirmation. In addition, the unreconciled amounts are manually tallied and aggregated outside i-Tax system exposing the Authority to the possibility of misapplication of direct credits to the wrong taxpayer.

In the circumstances, the accuracy of the unallocated domestic taxes totalling Kshs.167,293,035,361 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kenya Revenue Authority 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 financial 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 statement. There were no key audit matters to report in the year under review.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing

else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Irregular Processing of Waivers and Tax Variations

During the year under review, a total of Kshs.3,442,870,688 waivers and tax variations were granted compared to Kshs.218,443,768 waivers and tax variations granted in the financial year 2021/2022 representing an increase of Kshs.3,224,426,920. However, out of the 273 waivers and tax variations granted, 133 waivers totalling Kshs.3,401,193,296 did not have i-Tax acknowledgement numbers, an indication that they were not applied for online as required by Chapter,12.0.3 of the Domestic Tax Department Corporate Taxpayer Accounts Management Manual on management of waivers of interest and penalties in i-Tax.

In the circumstances, the Authority was in breach of the guidelines.

2. Non-Compliance at the Customs and Border Control Department

Audit inspection carried out in the month of August 2023 at various Tax Service Offices (TSOs) revealed the following anomalies;

2.1 Unlicensed Transit Shed

Review of customs transit shed licensees at Eldoret Airport indicated that one firm operated a transit shed without a valid license or general bond for security of warehoused goods which were under their custody for the period between 10 July, 2020 to 14 August, 2023. Further, the firm had not paid additional assessment of domestic taxes amounting to Kshs.38,717,045 following a compliance audit check. This was contrary to Regulation 75 of the East African Community Customs Management Regulations, 2010 which requires that the annual license fee for a bonded warehouse shall be one thousand five hundred dollars and where a license is issued in the course of a calendar year, the license fee shall be computed on a pro rata basis.

2.2 Unaccounted for Customs Goods

Review of 131 manifests at Eldoret Airport indicated that goods with gross weight of 1,334,553 kilograms were not lodged within 21 days after the commencement of discharge as stipulated by Section 34(1) of the East African Community Customs Management Act, 2004. As a result, the warehouse management could not account for 1,334,553 kilograms of goods reflected in the 131 manifests. Further, the goods were not presented to a proper officer for warehousing in accordance with Regulation 21(1)(a) of East African Community Customs Management Regulations, 2010.

In the circumstances, the Authority may have lost revenue and was in breach of the law.

3. Irregular Release of Warehoused Goods

Review of Notice of Deposits (F89) No. 204063 of 10 March, 2020 indicated that 240 bags of brown sugar of 50kgs each were intercepted. The entry in the warehouse register indicated that the sugar had been declared earlier. The warehouse register indicated that 18 bags had expired and that out of the 18 bags, 3 bags were taken by the Kenya Bureau of Standards (KEBS) for inspection while the remaining 222 bags were released on 25 March, 2020 upon payment of fines of Kshs.40,000 and warehouse rent of Kshs.31,500. However, the sugar consignment which was indicated as manufactured in March, 2017 and had an expiry date of February, 2020, had expired by the release date of 25 March, 2020. No explanation was provided by Management for releasing expired goods to the market instead of destroying the same. This was contrary to Section 14A (1) (b) of the Kenya Bureau of Standards Act, Cap 496 which states that an inspector may order the destruction of goods detained if it is reasonably necessary to destroy the goods because the goods are in a dangerous state or injurious to the health of human beings, animals, or plants.

Further, 2,700 bags of sugar of 50kgs each of unknown value were deposited into the customs warehouse pending customs investigations and a report from KEBS. However, the warehouse register indicated that 158 bags were released to Nairobi for destruction on 30 January, 2020 leaving the remaining balance of 2,542 bags in the warehouse. However, physical inspection at the warehouse revealed that the 2,542 bags were missing and their whereabouts was not explained. This was contrary to Section 26(2) of the East African Community Customs Management Act, 2004 which states that the owner of the transit shed shall be responsible and accountable for the goods.

In addition, an audit inspection undertaken at customs warehouse records in Isiolo indicated that four hundred (400) cartons of bottled water (12 Pcs each per carton of 1.5 Litres) were deposited in the warehouse on the 25 November, 2020. The station management indicated that the goods were released on 27 November, 2020 following an email authorization by the Domestic Tax Department Enforcement Team (DTED) which had earlier confiscated the goods. However, upon audit review of the i-Tax system, warehouse register and other documentation, no reasons were indicated for confiscation of goods, penalties/charges preferred on the taxpayer from additional assessment, taxes and penalties collected and reasons for release of goods.

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

4. Irregular Use of KRA Bank Accounts

During the year under review, the Authority received revenue totalling Kshs.9,331,046,235 for the County Government of Nairobi. The Authority and the County Government of Nairobi entered into an Agency Agreement, under which the Authority was to collect revenue on behalf of the County Government, for a period of 24 months with effect from the 16 March, 2020. The Agreement was extended for six (6) months to 15 September, 2022.

Review of records indicated that the County Government continued channeling collections through the Authority's bank accounts even after the expiry of agency agreement. Management indicated that the continued use of the Authority's bank account was to enable smooth transition. However, the continued use of the Authority bank accounts for over thirteen (13) months without an existing agreement was irregular.

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

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, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and 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 control, 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 the Board of Directors

Management is responsible for the preparation and fair presentation of the revenue accountability 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 accountability 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 revenue accountability statements, Management is responsible for assessing the Authority's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Authority or to cease operations.

Management is also responsible for the submission of the revenue accountability 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 revenue accountability statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the revenue accountability statements are in compliance with the authorities, which govern them, and that public revenue is collected and transferred in an effective way.

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the revenue accountability 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. Misstatement 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 the revenue accountability statements.

In addition to the audit of the revenue accountability statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the revenue accountability statements are in compliance with the authorities that govern them and that public revenue is collected in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the revenue accountability statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal control 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 misstatement caused by error or fraud in amounts that would be material in relation to the revenue

accountability statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

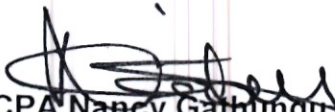
Because of its inherent limitations, internal controls may not prevent or detect misstatement and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the 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 accountability 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 Authority's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the revenue accountability 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 Authority to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the revenue accountability statements, including the disclosures and whether the revenue accountability 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 Authority to express an opinion on the revenue accountability 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 to 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

12 April, 2024

KENYA REVENUE AUTHORITY

ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

13. STATEMENT OF THE FINANCIAL POSITION AS AT 30TH JUNE 2023.

	Notes	Actual as at 30th June 2023	Actual as at 30th June 2022
		KShs	KShs
1	Financial Assets		
	Cash And Cash Equivalent		
	Closing Balance- Exchequer	12,606,671,254	8,946,582,639
	Closing Balance- Agency	1,277,995,651	1,051,080,157
	Closing Balance- AIA	2,865,763	-
	Closing Balance-Nairobi County Government	37,011,656	26,919,997
	Closing Balance- Nita levy	68,314,029	358,750
	Closing Balance- Refund Payment Account	4,888,112,316	5,525,096,654
	Balance on Unallocated Revenue	395,802,640	155,803,397
	Total cash and cash equivalent	19,276,773,308	15,705,841,594
2	Financial Liabilities	Actual as at 30th June 2023	Actual as at 30th June 2022
	Account payables		
	The National Treasury and Fund Accounts	12,606,671,254	8,946,582,639
	Payables to Principals, Commission and 16%Vat	1,277,995,651	1,051,080,157
	AIA Payable to KRA (Miscellaneous)	2,865,763	-
	Nairobi County Government	37,011,656	26,919,997
	NITA Levy	68,314,029	358,750
	Payment Accounts	4,888,112,316	5,525,096,654
	Balance on Unallocated Revenue	395,802,640	155,803,397
	Total Accounts Payables	19,276,773,308	15,705,841,594

The Revenue Accountability Statements set out herein were signed on behalf of the Board of Directors by;

CPA Josephat Omondi

Head of Finance - ICPAK No. 3473

Humphrey Wattanga

Commissioner General

Anthony Ng'ang'a Mwaura

Chairman

The notes set out hereto form an integral part of the Revenue Accountability Statements

KENYA REVENUE AUTHORITY
ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023
14. STATEMENT OF TARGET VS ACTUAL PERFORMANCE BY TAX HEAD

TAX HEAD	Original Budget amount as per Treasury Estimates of Revenue Grants and Loans for the year ended 30th June 2023 Kshs	Target Revision effected Kshs	Revised Budget amount as per Treasury Estimates of Revenue Grants and Loans for the year ended 30th June 2023 Kshs	Actual Receipts for year ended 30th June 2023 Kshs	Target Realised for year ended 30th June 2023 %	Actual Receipts for year ended 30th June 2022 Kshs	Year on year Growth %
Collections							
Treasury collections							
Taxes on Income, Profits and Capital Gains							
Income Tax from Individuals (PAYE)	512,703,611,880	(1,600,000,000)	511,103,611,880	494,978,594,750	97%	461,797,461,154	7%
Contribution from Govt Employees to WCPS	216,827,347	(4,910,624)	211,916,723				
Income Tax from Corporations	495,082,770,091	(16,391,931,053)	478,690,839,038	443,827,695,841	93%	417,046,841,167	6%
Capital Gain Tax	1,530,387,410	4,831,389,822	6,361,777,232	5,606,957,074	88%	3,255,904,680	72%
Sub totals	1,009,533,596,728	(13,165,451,855)	996,368,144,873	944,413,247,665	95%	882,100,207,001	7%
Taxes on Property							
Rent of Land(Land rent)	654,371,367	(365,075,541)	289,295,826	200,317,577	69%	309,686,946	-35%
Sub totals	654,371,367	(365,075,541)	289,295,826	200,317,577	69%	309,686,946	-35%
Taxes on Goods and Services							
Receipt from VAT on Domestic Goods and Services	324,288,127,938	(690,000,000)	323,598,127,938	298,851,380,440	92%	264,746,297,418	13%
VAT on Imported Goods and Services	280,417,728,278	3,000,000,000	283,417,728,278	276,088,985,278	97%	275,717,186,484	0%
Anti-adulteration Levy	3,784,206,485	(2,182,650,339)	1,601,556,146	1,545,187,006	96%	2,251,995,004	-31%
Excise Taxes	297,653,238,989	(3,200,000,000)	294,453,238,989	268,444,890,567	91%	256,322,617,252	5%
Sub totals	906,143,301,690	(3,072,650,339)	903,070,651,351	844,930,443,291	94%	799,038,096,158	6%
Taxes on International Trade & Transactions							
Customs Duties(Import duty)	145,055,824,248	(2,200,000,000)	142,855,824,248	130,167,072,613	91%	118,968,100,214	9%
Import Declaration and Inspection fees	35,092,852,610	24,927,420,024	60,020,272,634	62,192,121,503	104%	56,016,940,366	11%
Sub totals	180,148,676,858	22,727,420,024	202,876,096,882	192,359,194,116	95%	174,985,040,580	10%
Other Taxes Not Classified Elsewhere							
Stamp duty	7,452,957,235	6,220,676,681	13,673,633,916	12,205,806,845	89%	13,351,312,525	-9%
Sub totals	7,452,957,235	6,220,676,681	13,673,633,916	12,205,806,845	89%	13,351,312,525	-9%
Surplus Funds	6,299,168,045	(6,299,168,045)		*8,211,995,804	0%	5,794,192,298	42%
Sub totals	6,299,168,045	(6,299,168,045)		8,211,995,804	0%	5,794,192,298	42%
Sale of goods and Services (Traffic Revenue)							
Second Hand Motor Vehicle Tax	242,922,359	(16,222,613)	226,699,746	4,400,006,574	103%	4,420,991,923	0%

KENYA REVENUE AUTHORITY

ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

TAX HEAD	Original Budget amount as per Treasury Estimates of Revenue Grants and Loans for the year ended 30th June 2023 Kshs	Target Revision effected Kshs	Revised Budget amount as per Treasury Estimates of Revenue Grants and Loans for the year ended 30th June 2023 Kshs	Actual Receipts for year ended 30th June 2023 Kshs	Target Realised for year ended 30th June 2023 %	Actual Receipts for year ended 30th June 2022 Kshs	Year on year Growth %
Licences under Traffic Act	2,417,149,339	(358,399,817)	2,058,749,522				
Fees under Traffic Act	2,117,608,893	(125,377,569)	1,992,231,324				
Sub totals	4,777,680,591	(499,999,999)	4,277,680,592	4,400,006,574	102.9%	4,420,991,923	0%
Railway Development Levy							
Other Receipts not Classified elsewhere(RDL)	35,119,348,544	1,710,651,456	36,830,000,000	39,899,400,353	108%	36,360,699,782	10%
Sub totals	35,119,348,544	1,710,651,456	36,830,000,000	39,899,400,353	108%	36,360,699,782	10%
Betting Taxes	5,703,889,577	(1,358,068,947)	4,345,820,630	3,875,436,823	89%	3,389,305,733	14%
Sub totals	5,703,889,577	(1,358,068,947)	4,345,820,630	3,875,436,823	89%	3,389,305,733	14%
Total Treasury Collections	2,155,832,990,635	5,898,333,435	2,161,731,324,070	2,050,495,849,046	95%	1,919,749,532,946	7%
Agency collections							
Airport Revenue	8,850,318,307	-	8,850,318,307	13,599,001,167	154%	8,183,833,397	66%
Aviation Revenue	5,131,013,159	2,982,986,841	8,114,000,000	6,076,731,530	75%	4,171,684,917	46%
Petroleum Development Fund	27,710,085,018	(2,310,956,446)	25,399,128,572	25,915,090,680	102%	26,849,415,861	-3%
Road Maintenance Levy							
Road Maintenance Levy Annuity Fund	15,690,000,000	-	15,690,000,000				
Taxes -from Other general government units(RML)	76,280,000,000	-	76,280,000,000	84,143,023,609	91%	86,399,339,834	-3%
Subtotal -Road Maintenance Levy	91,970,000,000	-	91,970,000,000	84,143,023,609	91%	86,399,339,834	-3%
K.A.A. Concession Fees	150,416,361	-	150,416,361	155,784,174	104%	148,572,096	5%
Road Transit Toll Levy	1,573,722,581	(1,034,722,581)	539,000,000	1,594,825,992	296%	1,404,543,509	14%
Sugar Levy	-	-	-	94,723		700,225	-86%
Petroleum Regulatory Levy	1,249,031,142	-	1,249,031,142	1,191,586,328	95%	1,232,495,966	-3%
Merchant Superintendent Shipping Levy	1,601,897,072	-	1,601,897,072	1,904,929,486	119%	1,606,746,419	19%
KEBS Levy	578,058,088	-	578,058,088	611,031,112	106%	528,549,709	16%
Traffic Fees-Agency	511,589,200	-	511,589,200	391,480,426	77%	510,762,424	-23%
Housing Levy	429,280	-	429,280	477,252	111%	431,566	11%
Total Agency Collections	139,326,560,208	(362,692,186)	138,963,868,022	135,584,056,479	98%	131,037,075,923	3%
NITA Levy	497,592,350	-	497,592,350	791,384,622	159%	430,896,554	84%

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ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

TAX HEAD	Original Budget amount as per Treasury Estimates of Revenue Grants and Loans for the year ended 30th June 2023 Kshs	Target Revision effected Kshs	Revised Budget amount as per Treasury Estimates of Revenue Grants and Loans for the year ended 30th June 2023 Kshs	Actual Receipts for year ended 30th June 2023 Kshs	Target Realised for year ended 30th June 2023 %	Actual Receipts for year ended 30th June 2022 Kshs	Year on year Growth %
AIA Revenue (Miscellaneous)	8,831,000	(977,000)	7,854,000	14,574,902	186%	13,459,368	8%
Sub-totals (Agency , AIA Revenue & NITA Levy)	139,832,983,558	(363,669,186)	139,469,314,373	136,390,016,003	98%	131,481,431,845	4%
Total Revenue Collections(Gross)	2,295,665,974,193	5,534,664,249	2,301,200,638,443	2,186,885,865,050	95%	2,051,230,964,790	7%

Note: 1. The Statement of Target Vs Actual Performance by tax head reflect gross collections

2. *Surplus funds exclude Kshs 6,495,100,000.00 remitted directly to The National Treasury

KENYA REVENUE AUTHORITY
ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR
ENDED 30TH JUNE 2023

NOTES.

During the Financial Year ended 30th June 2023, the gross revenue collections amounted to Kshs. 2,187 billion against a target of Kshs. 2,301 billion reflecting a performance of 95%. The performance was impacted by the slowed economic growth arising from multiple shocks that affected the economy inclusive of prolonged drought and erratic weather conditions, political environment (electioneering period, subsequent transition activities and political demonstrations), international conflict and continued global uncertainties that disrupted the supply chain, volatile financial markets, sustained depreciation of the Kenya Shilling against the dollar, among others. However, notable performance areas were as follows;

- i. Taxes on Income, Profits and Capital Gains performed at Kshs 944 billion against a target of Kshs 996 billion, with a performance of 95%. The performance is attributed to the following;

Income Tax from Individuals (PAYE & WCPS) performed at Kshs 495 billion against a target of Kshs 511 billion, a performance of 97%. This performance is due to below optimal disbursements from various government entities such as Public Universities, County Governments and various Semi-Autonomous Government Agencies (SAGAs) arising from funding constraints.

Income Tax from Corporations performed at Kshs 444 billion against a target of Kshs 479 billion, a performance of 93%. This performance is mainly attributed to declined installment remittances from Transport, Construction, Finance & Insurance sectors.

Capital Gains Tax performed at Kshs. 5.6 billion against a target of Kshs. 6.4 billion registering a performance rate of 88% attributable to payers having taken advantage of the lower capital gains rate of 5% upto December, 2022 before implementation of the increased rate of 15% from January, 2023.

- ii. Taxes on properties (Land Rent) performed at 69% during the Financial Year. This under performance is attributed to preference by most landowners in transacting on the Ministry of Lands Ardhisasa System as it presents a convenient one-stop shop on which they obtain Land Clearance Certificates.

- iii. Taxes on Goods and Services performed at Kshs 845 billion against a target of Kshs 903 billion, with a performance of 94%. The performance is attributed to;

VAT on Domestic Goods and Services performed at Kshs 299 billion against a target of Kshs 324 billion, a performance of 92%. The performance is attributed to unfavourable economic environment leading to a slow-down in remittances across various sectors (especially Electricity, Oil & Gas, Construction, Finance & Insurance, and Transport & Storage sectors) mainly affected by high input prices (local and domestic) and high energy costs. In addition, delayed commencement of Government spending and implementation of new projects has affected the performance.

VAT on Imported Goods and Services registered a performance of Kshs. 276 billion against a target of Kshs. 283 billion, a performance rate of 97%. This is mainly attributed to the below per performance by non-oil imports arising from high international unit prices, depreciation of the Shilling against the dollar and the Russian-Ukraine war. In addition

KENYA REVENUE AUTHORITY
ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR
ENDED 30TH JUNE 2023

there were special tax exemptions granted to the imports of rice, sugar, maize and cooking oil to mitigate the food shortage effects of drought.

Excise Taxes performed at Kshs 268 billion against a target of Kshs 294 billion, a performance of 91%. The performance is attributed to decline in deliveries of beer, spirits, tobacco, soft drinks, bottled water and cosmetics by 15%, 12.4%, 12.6%, 1%, 9% and 15.5% respectively. Further, Excise on Imports was affected by decline in oil volumes and Motor Vehicle numbers by 13% and 19% respectively.

- iv. Taxes on International Trade & Transactions performed at Kshs 192 billion against a target of Kshs 203 billion, with a performance of 95%. The performance is attributed to the following;

Customs Duties (Import duty) performed at Kshs 130 billion against a target of Kshs 143 billion, a performance of 91%. This performance is attributed to decline in non-oil imports.

The performance on Import Declaration and Inspection Fees was Kshs, 62 billion against a target of Kshs 60 billion resulting to a performance of 104%, mainly attributable to the increased import values.

- v. Stamp Duty performed at Kshs 12 billion against a target of Kshs 14 billion, a performance of 89%. This is mainly attributed to decrease in property transfers affected by rate increase on capital gains.
- vi. Sale of goods and Services (Traffic Revenue) registered a collection of Kshs 4.4 billion against a target of Kshs 4.2 billion, a performance rating of 103%. The performance was within range.
- vii. Railway Development Levy performed at Kshs. 40 billion against a target of Kshs 37 billion, a performance rating of 108%. This performance is attributed to increase in value of imports and the depreciation of the Kenya Shilling.
- viii. Betting taxes performed at 89% with a collection of Kshs 3.9 billion against a target of Kshs 4.3 billion. The under-performance is attributed to reduced stakes by punters, cessation/suspension of some players in the betting industry and new requirements by Betting Control Licensing Board (BCLB) to attain operations licenses.
- ix. Agency collections registered a performance of 98% during the Financial Year. This performance is attributed to the underperformance on Road Maintenance Levy, which performed at 91% due to declines from due to declines from Petrol and Diesel volumes, by 25% and 11% respectively.

On the other hand, performance on Airport Revenue was at 154% and is attributed to increased passenger arrivals through Jomo Kenyatta International Airport (JKIA) and Moi International Airport (MIA), which grew by 44%, compared to the previous year. In addition, there were positive accolades received such as the 2021 world travel awards that increased Kenya's visibility as a holiday destination.

KENYA REVENUE AUTHORITY

ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

15. STATEMENT OF TARGET VS ACTUAL PERFORMANCE BY DEPARTMENT

Departments	Target - Treasury	Actual Receipts for the year ended 30th June 2023	% target realized	Actual Receipts for the year ended 30th June 2022	Year on year Growth
	KShs	KShs	%	KShs	%
Revenue collection					
Treasury collections					
Customs Services Department	650,548,984,036	619,494,506,649	95%	598,486,675,978	4%
Domestic Taxes Department	1,479,664,659,442	1,399,541,335,824	95%	1,296,621,865,044	8%
Traffic Revenues	4,277,680,592	4,400,006,574	103%	4,420,991,923	0%
Total Treasury collections	2,134,491,324,070	2,023,435,849,046	95%	1,899,529,532,945	7%
Provision for Refunds (CSD)	660,000,000	660,000,000	100%	180,000,000	267%
Provision for Refunds (DTD)	26,400,000,000	26,400,000,000	100%	20,040,000,000	32%
Gross Treasury collections	2,161,551,324,070	2,050,495,849,046	95%	1,919,749,532,946	7%
Agency collections					
Customs Services Department	137,881,645,454	134,595,642,591	98%	130,010,791,592	4%
Domestic Taxes Department	1,076,079,718	1,402,892,986	130%	959,877,829	46%
Traffic Revenues	511,589,200	391,480,426	77%	510,762,424	-23%
Total Agency collections	139,469,314,373	136,390,016,003	98%	131,481,431,845	4%
Total Revenue Collections(Gross)	2,301,020,638,443	2,186,885,865,050	95%	2,051,230,964,790	7%

16. ACCOUNTING POLICIES

a. Reporting Entity

The Kenya Revenue Authority has prepared the Revenue Accountability Statements.

b. Basis of Preparation

The Revenue Accountability Statements comply with the requirements of the Public Financial Management Act of 2012 and the cash basis of International Public Sector Accounting Standards.

The accounting policies have been consistently applied to all the financial periods presented.

The Revenue Accountability Statements are presented in Kenya Shillings (Kshs), being the currency of legal tender in Kenya that is the functional and reporting currency of the Government of Kenya.

c. Reporting periods

The Government of Kenya Fiscal Year runs from 1st July to 30th June. The Revenue Accountability Statements covers the period 1st July 2021 to 30th June 2023. The comparative figures reflect the 12 months ended 30th June, 2022.

d. Significant accounting policies

The Revenue Accountability Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated:

(i) Receipts

Revenue is recognized at the point of collection. Only taxes billed/assessed and collected are recognized as receipts under the cash basis of accounting. Revenue billed/assessed during the year but not yet collected is disclosed as receivable for purposes of disclosure.

(ii) Revenue Debt

Revenue debt relates to Revenue billed/assessed but yet to be collected or received. These are disclosed in the Statement of Revenue Debt.

(iii) Transfers

The transfers relates to payments made from the collection accounts to the Treasury receiver of revenue account. It also related to transfers made to the various principals.

(iv) Agency funding

The Authority receives an allocation from The National Treasury as determined by the Cabinet Secretary each year, not exceeding 2% of the revenue estimated in the Financial

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Estimates for each financial year to be collected by the Authority. This is the main source of revenue for recurrent expenditure of KRA.

In addition, the Authority also charges a commission of 2% on collections made on behalf of other principals. The commission is deducted at source plus 16% VAT thereon before remittance to the principals.

(v) Cash and equivalents

Cash and equivalents comprises of cash in transit.

(vi) Comparative Figures

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

(vii) Subsequent events

There have been no events subsequent to the financial year-end with a significant impact on the Revenue Accountability Statements for the year ended 30th June, 2023.

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17. NOTES & TABLES TO THE REVENUE ACCOUNTABILITY STATEMENT

17.1 Taxes on Income, Profits and Capital Gains

	TAX HEAD	Actual Receipts for year ended 30th June 2023	Actual Receipts for year ended 30th June 2022
		KShs	KShs
1	Income Tax from Individuals (PAYE& WCPS)	494,978,594,750	461,797,461,154
	SubTotal	494,978,594,750	461,797,461,154
2	Income Tax from Corporations		
	a) Other Income Taxes	429,634,148,005	404,314,855,127
	b) Turnover Tax	128,120,755	99,739,158
	c) Capital Gains Tax	5,606,957,074	3,255,904,680
	d) Rental Income	13,693,981,870	12,319,835,993
	e) Digital Service Tax (DST)	371,445,211	312,410,890
	SubTotal	449,434,652,915	420,302,745,847
	Total	944,413,247,665	882,100,207,001

17.2. Taxes on Property

	TAX HEAD	Actual Receipts for year ended 30th June 2023	Actual Receipts for year ended 30th June 2022
		KShs	KShs
1	Land Rent	200,317,577	309,686,946
	Total	200,317,577	309,686,946

17.3 Taxes on Goods and Services

	TAX HEAD	Actual Receipts for year ended 30th June 2023	Actual Receipts for year ended 30th June 2022
		KShs	KShs
1	VAT on Domestic Goods and Services	298,851,380,440	264,746,297,418
2	VAT on Imported Goods and Services		
	a) VAT - Imports (General Rate)	231,725,224,818	239,771,739,678
	b) VAT Oil at 8%	44,363,760,460	35,945,446,806
	c) Anti-adulteration Levy	1,545,187,006	2,251,995,004
	SubTotals	576,485,552,724	542,715,478,906
3	Excise Receipts (Air time + domestic + import+Fin.services)		
	a) Gross Excise Duty	110,261,739,896	109,351,754,129
	b) Excise Duty Domestic	68,124,196,921	66,264,239,587
	c) Excise Tax on Airtime	41,406,640,162	37,369,657,748
	d) Excise Tax on Money Transfer	42,012,202,097	38,227,543,201
	e) Excise Tax on Betting	6,640,111,491	5,109,422,587
	SubTotals	268,444,890,567	256,322,617,252
	Total	844,930,443,291	799,038,096,158

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17.4. Taxes on International Trade & Transactions

	TAX HEAD	Actual Receipts for year ended 30th June 2023	Actual Receipts for year ended 30th June 2022
		KShs	KShs
1	Customs Duties(Import Duty)	130,167,072,613	118,968,100,214
2	Other Taxes on International Trade and Transactions (IDF Fee)	62,192,121,503	56,016,940,366
	Total	192,359,194,116	174,985,040,580

17.5. Other Taxes not elsewhere classified (Stamp Duty)

	TAX HEAD	Actual Receipts for year ended 30th June 2023	Actual Receipts for year ended 30th June 2022
		KShs	KShs
1	Stamp Duty	12,205,806,845	13,351,312,525
	Total	12,205,806,845	13,351,312,525

17.6. Sales of Goods and Services (Traffic Fees)

	TAX HEAD	Actual Receipts for year ended 30th June 2023	Actual Receipts for year ended 30th June 2022
		KShs	KShs
1	Traffic revenue	4,400,006,574	4,420,991,923
	Total	4,400,006,574	4,420,991,923

17.7. Railway Development Levy

	TAX HEAD	Actual Receipts for year ended 30th June 2023	Actual Receipts for year ended 30th June 2022
		KShs	KShs
	Railway Development Levy	39,899,400,353	36,360,699,782
	Total	39,899,400,353	36,360,699,782

17.8. Betting Tax

	TAX HEAD	Actual Receipts for year ended 30th June 2023	Actual Receipts for year ended 30th June 2022
		KShs	KShs
	Betting Tax	3,875,436,823	3,389,305,733
	Total	3,875,436,823	3,389,305,733

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17.9. Surplus Funds

	TAX HEAD	Actual Receipts for year ended 30th June 2023	Actual Receipts for year ended 30th June 2022
S/N	SURPLUS FUNDS DIRECTLY RECEIVED IN KRA ACCOUNT	KShs	KShs
1	Capital Markets Authority	4,130,055,725	165,880,000
2	Kenya National Bureau of Statistics	2,370,871	126,150,771
3	Energy Regulatory Commission	-	2,171,545
4	Retirement Benefits Authority	208,713,630	228,789,152
5	Kenya Dairy Board	19,908,686	4,522,997
6	Communications Authority Of Kenya	-	3,028,334,000
7	Tourism Regulatory Authority	-	57,652,196
8	Insurance Regulatory Authority	1,110,394,525	1,123,941,406
9	Kenya Civil Aviation Authority	1,634,140,170	-
10	National Construction Authority	98,634,023	544,627,287
11	Water Resources Management Authority	3,000,000	1,000,000
12	Kenya Maritime Authority	1,004,778,174	511,122,944
13	SUBTOTAL	8,211,995,804	5,794,192,298
	SURPLUS FUNDS REMITTED DIRECTLY TO NATIONAL TREASURY		
1	Central Bank of Kenya	4,000,000,000	-
2	Capital Markets Authority	2,095,100,000	-
3	Kenya Bureau Of Standards	250,000,000	-
4	Retirement Benefits Authority	150,000,000	-
	SUBTOTAL	6,495,100,000	-
	GRAND TOTAL	14,707,095,804	5,794,192,298

Note:

Surplus funds relate to surrendered end of year unexpended voted or excess Appropriation in Aid by the Accounting Officers of the State Corporations as per the Public Finance Management Act. During the year, Surplus amount of **Ksh. 6,495,100,000** was remitted directly to The National Treasury.

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17.10. Agency collections

	TAX HEAD	Principal	Agency Accounts Nos.	Actual Receipts for year ended 30th June 2023	Actual Receipts for year ended 30th June 2022
				KShs	KShs
1	Airport Revenue	Kenya Airports Authority	1000007,451	13,599,001,167	8,183,833,397
2	Aviation Revenue	Kenya Civil Aviation Authority	1000007826	6,076,731,530	4,171,684,917
3	Petroleum Development Fund	National Treasury	1000007435	25,915,090,680	26,849,415,861
4	Road Maintenance Levy	Kenya Roads Board	1000007818	84,143,023,609	86,399,339,834
5	K.A.A. Concession Fees	Kenya Airports Authority	1000008121	155,784,174	148,572,096
6	Road Transit Toll Levy	Kenya Roads Board	1000007818	1,594,825,992	1,404,543,509
7	Sugar Levy	Sugar Directorate (Agriculture and Food Authority)	1000007729/ 1000008113	94,723	700,225
8	Petroleum Regulatory Levy	Energy Regulatory Commission	1000009004	1,191,586,328	1,232,495,966
9	Merchant Superintendent Shipping Levy	Kenya Maritime Authority	1000008598	1,904,929,486	1,606,746,419
10	KEBS Levy	Kenya Bureau of Standards	1000007702	611,031,112	528,549,709
11	Traffic Fees-Agency	National Transport & Safety Authority	1000007486	391,480,426	510,762,424
12	Housing Levy	Ministry of Housing	1000411562	477,252	431,566
	Total			135,584,056,479	131,037,075,923

17.11. (A) AIA Miscellaneous Revenue

	Actual Receipts for year ended 30th June 2023	Actual Receipts for year ended 30th June 2022
	KShs	KShs
Miscellaneous	14,574,902	13,459,368
Total	14,574,902	13,459,368

Note: Miscellaneous Revenue mainly comprises of collections on overtime fees and sale of Tamperproof seals for the year ended 30th June 2023. This is an Appropriation-In-Aid for Kenya Revenue Authority.

17.11 (B) Exchequer Additional Funding for Refunds & Penalty Receipts from Spire Bank

	Actual Receipts for year ended 30th June 2023	Actual Receipts for year ended 30th June 2022
	KShs	KShs
Exchequer Receipts for VAT, Excise & Income Tax	-	2,361,104,816
Service Level Agreement (SLA) Penalty Receipts from Spire Bank	152,247,266	-
Total	152,247,266	2,361,104,816

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17.12 Nairobi County Government Collections

S/NO	Revenue Stream	Actual Receipts for year ended 30th June 2023	Actual Receipts for year ended 30th June 2022
		KShs	KShs
1	Land Rates	2,864,357,088	2,478,094,339
2	Parking fees (total)	1,861,601,275	1,877,868,787
3	Single Business Permits	1,633,513,224	1,367,598,024
4	Plans and Inspections (Building Permits)	963,349,767	591,874,934
5	Billboards and advertisements	593,283,759	931,012,932
6	House and Stall Rent	450,419,350	438,600,376
7	Fire Inspection Certificates	202,611,108	192,997,729
8	Food Handlers Certificates	132,717,178	134,585,878
9	Markets	250,509,468	382,531,510
10	Other Incomes	378,684,020	572,258,672
11	Total	*9,331,046,235	8,967,423,181

Note: *Nairobi County Government Collections are for the period July 2022 to 30th June, 2023. However, the KRA mandate on collections expired on 15th September, 2022 on which date the collections totaled Kshs. **1,030,712,853**. Collections have continued to be received in the KRA Accounts pending conclusion of the Transition to the County. The collections from 16th September to 30th June, 2023 totaled **Kshs. 8,300,333,383** thereby totaling to **Kshs. 9,331,046,235** for the financial year.

TABLE 1: NCCG COLLECTIONS FOR THE PERIOD BEFORE AND AFTER EXPIRY OF KRA COLLECTION MANDATE

S/NO	Revenue Streams	NCCG COLLECTIONS BEFORE & AFTER EXPIRY OF MANDATE, AND TOTAL COLLECTIONS FOR THE FINANCIAL YEAR		
		From 1st July to 15th September, 2022 (Expiry of KRA Collection Mandate)	From 16th September, 2022 to 30th June, 2023 (After expiry of KRA Collection Mandate)	Actual Receipts for year ended 30th June 2023
1	Land Rates	130,455,968	2,733,901,120	2,864,357,088
2	Parking fees (total)	344,853,432	1,516,747,843	1,861,601,275
3	Single Business Permits	51,455,088	1,582,058,136	1,633,513,224
4	Plans and Inspections (Building Permits)	219,198,085	744,151,682	963,349,767
5	Billboards and advertisements	89,109,751	504,174,008	593,283,759
6	House and Stall Rent	68,543,900	381,875,450	450,419,350
7	Fire Inspection Certificates	4,871,020	197,740,088	202,611,108
8	Food Handlers Certificates	14,058,642	118,658,536	132,717,178
9	Markets	41,639,656	208,869,812	250,509,468
10	Other Incomes	66,527,312	312,156,708	378,684,020
	TOTAL	1,030,712,853	8,300,333,383	9,331,046,235

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17.13 NITA Levy

	Actual Receipts for year ended 30th June 2023	Actual Receipts for year ended 30th June 2022
	KShs	KShs
National Industrial Training Levy	791,384,622	430,896,554
Total	791,384,622	430,896,554

17.14. Transfer to Treasury and Fund Accounts

	TAX HEAD	Actual transfer for year ended 30th June 2023	Actual transfer for year ended 30th June 2022
		KShs	KShs
1	Income Tax from Individuals (PAYE)	494,478,285,513	462,070,880,302
2	Income Tax from Corporations	441,599,476,552	413,284,770,011
3	Land Rent	200,405,272	310,069,262
4	VAT on Domestic Goods and Services	271,754,723,677	244,616,505,254
5	VAT on Imported Goods and Services	277,687,316,243	277,835,957,601
6	Excise Domestics	152,382,048,055	71,351,287,539
7	Excise Airtime	-	36,281,039,700
8	Excise on Financial Services	3,939,007,641	37,240,424,100
9	Excise Imports	109,605,374,118	110,147,780,594
10	Customs Duties(Import)	129,974,980,991	118,392,047,922
11	Other Taxes on International Trade and Transactions (IDF Fee)	62,296,032,629	55,632,453,517
12	Stamp Duty	12,221,842,464	13,441,294,759
13	Railway Development Levy	39,896,226,652	36,338,620,108
14	Traffic revenue	4,392,226,005	4,426,546,500
15	Traffic revenue(e-Citizen Amount Paid directly to NTSA by Treasury)	35,096,720	
16	KRA- Tax on Winnings-KShs. (Sports Fund Coll Account)	10,427,518,883	13,454,888,486
17	Surplus Funds(via Income tax A/c)	8,211,995,804	5,794,192,298
	Total	2,019,102,557,219	1,900,618,757,953

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17.15. Agency Transfers

(A) Transfers to Principals

The following is a breakdown of the transfers from holding accounts to principals;

S/NO	Agency accounts	Agency Accounts Nos.	Principal	Actual transfer for year ended 30th June 2023	Actual transfer for year ended 30th June 2022
				KShs	KShs
1	Airport Revenue (APSC)	1000007451	Kenya Airports Authority	12,957,989,641	7,870,408,492
2	Petroleum Dev Fund (PDF Levy)	1000007435	National Treasury	25,309,806,950	26,131,950,550
3	Road Transit Toll Levy	1000007818	Kenya Roads Board	1,533,197,788	1,354,323,454
4	Sugar Development Levy (SDL)	1000008113	Sugar Directorate (Agriculture and Food Authority-AFA)	99,367	677,138
5	K.A.A. Concession Fees	1000008121	Kenya Airports Authority	150,503,228	145,222,994
6	Aviation Revenue (DCA Aviation)	1000007826	Kenya Civil Aviation Authority	5,730,456,534	4,025,749,163
7	Petroleum Regulatory Levy	1000009004	Energy Regulatory Commission	1,151,882,659	1,201,910,679
8	Merchant Superintendent Shipping Levy (MSS)	1000008598	Kenya Maritime Authority	1,812,712,873	1,563,059,322
9	Road Maintenance Levy (RML)	1000007516	Kenya Roads Board	81,338,638,387	84,293,857,339
10	KEBS Levy	1000007702	Kenya Bureau of Standards	581,779,623	516,035,479
11	Traffic Fees - Agency	1000007486	National Transport & Safety Authority	385,452,392	544,451,032
	Total			130,952,519,441	127,647,645,644

(B) Transfers to KRA (AIA- Miscellaneous Revenue)

S/NO.	AIA	Actual transfer for year ended 30th June 2023	Actual transfer for year ended 30th June 2022
		KShs	KShs
	Miscellaneous	14,543,641	13,184,272
	KRA Allocation from Treasury	2,286,457,862	-
	Total	2,301,001,503	13,184,272

Note: Miscellaneous Revenue mainly comprises of Transfers on overtime fees and sale of Tamperproof seals for the year ended 30th June 2023.

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(C) Transfers to-Nairobi County Government Fund & related Charges

	Actual transfer for year ended 30th June 2023	Actual transfer for year ended 30th June 2022
	KShs	KShs
Nairobi County Government	9,320,954,577	8,955,545,981
Total	9,320,954,577	8,955,545,981

(D) Transfers to NITA

	Actual transfer for year ended 30th June 2023	Actual transfer for year ended 30th June 2022
	KShs	KShs
National Industrial Training Authority Levy(NITA Levy)	723,429,343	430,590,354
Total	723,429,343	430,590,354

17.16. Agency Commission and 16% VAT

Agency accounts TAX HEAD	Actual transfer for year ended 30th June 2023			Actual transfer for year ended 30th June 2022		
	Commission excluding 16% VAT	16% VAT Component	Commission+ 16%VAT	Commission excluding 16% VAT	16% VAT Component	Commission+ 16%VAT
	KShs	KShs	KShs	KShs	KShs	KShs
Airport Revenue (APSC)	265,315,436	42,450,470	307,765,906	162,929,440	26,068,710	188,998,150
Petroleum Development Fund (PDF Levy)	514,865,660	82,378,506	597,244,165	538,949,794	86,231,967	625,181,761
Road Transit Toll Levy	31,392,256	5,022,761	36,415,017	27,729,800	4,436,768	32,166,569
Sugar Development Levy (SDL)	2,035	326	2,360	13,864	2,218	16,083
K.A.A. Concession Fees	3,081,557	493,049	3,574,606	2,973,444	475,751	3,449,195
Aviation Revenue (DCA Aviation)	117,330,882	18,772,941	136,103,823	80,930,903	12,948,945	93,879,848
Petroleum Regulatory Levy	23,656,896	3,785,103	27,441,999	24,709,166	3,953,467	28,662,633
Merchant Superintendent Shipping Levy (MSS)	37,115,333	5,938,453	43,053,786	32,003,672	5,120,587	37,124,259
Road Maintenance Levy (RML)	1,665,410,286	266,465,646	1,931,875,932	1,725,918,455	276,146,953	2,002,065,408
KEBS - Levy	11,911,950	1,905,912	13,817,862	10,565,837	1,690,534	12,256,371
Nita Levy	2,371,780	379,485	2,751,264	-	-	-
Traffic Fees - Agency Fees	8,240,221	1,318,435	9,558,656	10,123,895	1,619,823	11,743,718
Total	2,680,694,291	428,911,087	3,109,605,377	2,616,848,271	418,695,723	3,035,543,994

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17.17. Closing Balances

The following is the movement in the closing balances:

A. Closing Balances -Treasury Collections

S/NO	Treasury Collections	Cash in Transit as at 30th June 2023	Cash in Transit as at 30th June 2022
		KShs	KShs
1	Income Tax from Individuals (PAYE)	583,911,551	73,327,545
2	Income Tax from Corporations	7,154,731,707	4,710,387,984
3	Land Rent	5,568	93,263
4	VAT on Domestic Goods and Services	1,293,440,494	865,720,251
5	VAT on Imported Goods and Services	317,820,963	372,264,135
6	Excise Domestics	290,304,551	6,233,640
7	Excise Imports	296,593,166	99,108,133
8	Excise Financial Services	997,106	13,597,283
9	Customs Duties(Import)	1,729,599,464	1,717,522,060
10	IDF Fee	789,034,765	892,969,657
11	Stamp Duty	8,512,528	24,600,944
12	Railway Development Levy	59,837,100	66,903,307
13	Traffic revenue	81,882,291	103,854,437
	TOTAL	12,606,671,254	8,946,582,639

B. Closing Balance Analysis – Agency Collections, commissions & 16% VAT

S/NO	Agency Accounts	Cash in Transit as at 30th June 2023	Cash in Transit as at 30th June 2022
		KShs	KShs
1	Airport Revenue (APSC)	173,705,466	110,782,685
2	Petroleum Development Fund (PDF LEVY)	206,956,858	289,503,300
3	Road Transit Toll Levy	6,738,758	4,041,709
4	K.A.A. Concession Fees	202,000	204,500
5	Aviation Revenue (DCA Aviation)	475,045,758	390,276,688
6	Petroleum Regulatory Levy	3,793,774	1,039,880
7	Merchant Superintendent Shipping Levy (MSS)	1,412,875	3,733,011
8	Road Maintenance Levy (RML)	256,657,358	110,730,946
9	KEBS - Levy	111,899,764	96,463,563
10	Traffic Revenue Fees (Agency)	40,070,933	43,269,021
11	Housing fund	1,512,106	1,034,854
	Total	1,277,995,651	1,051,080,157

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C. Closing Balance Analysis – AIA Revenue

Note: This relates to Miscellaneous Revenue in the closing Bank balances

AIA Revenue (Miscellaneous)		Cash in Transit as at 30th June 2023	Cash in Transit as at 30th June 2022
		KShs	KShs
1	Miscellaneous	2,865,763	-
	Total	2,865,763	-

D. Closing Balance as at 30th June 2023-Nairobi County Government collections

Agency Accounts		Cash in Transit as at 30th June 2023	Cash in Transit as at 30th June 2022
		KShs	KShs
1	Nairobi County Government	37,011,656	26,919,997
	Total	37,011,656	26,919,997

E. Closing Balance Analysis – National Industrial Training Authority Levy –(NITA Levy)

Agency Accounts		Cash in Transit as at 30th June 2023	Cash in Transit as at 30th June 2022
		KShs	KShs
1	Sugar Development Payment Account/ NITA Levy	68,314,029	358,750
	Total	68,314,029	358,750

Note on closing balances:

The closing balances at the agent banks comprise collections that were within the T+2-transfer arrangement. The variances in amounts across the revenue items is dependent on the level of activities and remittances on the last two days of the month.

17.18. (A) (i) Statement of Revenue Debt as at 30th June 2023.

	Department	For the year ended 30th June 2023	For the year ended 30th June 2022
		Kshs.	Kshs.
1	Custom Services Department	13,188,859,191	12,912,530,159
	Sub-totals	13,188,859,191	12,912,530,159
2	Domestic Taxes Department	986,410,608,138	1,367,558,263,657
	Sub-totals	986,410,608,138	1,367,558,263,657
	Total	999,599,467,329	1,558,258,572,722

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(A) (ii) Statement of Revenue Debt by Tax Head as at 30th June 2023

Tax Head	Balance as at 1 July 2022	Arrears paid/Ledger adjustment during the year	Additions in Arrears for the Current Year to 30th June 2023	Error adjustments	Total Arrears as at 30th June 2023
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Tax on income profits and capital gains	1,199,142,103,848	(138,564,594,507)	64,524,773,762	(541,763,028,833)	
Taxes on goods and services	346,203,938,714	51,174,186,670	5,693,228,484		986,410,608,138
Sub total	1,545,346,042,562	(87,390,407,837)	70,218,002,246	(541,763,028,833)	986,410,608,138
Taxes on International Trade and Transactions	12,912,530,159	(7,316,385,366)	7,592,714,398		13,188,859,191
Sub total	12,912,530,159	(7,316,385,366)	7,592,714,394		13,188,859,191
TOTAL	1,558,258,572,721	(94,706,793,203)	77,810,716,640	(541,763,028,833)	999,599,467,329

(A) (iii) Statement of Revenue Debt by age of the debt as at 30th June 2023

Tax head	Less than 1 Year	Between 1 to 2 Years	Between 2-3 Years	Over 3 Years	Sub Total	Error adjustments	Total
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Taxes on income profits and capital gains	64,524,773,762	127,284,514,512	117,351,620,472	815,941,374,357	1,125,102,283,103		
Taxes on goods and services	5,693,228,484	27,130,113,851	29,953,997,267	340,294,014,266	403,071,353,868	(541,763,028,833)	986,410,608,138
Sub -total	70,218,002,246	154,414,628,363	147,305,617,739	1,156,235,388,623	1,528,173,636,971	(541,763,028,833)	986,410,608,138
Taxes on International Trade and Transactions	2,414,002,707	1,497,579,796	4,436,559,798	4,840,716,890	13,188,859,191		13,188,859,191
Sub-total	2,414,002,707	1,497,579,796	4,436,559,798	4,840,716,890	13,188,859,191		13,188,859,191
Grand total	72,632,004,953	155,912,208,159	151,742,177,537	1,161,076,105,513	1,541,362,496,162	(541,763,028,833)	999,599,467,329

(A) (iv) Breakdown of Revenue Debt as at 30th June 2023

Department	Debt Breakdown			Total Debt (Kshs)
	Principal (Kshs)	Penalty (Kshs)	Interest (Kshs)	
Customs	9,190,890,967	1,977,595,267	2,020,372,957	13,188,859,191
Sub Total	9,190,890,967	1,977,595,267	2,020,372,957	13,188,859,191
Domestic Taxes Department	452,334,215,048	193,784,699,971	340,291,693,119	986,410,608,138
Sub Total	452,334,215,048	193,784,699,971	340,291,693,119	986,410,608,138
Grand Total	461,525,106,015	195,762,295,238	342,312,066,076	999,599,467,329

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(A) (v) Classification of Revenue Debt as at 30th June 2023

Department	Classification				Total Debt (Kshs)
	Collectible (KShs.)	Doubtful (Kshs.)	Uncollectable (Kshs.)	Under validation	
Customs	9,498,589,177	2,784,113,932	906,156,082		13,188,859,191
Sub Total	9,498,589,177	2,784,113,932	906,156,082	-	13,188,859,191
Domestic Taxes Department	85,506,173,415	534,076,393,093		366,828,041,630	986,410,608,138
Sub Total	85,506,173,415	534,076,393,093	-	366,828,041,630	986,410,608,138
Grand Total	95,004,762,592	536,860,507,025	906,156,082	366,828,041,630	999,599,467,329

Note:

1. Domestic Taxes Department

The Domestic Taxes debt as at 30th June, 2023 was **Kshs 986,410,608,138**. The figure has taken into account the impact of the Finance Act 2023, erroneous assessments, tax in dispute, all totaling up to Kshs. **541,763,028,833**.

2. (a) Challenges in Debt Management

- i. Erroneous/Mis-declarations/Direct credits by Taxpayers during filing leading to invalid debts.
- ii. Objections and court cases that affect collections efforts
- iii. Semi-automated debt processes complicating debt processing
- iv. High number of Tax debtors compared Versus staff numbers
- v. Erroneous/incomplete Ledger data inherited from the Legacy system
- vi. Lack of and slow integration by other government agencies systems to iTax to facilitate seamless update of payment information into the Ledgers.

(b) Measures in Place to Improve Revenue Debt Arrears

- i. Continuous strengthening of the Corporate Taxpayer Account Management Division that is charged with debt management by improving structures and staff capacity (numbers and training).
- ii. Automation and roll out of debt module in iTax to transform the overall debt processes.
- iii. Implementation of a project approach to deal with huge debts owed by nil and non-filers for the various tax heads.
- iv. Building capacity on gathering intelligence information to facilitate effective utilisation of debt enforcement actions such as Agency Notices and distraint (auction of property) to deal with difficult and hard-core debt cases.
- v. Establishment of a full time project team to fast track debt validation of legacy system debts and creation of specific debt validation teams at TSOs.
- vi. Strengthening of the Tax appeal processes including objections, ADR and TAT to enhance timely resolution of the many cases tying huge debt.

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- vii. Enhanced and comprehensive data cleaning and validation processes on Taxpayer records/Ledgers/Bonds. .
- viii. Linking of IFMIS, iTax and CBK systems to avoid build-up of invalid PAYE debts (Direct Credits) due to lack of uncredited payments in iTax.
- ix. Issuance of Caveats on importers and Customs clearing Agents consignment's to recover debt.

(B) Statement of Outstanding Refund claims as at 30th June 2023& 30th June 2022

Department	Tax Head	Outstanding Refund claims as at 30th June 2023 (Kshs)	Outstanding Refund claims as at 30th June 2022 (Kshs)
Domestic Taxes Department	VAT	41,347,510,014	35,761,302,627
	Income Tax	65,229,730,939	86,411,223,973
	Excise Domestic	315,512,032	234,975,633
	Subtotal	106,892,752,985	122,407,502,233
Custom Services Department	Import Duty	-	10,811,565
	Excise Duty	634,589,408	89,496,416
	Subtotal	634,589,408	100,307,981
	GRAND TOTAL	107,527,342,393	122,507,810,214

Note: The processing Status of the Outstanding Refund claims as at 30th June, 2023 was as tabulated below;

Table 2: Processing Status of Outstanding Refund claims as at 30th June, 2023

Department	Processing Status	Outstanding Refund claims as at 30th June 2023 (Kshs)
Domestic Taxes Department	Approved claims for Payment	18,669,538,469
	Claims under verification & Audit	88,223,214,516
	Subtotal	106,892,752,985
Custom Services Department	Approved claims for Payment	634,589,408
	Subtotal	634,589,408
	GRAND TOTAL	107,527,342,393

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(C) Statement of Waivers and Tax Variations as at 30th June 2023 & 30th June 2022

Department	Year which waiver/variation relates	For the year ended 30th June 2023	For the year ended 30th June 2022	Main Reasons for Waiver/Variation	The law in terms of which the variation/waiver was granted
		Kshs.	(Kshs)		
Domestic Taxes	July 2022 to June 2023 & July 2021 to June 2022	3,262,099,201	164,211,751	- Financial Hardship, Natural calamities, professional mishandling. - Being a student - Waived on Medical ground - Wrong obligation	Section 89(7) of the Tax Procedures Act 2015
Customs Services	July 2022 to June 2023 & July 2021 to June 2022	180,771,487	54,232,017	- Court cases (ruled in favour of Taxpayer) - Economic Hardship Due To Natural Calamity. - Delays In Clearance Due To Civil Strife, processing of documents, Investigations, - KEBS processes	Regulation 85 of the East African Community Customs Management Regulations (EACCMR) 2010
Total		3,442,870,688	218,443,768		

17.19. (A) (i) Central Bank of Kenya (CBK) Refund Payment Accounts Movement Schedule for year ended 30th June 2023

Payment Account	Opening balance as per CBK accounts as at 01/7/2022	Provision for Refund	Receipts/Returned payments	Total Amount available	Refunds Payments for the year	Remittances to Principals	Amount for Error correction/Re-allocation of Provision for Refunds	Closing bank Balances as at 30.06.2023
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Customs Services Payments Account	3,373,720,562	660,000,000	97,982,105,638	102,015,826,200	774,783,039	96,750,119,502	33,487,512	4,457,436,148
Income Tax Payments Account	2,139,964,000	2,165,173,774	254,509,556	4,559,647,330	2,164,991,185	2,286,457,862	6,966,852	101,231,431
Value Added Tax Payments Account	31,250	26,400,000,000	-	26,400,031,250	24,312,239,586	-	1,765,205,024	322,586,640
Stamp Duty Payment Account	11,380,842	-	-	11,380,842	4,522,745	-	-	6,858,097
TOTAL	5,525,096,654	29,225,173,774	98,236,615,194	132,986,885,622	27,256,536,555	99,036,577,363	1,805,659,388	4,888,112,316

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17.19. (A) (ii) Central Bank of Kenya (CBK) Refund Payment Accounts Movement Schedule for year ended 30th June 2022

Payment Account	Opening balance as per CBK accounts as at 01/7/2021	Provision for Refund	Receipts/Returned payments/Penalty Payments	Total Amount available	Refunds Payments for the year	Remittances to Principals	Amount for Error correction & Provision for refunds re-allocation	Closing bank Balances as at 30.06.2022
Customs Services Payments Account	4,573,735,312	660,000,000	96,184,768,535	101,418,503,847	1,266,044,693	96,063,820,756	714,917,836	3,373,720,562
Income Tax Payments Account	224	1,741,104,816	2,145,620,548	3,886,725,588	1,741,160,943	-	5,600,646	2,139,964,000
Value Added Tax Payments Account	-	20,540,000,000	33,084,448	20,573,084,448	20,573,053,198	-	-	31,250
Stamp Duty Payment Account	13,543,842	-	-	13,543,842	2,163,000	-	-	11,380,842
Excise Duty Domestic Payment account	1	-	-	1	-	-	1	-
TOTAL	4,587,279,379	22,941,104,816	98,363,473,531	125,891,857,726	23,582,421,834	96,063,820,756	720,518,483	5,525,096,654

Note;

1. The above tables 17.19(A) reflects funds movement in the Refunds Payment Accounts held at the Central bank of Kenya. The funds and disbursements on each account is explained as follows;
 - i. The Customs Payment Account receives funds allocated for payment of customs refunds and Agency revenues that are subsequently remitted to the agency principals.
 - ii. The VAT Payment Account receives funds allocated for VAT refunds and also reflects payments made for approved VAT refund claims.
 - iii. The Stamp Duty Payment Account receives funds allocated for both Stamp Duty and Land Rent refunds and also reflects payment made for approved refund claims.
 - iv. The Excise Duty Payment Account receives funds allocated for both Excise refunds and also reflects payment made for approved refunds claims.

B) (i) Statement of utilization of Funds allocated for Refunds as at 30th June 2023

Payment Account	Opening balance as per CBK accounts as at 01/7/2022	Provision for Refund	Receipts/Returned payments	Total Amount available	Refunds Payments for the year	Remittances to Principals	Amount for Error correction	Total Payments	% utilization
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	%
Customs Services Payments Account	3373720562	660,000,000	97,982,105,638	102,015,826,200	774,783,039	96,750,119,502	33,487,512	97,558,390,052	96%
Income Tax Payments Account	2,139,964,000	2,165,173,774	254,509,556	4,559,647,330	2,164,991,185	2,286,457,862	6,966,852	4,458,415,898	98%
Value Added Tax Payments Account	31,250	26,400,000,000	-	26,400,031,250	24,312,239,586	-	1,765,205,024	26,077,444,610	99%
Stamp Duty Payment Account	11,380,842	-	-	11,380,842	4,522,745	-	-	4,522,745	40%
TOTAL AGENCY	5,525,096,654	29,225,173,774	98,236,615,194	132,986,885,622	27,256,536,555	99,036,577,363	1,805,659,388	128,098,773,306	96%

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B) (ii) Statement of utilization of Funds allocated for Refunds as at 30th June 2022

Payment Account	Opening balance as per CBK accounts as at 01/7/2021	Provision for Refund	Receipts/Re turned payments	Total Amount available	Refunds Payments for the year	Remittances to Principals	Amount for Error correction & Provision for refunds re-allocation	Total Payments	% utilization
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	%
Customs Services Payments Account	4,573,735,312	660,000,000	96,184,768,535	101,418,503,847	1,266,044,693	96,063,820,756	714,917,836	98,044,783,285	97%
Income Tax Payments Account	224	1,741,104,816	2,145,620,548	3,886,725,588	1,741,160,943	-	2,145,411,887	3,886,572,830	100%
Value Added Tax Payments Account	-	20,540,000,000	33084448	20,573,084,448	20,573,053,198	-	-	20,573,053,198	100%
Stamp Duty Payment Account	13,543,842	-	-	13,543,842	2,163,000	-	-	2,163,000	16%
Excise Duty Domestic Payment account	1	-	-	1	-	-	1	-	-
TOTAL	4,587,279,379	22,941,104,816	98,363,473,531	125,891,857,726	23,582,421,834	96,063,820,756	2,860,329,724	122,506,572,313	97%

17.20 (A) (i) Unallocated Revenue for the year ended 30th June 2023.

	Bank Name	Account Name	Amount(Kshs)
1	Equity Bank (Kenya)Limited	Kenya Revenue Authority	44,810
2	NCBA Bank Kenya PLC	Kenya Revenue Authority	0
3	Absa Bank Kenya PLC	Kenya Revenue Authority	418
4	Family Bank Limited	Kenya Revenue Authority	2,000
5	Mpesa paybill	Kenya Revenue Authority	448,052
6	National Bank of Kenya Limited	KRA collection Account	1,110,069
7	Co-operative Bank of Kenya Limited	Comm of Customs & Excise -Nkrumah	1,263,505
8	Coop bank -Mpesa Account		12,944,997
9	National Bank of Kenya Limited	KRA- Comm of Cust Serv. Pre-Idf A/C	1,704,935
10	Co-operative Bank of Kenya Limited	Comm of Customs & Excise -Coop House	3,479,825
11	Co-operative Bank of Kenya Limited	KRA collection Account(VAT/E-slip)	38,888,193
12	KCB Kenya Limited	Kenya Revenue Authority	338,983,200
13	Standard Chartered Bank Kenya Limited	Kenya Revenue Authority	8,430
14	Stanbic Bank Kenya Limited	Kenya Revenue Authority	90,670
15	Kenya Post Office Savings Bank	Kenya Revenue Authority Collection Account	2
	SUBTOTAL		398,969,106
	Debits (Bank Errors & Charges)		

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1	Equity Bank (Kenya)Limited	Kenya Revenue Authority	(3,049,437)
2	Ecobank Kenya Limited	Kenya Revenue Authority	(72,000)
3	Gulf African Bank Ltd	Kenya Revenue Authority Collection Account	(23,851)
4	Access bank	Kenya Revenue Authority	(20,628)
5	Imperial Bank	Kenya Revenue Authority	(550)
	TOTAL		395,802,640

Note:

Unallocated Revenue relate to payments remitted to KRA collection accounts but with missing mandatory information especially Taxpayer details, PRN Numbers or where the PRN Number was already expired. Follow up is being made with the respective taxpayers and the bank to provide the missing information to allow utilization. Debit balances relates to bank errors and erroneous charges, which are followed up and regularized by banks in subsequent periods. All the above debits will be regularized in July 2023 except for the amounts of Kshs 550 for Imperial Bank, which is currently under statutory management/receivership.

17.20 (A) (ii) Unallocated Revenue for the year ended 30th June 2022

S/No	Bank Name	Bank Account No.	Amount (Kshs)
1	Standard Chartered Bank Kenya Limited	0108023908300	383,738
2	I&M Bank Limited	100816369910	267,378
3	Citibank N.A. Nairobi	0300093093	-
4	Co-operative Bank of Kenya Limited	01136001340300	399,280
5	Coop bank -Customs and Excise(Nkrumah)	01136006150701	6,925,446
6	Kenya Commercial Bank Limited	1108976298	49,613
7	Equity Bank Limited	240299657063	791,361
8	Stanbic Bank Kenya Limited	100002716307	781,100
9	National Bank of Kenya Limited-Customs PRE-IDF	01002305340900	145,047,134
10	National Bank of Kenya Limited	01001005109600	755,787
11	Commission of Customs Services-NBK	01001005070700	621,268
12	Mpesa paybill		15,500
13	Kenya Post Office Savings Bank	0744130010262	2
	Total Commercial Bank Balances		156,037,607
	Debits (Bank Errors & Charges)		
1	Access bank	18942001	(17,352)
2	Kenya Commercial Bank Limited	1108976298	(216,308)
3	Imperial Bank	ITAX-L121422/7224000607	(550)
	TOTAL		155,803,397

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17.20 (B) Funds available for Transfer from Prior years

	FY 2022-2023	FY 2021-2022
Opening Cash in Transit	15,705,841,594	17,198,761,766
Prior year adjustments	(430,176,727)	75,473,679
Funds Available for Transfer from Prior years	15,275,664,866	17,274,235,445

Note: The figure of **Kshs. 430,176,727** relates to adjustments for prior year (FY 2021-2022) transactions recognized as collections and payments in the current financial year 2022-2023.

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18. APPENDICES

(i) Customs Services Department

The following is a detailed collection analysis of Customs Services Department

a) Statement of Target Vs Actual Performance by Department

Tax Head	Actual for the year ended 30th June 2023			Actual for the year ended 30th June 2022		
	Target	Actual Receipts	% target realised	Target	Actual Receipts	% target realised
	Kshs.	Kshs.	%	Kshs.	Kshs.	%
Exchequer						
Gross Import Duty	142,855,824,248	130,167,072,613	91%	116,049,300,658	118,968,100,214	103%
Gross Excise Duty - Imports	126,663,602,730	110,261,739,896	87%	110,142,182,342	109,351,754,129	99%
VAT - Imports	285,019,284,424	277,634,172,284	97%	268,094,252,974	277,969,181,488	104%
Import Declaration Fees	60,020,272,634	62,192,121,503	104%	42,614,691,563	56,016,940,366	131%
Railway Development Levy	36,830,000,000	39,899,400,353	108%	31,639,052,742	36,360,699,782	115%
Sub-Gross total Exchequer	651,388,984,036	620,154,506,649	95%	568,539,480,279	598,666,675,978	105%
Less: Prov. for Refunds(Import Duty)	(180,000,000)	(180,000,000)	100%	(180,000,000)	(180,000,000)	100%
Less: Prov. for Refunds(Excise Duty)	(480,000,000)	(480,000,000)	100%	(480,000,000)	-	-
Net total Exchequer	650,728,984,036	619,494,506,649	95%	567,879,480,279	598,486,675,978	105%
Agency						
Airport Revenue	8,850,318,307	13,599,001,167	154%	3,789,715,781	8,183,833,397	216%
Aviation Revenue	8,114,000,000	6,076,731,530	75%	3,748,540,809	4,171,684,917	111%
Petroleum Development Fund	25,399,128,572	25,915,090,680	102%	28,562,251,912	26,849,415,861	94%
Road Maintenance Levy	91,970,000,000	84,143,023,609	91%	94,110,945,257	86,399,339,834	92%
K.A.A. Concession Fees	150,416,361	155,784,174	104%	161,331,358	148,572,096	92%
Road Transit Toll Levy	539,000,000	1,594,825,992	296%	1,296,558,247	1,404,543,509	108%
Sugar Levy	-	94,723	-	-	700,225	-
Petroleum Regulatory Levy	1,249,031,142	1,191,586,328	95%	1,372,844,009	1,232,495,966	90%
Merchant Superintendent Shipping Levy	1,601,897,072	1,904,929,486	119%	1,901,490,896	1,606,746,419	84%
Miscellaneous	7,854,000	14,574,902	186%	8,467,976	13,459,368	159%
Sub-total Agency	137,881,645,454	134,595,642,591	98%	134,952,146,244	130,010,791,592	96%
Total CSD	788,610,629,490	754,090,149,240	96%	702,831,626,523	728,497,467,570	104%

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(ii) Domestic Taxes Department

The following is the detailed collection analysis for Domestic Taxes Department;

Statement of Target Vs Actual Performance by Department

Tax Head	Actual for the year ended 30th June 2023			Actual for the year ended 30th June 2022		
	Target	Actual Receipts	% target realised	Target	Actual Receipts	target realised
	Kshs.	Kshs.	%	Kshs.	Kshs.	%
Exchequer						
VAT-Gross Collection	323,598,127,938	298,851,380,440	92%	269,061,175,611	264,746,297,418	98%
Less Provision for Refunds	(26,400,000,000)	(26,400,000,000)	100%	(20,040,000,000)	(20,040,000,000)	100%
VAT Domestic	297,198,127,938	272,451,380,440	92%	249,021,175,611	244,706,297,418	98%
P. A. Y. E	511,315,528,603	494,978,594,750	97%	455,282,600,006	461,797,461,154	101%
Other Income Taxes	464,284,509,488	429,634,148,005	93%	380,064,362,134	404,314,855,127	106%
Turnover Tax	112,653,556	128,120,755	114%	97,776,180	99,739,158	102%
Capital gain Tax	6,361,777,232	5,606,957,074	88%	2,834,985,415	3,255,904,680	115%
Rental Income	13,915,029,541	13,693,981,870	98%	12,271,917,651	12,319,835,993	100%
Excise Duty Domestic	74,559,120,550	68,124,196,921	91%	66,242,778,615	66,264,239,587	100%
Excise Tax on Airtime	41,809,545,680	41,406,640,162	99%	37,141,833,360	37,369,657,748	101%
Excise Tax on Financial Services	45,706,028,887	42,012,202,097	92%	37,719,175,223	38,227,543,201	101%
Excise Tax on Betting Services	5,714,941,142	6,640,111,491	116%	5,124,251,713	5,109,422,587	100%
Betting Tax	4,345,820,630	3,875,436,823	89%	5,371,839,452	3,389,305,733	63%
Stamp Duty	13,673,633,916	12,205,806,845	89%	13,371,759,848	13,351,312,525	100%
Land Rent	289,295,826	200,317,577	69%	541,793,950	309,686,946	57%
Surplus Plus	-	8,211,995,804	-	2,777,185,000	5,794,192,298	209%
Digital Service Tax	378,646,453	371,445,211	98%	316,032,772	312,410,890	99%
Sub-Total Exchequer Revenue	1,479,664,659,442	1,399,541,335,824	95%	1,268,179,466,929	1,296,621,865,044	102%
Agency Revenue						
KEBS - Levy	578,058,088	611,031,112	106%	573,351,434	528,549,709	92%
Housing Levy	429,280	477,252	111%	-	431,566	-
Total Agency Collections Excluding NITA collections	578,487,368	611,508,364	106%	573,351,434	528,981,275	92%
NITA Levy	497,592,350	791,384,622	159%	99,841,679	430,896,554	432%
Total Agency Collections including NITA collections	1,076,079,718	1,402,892,986	130%	673,193,114	959,877,829	143%
TOTAL DTD	1,480,740,739,160	1,400,944,228,810	95%	1,268,852,660,042	1,297,581,742,873	102%

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(iii) Road Transport Department

The following is the detailed collection analysis for Traffic Revenue;

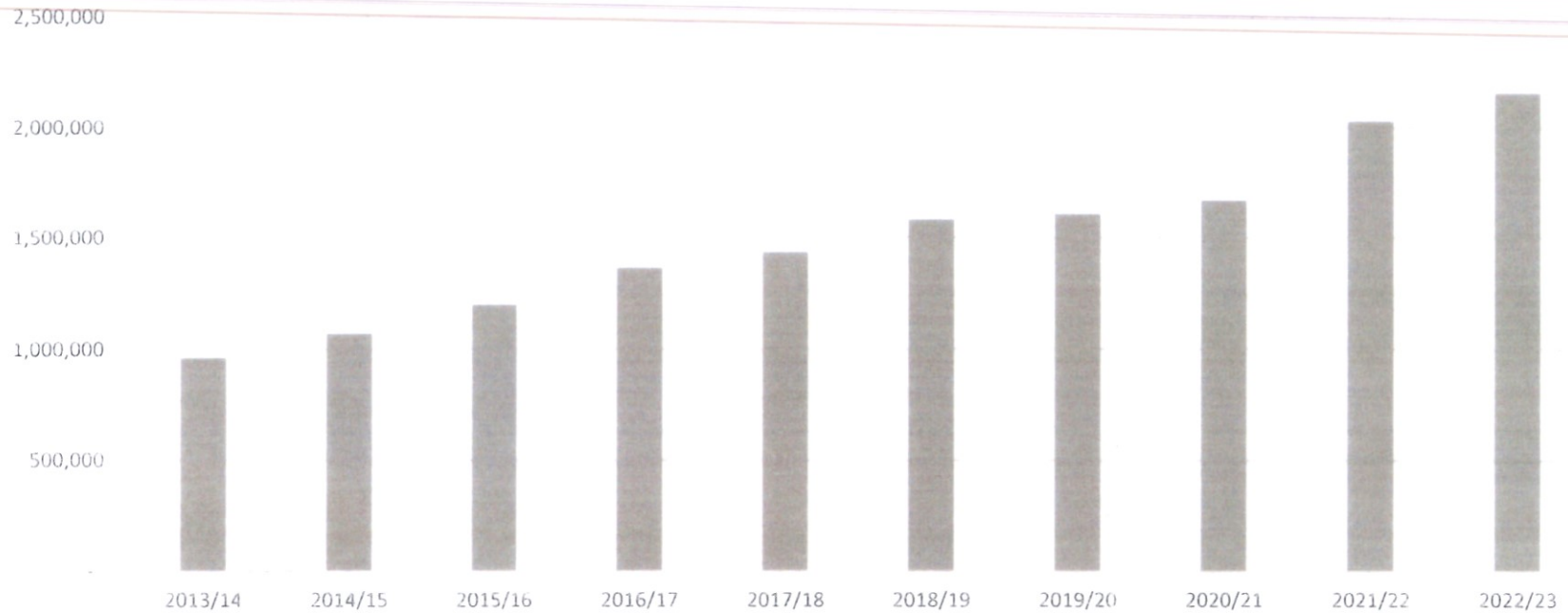
Statement of Target Vs Actual Performance by Department

Tax Head	Actual for the year ended 30th June 2023			Actual for the year ended 30th June 2022		
	Target	Actual Receipts	% target realised	Target	Actual Receipts	% target realised
	Kshs.	Kshs.	%	Kshs.	Kshs.	%
Exchequer	4,277,680,592	4,400,006,574	103%	5,106,206,554	4,420,991,923	87%
Agency	511,589,200	391,480,426	77%	630,871,519	510,762,424	81%
Total RTD	4,789,269,792	4,791,487,000	100%	5,737,078,073	4,931,754,347	86%

(iv) Collections trend for the financial years 2013/14 to 2022/23 (Net figures in Kshs Millions)

DEPT	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
C&BC										
Exchequer	289,689	313,291	325,272	352,939	375,888	423,227	414,465	500,932	598,487	619,495
Agency	42,142	45,132	60,731	90,585	94,180	102,110	96,183	123,854	130,007	134,596
Total C&BC	331,831	358,423	386,003	443,524	470,068	525,337	510,648	624,786	728,494	754,090
DTD										
Exchequer	626,335	705,718	808,702	917,061	961,406	1,049,912	1,092,126	1,038,691	1,296,640	1,399,541
Agency	1,966	1,508	1,543	581	506	511	560	605	960	1402.892
Total DTD	628,301	707,226	810,245	917,642	961,912	1,050,423	1,092,686	1,039,297	1,297,600	1,400,944
TRD										
Exchequer	2,959	2,964	2,859	3,060	2,961	3,834	3,592	4,584	4,421	4,400
Agency	732	982	1,052	1,042	405	468	415	586	511	391
Total DTD	3,691	3,946	3,911	4,102	3,366	4,302	4,007	5,170	4,932	4,791
Exchequer	918,983	1,021,973	1,136,833	1,273,060	1,340,255	1,476,973	1,510,183	1,544,207	1,899,547	2,023,436
Agency	44,840	47,622	63,326	92,208	95,091	103,089	97,158	125,046	131,478	136,390
Total	963,823	1,069,595	1,200,159	1,365,268	1,435,346	1,580,062	1,607,341	1,669,253	2,031,025	2,159,826

KRA Revenue performance for FY 2013-2014 to FY 2022-2023 Annual Revenue collections in Kshs. (Millions)



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(v) Reconciliation between the KRA collections and the Treasury Figures for the year ended 30th June 2023 (Unpublished)

Reconciliation item		Kshs.	Kshs.
Gross Treasury collections as per the KRA Records (Notes 12 & 14)			2,050,495,849,046
ADD:	KRA Collections for Financial year 2021-2022 received by The National Treasury in the current Financial year 2022-2023	5,792,945,802	
	Prior year adjustments & Direct credits included in The National Treasury Figures	227,954,766	
	Provision for Refund Re- allocated from VAT account to Income Tax Account	1,765,173,774	7,786,342,595
LESS:	Provision for Refunds (Note 17.19 A)	(29,225,173,774)	
	Collections remitted to Fund Accounts	(56,548,007,573)	
	KRA Collections received in July 2022 included in the National Treasury figures for Financial year 2021-2022	(3,017,440,791)	
	Traffic Revenue(e-Citizen) Remitted directly to NTSA by The National Treasury	(35,096,720)	
	Closing Cash-in Transit	(2,921,185,103)	(91,746,903,961)
Treasury figure (Inclusive of Land Rent& Traffic Revenue)			1,966,535,019,427
LESS:	Items classified as Non Tax by The National Treasury		
	Traffic Revenue	(4,370,262,681)	
	Land Rent	(195,027,885)	(4,565,290,566)
Treasury figure (Exclusive of Land Rent & Traffic Revenue)			1,961,969,728,861

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(vi) Progress on follow up of prior year Audit Recommendations

Audit Ref	Audit title	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status: (Resolved / Not Resolved)	Time																																	
1	Long Outstanding Arrears of Revenue	<p>Note 17.17(A) to the revenue accountability statements reflects an outstanding revenue balance of Kshs. 1,558,258,572,721 (2021- Kshs. 1,601,133,022,443). The amount has been categorized as revenue debt collectable and ledger balances under validation totaling Kshs.85,846,282,468 and Kshs.1, 472,412,290,254 as detailed below.</p> <table border="1" data-bbox="353 805 1025 973"> <thead> <tr> <th colspan="3">Statement of Revenue Debts (Collectible) as at 30th June, 2022</th> </tr> <tr> <th>Department</th> <th>FY 2020/21</th> <th>FY 2021/22</th> </tr> </thead> <tbody> <tr> <td>Customs and Border Control</td> <td>2,934,756,403</td> <td>8,186,606,421</td> </tr> <tr> <td>Domestic Taxes</td> <td>87,509,816,151</td> <td>77,659,676,047</td> </tr> <tr> <td>Sub-Total</td> <td>90,444,572,553</td> <td>85,846,282,468</td> </tr> </tbody> </table> <table border="1" data-bbox="353 989 1025 1220"> <thead> <tr> <th colspan="3">Statement of Ledger Balances under Validation as at 30th June, 2022</th> </tr> <tr> <th>Department</th> <th>FY 2020/21</th> <th>FY 2021/22</th> </tr> </thead> <tbody> <tr> <td>Customs and Border Control</td> <td>11,015,613,644</td> <td>4,725,923,738</td> </tr> <tr> <td>Domestic Taxes</td> <td>1,499,672,836,246</td> <td>1,467,686,366,516</td> </tr> <tr> <td>Sub-Total</td> <td>1,510,688,449,890</td> <td>1,472,412,290,254</td> </tr> <tr> <td>Grand Total</td> <td>1,601,133,022,443</td> <td>1,558,258,572,722</td> </tr> </tbody> </table> <p>Some of the debts date back to 1992 and relate to penalties, interest, prior debt, estimated assessment debt and other debts that are subject to other factors such as data corrections, objections and appeal processes.</p> <p>Although Management has indicated that the exercise of validating the debt is on-going and various strategies have been implemented with a view of addressing the debt</p>	Statement of Revenue Debts (Collectible) as at 30th June, 2022			Department	FY 2020/21	FY 2021/22	Customs and Border Control	2,934,756,403	8,186,606,421	Domestic Taxes	87,509,816,151	77,659,676,047	Sub-Total	90,444,572,553	85,846,282,468	Statement of Ledger Balances under Validation as at 30th June, 2022			Department	FY 2020/21	FY 2021/22	Customs and Border Control	11,015,613,644	4,725,923,738	Domestic Taxes	1,499,672,836,246	1,467,686,366,516	Sub-Total	1,510,688,449,890	1,472,412,290,254	Grand Total	1,601,133,022,443	1,558,258,572,722	<p>During this year the debt declined by Kshs.42,874,449,722 to Kshs. 1,558,258,572,721 Compared to Kshs. 1,601,133,022,443 in the previous financial year (2021/22). KRA continues to implement measures to reduce its debt portfolio. During financial year 2022/23 KRA has reduced the debt portfolio by Kshs. 267,350M</p> <p>The outstanding arrears are currently being validated to determine if they meet the debt abandonment criteria as provided for in the Finance Act 2021.</p>	Deputy Commissioner - Corporate Tax Account Management (CTAMD)	Not Resolved	Ongoing
Statement of Revenue Debts (Collectible) as at 30th June, 2022																																							
Department	FY 2020/21	FY 2021/22																																					
Customs and Border Control	2,934,756,403	8,186,606,421																																					
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	<p>portfolio, it is not clear why some unrecovered long outstanding balances continue to be retained in the revenue statements.</p> <p>Risk(s)/Effect(s)/Implications</p> <p>The long outstanding arrears of tax revenues casts doubt on their recoverability and financial statements may not be fairly stated with their disclosure.</p> <p>Recommendation</p> <p>Management to establish a way forward on the treatment of these balances and ensure they are fairly stated.</p>				
Outstanding Refund Claims	<p>Note 17.17 (B) discloses an outstanding refund claims balance of Kshs. 122,507,810,213 as at 30 June, 2022 compared to Kshs. 109,871,066,350 reported as at 30 June, 2021. Though Management disclosed measures put in place to hasten processing of refunds, the outcome of the measures might not be effective.</p> <p>Recommendation</p> <p>Management should seek for enhanced funding from The National Treasury for payment of approved claims and put in place measures to hasten processing of refunds</p>	<p>Management has consistently and actively engaged the National Treasury & Economic Planning on funding requirements over the last one year. The engagements successfully led to enhancement of monthly VAT funding from Kshs. 1.67B to Kshs. 2.2B. In addition,</p> <p>Management has formed a taskforce to deal with the refunds backlogs.</p>	Deputy Commissioner - Corporate Tax Account Management (CTAMD)	Not Resolved	Ongoing
Failure to Submit a Report on Waivers and Tax Variations	<p>Note 17.17C to the revenue accountability statements reflects a balance of Kshs.218, 443,768 being waivers and tax variations as at 30 June, 2022. However, a report with respect to all waivers and variations of taxes, fees or charges granted by the receiver or collector of revenue during the year was not submitted to the Auditor-General contrary to the requirement of the Constitution and the Public Finance Management Act, 2012.</p>	<p>The soft copy of the waiver and tax variation data was provided on 29th July, 2022 via OAG Link \10.10.110.90 for auditors' access in a folder titled "F – Statement of Waivers 2021-22". After the exit meeting of 1st February, 2023 we resubmitted the report and details via hard copy letters dated 2nd February, 2023 and 17th February, 2023 (See attached).</p>	Deputy Commissioner - Corporate Tax Account Management	Not Resolved	Ongoing

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			 Resubmission Email to OAG.pdf  Resubmission Letter to OAG.pdf  Resubmission of FY 2021 2022 Report or The attached report/full list of waivers granted also specifies the quarter to which the waiver relates. Hence, we, the Kenya Revenue Authority shall be submitting the waiver report on quarterly basis in full compliance with provisions of the law and as agreed in the meeting with the Auditors of 16 th February, 2023.	(CTAM D)		
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(vii) Bank Balances as at 30th June, 2023

	Bank Name	Account Name	Account Number	Exc. rate	Total bank closing balance as at 30th June 2023	Total bank closing balance as at 30th June 2022
1	Standard Chartered Bank Kenya Limited	Kenya Revenue Authority	108023908300		176,104,330	571,619,460
2	I&M Bank Limited	Kenya Revenue Authority	100816369910		41,312,215	51,370,437
3	Ecobank Kenya Limited	Kenya Revenue Authority	6580000121		6,402,963	11,724,906
4	Guaranty Trust Bank Kenya(K)Ltd	Kenya Revenue Authority	2110059658		-	727,307
5	Victoria Commercial Bank Limited	KRA Settlement	1012150001		652,660	
6	Citibank N.A.	Kenya Revenue Authority	300093093		24,703,468	
7	Absa Bank Kenya PLC	Kenya Revenue Authority	2031960749		73,842,178	61,309,735
8	Bank of Africa Kenya Limited	Kenya Revenue Authority	1075870000		-	58,386,077
9	NCBA Bank Kenya PLC	Kenya Revenue Authority	7135210017		50,863,582	19,290,240
10	Diamond Trust Bank Kenya Limited	Kenya Revenue Authority	8527001		6,793,021	-
11	Co-operative Bank of Kenya Limited	KRA collection Account(VAT/E-slip)	1136001340300		286,122,452	111,856,323

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12	Co-operative Bank of Kenya Limited	Comm of Customs & Excise -Coop House	1136006150700		3,479,825	
13	Co-operative Bank of Kenya Limited	Comm of Customs & Excise -Nkrumah	1136006150701		1,263,505	6,925,446
14	Coop bank -Mpesa Account		1136010635000		12,944,997	-
15	Co-operative Bank of Kenya Limited	KRA Nairobi County Revenue Collection	1141709410000		34,104,710	16,168,908
16	KCB Kenya Limited	Kenya Revenue Authority	1108976298		2,268,284,713	833,246,234
17	Equity Bank (Kenya)Limited	Kenya Revenue Authority	240299657063		259,147,388	275,887,297
18	Equity Bank (Kenya)Limited	KRA - NCRA (Kshs.)	1770279910476		2,906,946	10,108,565
19	Stanbic Bank Kenya Limited	Kenya Revenue Authority	100002716307		161,715,893	150,568,422
20	Gulf African Bank Ltd	Kenya Revenue Authority Collection Account	0004-001-210810-05200000-000		23,517,659	5,101,646
21	Family Bank Limited	Kenya Revenue Authority	68000011053		2,000	-
22	Imperial Bank	Kenya Revenue Authority	ITAX-L121422/7224000607		62,856,841	62,856,841
23	Chase Bank Ltd	Kenya Revenue Authority	82078700001		40,587,346	40,587,347
24	Credit Bank PLC	Kenya Revenue Authority Collection Account	21015000002		19,000	4,241,168
39	Access bank	Kenya Revenue Authority	10100001268		1,226,385	1,641,891
40	National Bank of Kenya Limited	KRA- Comm of Cust Serv. Pre-Idf A/C	1002305340900		1,704,935	145,047,134
41	National Bank of Kenya Limited	KRA collection Account	1001005109600		27,222,868	2,784,895
42	National Bank of Kenya Limited	KRA_ Nairobi County Revenue Collection A/c	107122521100		-	642,524
43	National Bank of Kenya Limited	KRA collection Account	1001005070700		-	621,268
44	Mpesa paybill	Kenya Revenue Authority	572572		138,563,603	88,237,212
45	E-citizen	Kenya Revenue Authority			14,072,020	42,780,460
48	SBM Bank	Kenya Revenue Authority Collection Account	82078700001		172,279	15,266
49	Kenya Post Office Savings Bank	Kenya Revenue Authority Collection Account	744130010262		2	2
	SUBTOTAL				3,720,089,784	2,573,747,010
	CBK COLLECTION A/Cs					
49	Central Bank of Kenya	Value Added Tax Main Collection	1000007354		1,051,610,160	625,238,949
50	Central Bank of Kenya	Income Tax Main Collection	1000007338		6,316,466,331	3,624,252,186
51	Central Bank of Kenya	Customs Import Duty Account	1000007408		1,562,342,098	1,600,320,236
52	Central Bank of Kenya	Customs Petroleum Dev Fund	1000007435		120,118,840	266,328,110
53	Central Bank of Kenya	Customs P.I.F/IDF	1000007443		683,908,627	790,262,497
54	Central Bank of Kenya	Registrar of Motor Vehicles Main Collection	1000007478		66,792,119	60,330,460
56	Central Bank of Kenya	KRA-Housing Fund Contributions Collection Account	1000411562		1,512,106	1,034,854
	SUBTOTAL				9,802,750,281	6,967,767,293

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	PAYMENT ACCOUNT		Account Number			
57	Central Bank of Kenya	Customs Services Payments Account	1000007389		4,457,436,148	3,373,720,562
58	Central Bank of Kenya	Income Tax Payments Account	1000007346		101,231,431	2,139,964,000
59	Central Bank of Kenya	Registrar of M/Vehicles Payment	1000007486		39,092,933	43,053,021
60	Central Bank of Kenya	Kenya Bureau Of Standards Levy Payment	1000007718		111,302,737	95,993,408
61	Central Bank of Kenya	Sugar Development Levy Payments	1000007737		67,796,381	-
62	Central Bank of Kenya	Value Added Tax Payments Account	1000007362		322,586,640	31,250
63	Central Bank of Kenya	Stamp Duty Payment A/C	1000008512		6,858,097	11,380,842
	TOTAL				5,106,304,367	5,664,143,082
	USD\$ ACCOUNTS					
64	National Bank of Kenya Limited	KRA - Air Pass Service Charge A/C	2023015100100	USD/KSHS.140.5029	172,934,466	110,635,085
65	National Bank of Kenya Limited	KRA - Air Navigation Serv Chrg A/C	2023015100200	USD/KSHS.140.5029	474,194,410	389,549,123
	SUBTOTAL				647,128,876	500,184,208
	TOTAL				19,276,773,308	15,705,841,594

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(viii) Operations Offices & Branches

The operations of the Authority are carried out at the following branches;

Name of Station	Address	Telephone Number
Nairobi Region		
Sameer Business Park	P.O. Box 46285-00100 Nairobi	0202396006/8
KESRA Centre, Nairobi	P.O. Box 30332-00100, Nairobi	0715877539
Ushuru Pensions Tower (CBC)	P. O. Box 48240 -00100 Nairobi	0709011501/2/3
Ushuru Pension Plaza	P. O. Box 48240 -00100 Nairobi	0709011501/2/3
Nairobi Railway Club	P. O. Box 48240 -00100 Nairobi	0202398470/8534, 0771628105
JKIA, Forodha House	19070 - 00501 Embakasi	0206822854-8
Namanga OSBP	9-00207, Namanga	0722602465, 0722787396
Loitokitok	P.O.Box 44 - 00209, Loitokitok	723450186
Inland Container Depot Embakasi	P.O.Box 19070 - 40100 Embakasi	0712863504, 0203546092
Wilson Airport	P. O. Box 48240 -00100 Nairobi	0206005635-6
Western Region		
Kisumu	P. O. Box 3636 - 40100 Kisumu	057-2020509/10
Forodha, Kisumu	P. O. Box 94 - 40100 Kisumu	0572022832/5
Kisumu Pier	P. O. Box 94 - 40100 Kisumu	0572024009
Kisumu KPC	P. O. Box 94 - 40100 Kisumu	0572024998
Kisumu Airport	P. O. Box 94 - 40100 Kisumu	0776016121
Kisumu PPO	P. O. Box 94 - 40100 Kisumu	057202488
Bungoma	P. O. Box 2576 - 50200 Bungoma	0552030840
Kakamega	P. O. Box 1776 - 50100 Kakamega	0562030358
Kisii	P. O. Box 2 - 058 Kisii	0582030908/925
Kopanga	P. O. Box 67 - 40400 Suna, Migori	0733770010
Nyamtiro	P. O. Box 94 - Kehancha	0733770008
Muhuru Bay	P. O. Box 24 - 40409 Muhuru Bay	0711635560
Usenge	P. O. Box 15532 - 00100 Usenge	0700930622
Sio Port	P.O.Box 6-50401, Sio Port	0733770606
Lwakhakha	P. O. Box 16 Lwakhakha	0725358018
Mbita	P.O BOX 262-40305, Mbita	0737729688
Isebania	P. O. Box 22 - 40414, Isebania	059-7252507, 0733770008
Malaba	P.O.Box 235, Kamuriae	055-54026, 055-54174, 0713141513
Busia	P. O. Box 54-50400	055-22040, 055-22218, 0202442296
SOUTHERN REGION		
Mombasa	P. O. Box 90601- 80100	0412314044/5
Ngomeni	P. O. Box 90601-80100 Mombasa	0746133685
Lamu	P. O. Box 30 - 80500 Lamu	0792973791
Voi	P. O. Box 644 - 80300 Voi	043203119
Malindi	P. O. Box 10- 80200	0422130955/0422130256
Diani	P. O. Box 90601 - 80100 Mombasa	0740131070/0742986134
KESRA Mombasa	P. O. 95705 - 80106 Mombasa	0736424200
Kilifi	P. O. Box 95707 - 30315 Kilifi	0709747429
Shimoni	P. O. Box 50 Shimoni	0791480247
Vanga	P. O. Box 7 - 80402 Lungalunga	0732255571/0724479067
Taveta OSBP	P. O. Box 197-80302, Taveta	0741443164/0741443176
Mazeras	P. O. Box 90601- 80100	0746133673
Kiunga	P. O. Box 30, Kiunga	0712250558
Port Operations	P. O. Box 95300- 80107, Kilindini	041225811/041225812

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Mombasa Airport	P. O. Box 90603- 80100	0791480247/0775232705
NORTH RIFT REGION		
Eldoret	P. O. Box 402 - 30100 Eldoret	053-2062300/2062607
Eldoret KPC	P. O. Box 402 - 30100 Eldoret	0202003797/0202003799
Eldoret EIA (Eldoret Airport Warehouse)	P. O. Box 402 - 30100 Eldoret	053-2061299
Eldoret EIA (Eldoret Airport Bargage Hall)	P. O. Box 402 - 30100 Eldoret	053-2062839
Eldoret EIA (Scanner)	P. O. Box 402 - 30100 Eldoret	053-2061299
Eldoret Postal Corporation	P. O. Box 402 - 30100 Eldoret	0774914443
Kitale	P. O. Box 2673 - 30200 Kitale	0202398707/0207859501
Lodwar	P. O. Box 438 - 30500 Lodwar	0202398852/0778016179
Suam River	P. O. Box 524 - 30200 Suam	0202001070
Lokichoggio	P. O. Box 121 - 30503 Lokichoggio	0774914485
Lokichoggio Airport	P. O. Box 121 - 30503 Lokichoggio	0774914485
Nadapal	P. O. Box 121 - 30503 Lokichoggio	0774914490
SOUTH RIFT REGION		
Nakuru	P. O. Box 270 Nakuru	0512213926, 0512213927, 512213883, 0512213891
Maralal	P. O. Box 114 Maralal	0202397073, 0776746515
Kericho	P. O. Box 796 Kericho	052220104, 0711590909
Kericho-DC'S Office	P. O. Box 796 Kericho	0798482065, 0798482065
Nyahururu	P. O. Box 446 Nyahururu	0522021122
		0798482066
Narok	P. O. Box 1161 Narok	0770972346, 0770591459, 0709678601
Naivasha	P. O. Box 1645 Naivasha	0502030085, 0502030086
Nakuru-PPO	P. O. Box 270 Nakuru	0774502982
Nakuru-KPC	P. O. Box 270 Nakuru	0778010929
NORTHERN REGION		
Embu	P. O. Box 495 - 60100 Embu	0730716071
Elwak	P. O. Box 218-70200 Elwak	0774356219
Mandera	P. O. Box 96 - 70301 Mandera	0774356219
Garissa	P. O. Box 1145 - 70100 Garissa	0709016403
Wajir	P. O. Box 218-70200 Wajir	0776018838
Machakos	P. O. Box 756-90100 Machakos	0773394344
Kitui	P. O. Box 195 - 90200 Kitui	0771095882
Meru	P. O. Box 256-60200, Meru	202000237, 0773394344
Isiolo	P. O. Box 722-60300, Isiolo	0773394344
Moyale	P. O. Box 6-60700 Moyale	020200249
Diffu	P. O. Box 218 - 70200 Wajir	C/o Wajir office
Kajiado	P. O. Box 720 - 01100 Kajiado	770495367
Liboi	P. O. Box 218-70200	
CENTRAL REGION		
Nyeri	P. O. Box 677 - 10100 Nyeri	061-2030726-9, 0732697130, 0702697805
Nanyuki	P. O. Box 1787-10400, Nanyuki	062 - 2030000, 062 - 2031874
Kerugoya	P. O. Box 142 - 10300, Kerugoya	060 - 2021003, 709 - 752 722
Murang'a	P. O. Box 426-10200, Murang'a	060-2030700-4
Thika	P. O. Box 893-01000, Thika	067 - 2221701-5, 741 - 852
Kiambu	P. O. Box 2007-00900, Kiambu	0709752723, 0770804037, 0774779403, 0770806787



1. The first part of the document is a list of names.

2. The second part is a list of dates.

3. The third part is a list of locations.

4. The fourth part is a list of events.

5. The fifth part is a list of people.

6. The sixth part is a list of organizations.

7. The seventh part is a list of activities.

8. The eighth part is a list of places.

9. The ninth part is a list of things.

10. The tenth part is a list of people.

11. The eleventh part is a list of organizations.

12. The twelfth part is a list of activities.

13. The thirteenth part is a list of places.

14. The fourteenth part is a list of things.

15. The fifteenth part is a list of people.

16. The sixteenth part is a list of organizations.

17. The seventeenth part is a list of activities.

18. The eighteenth part is a list of places.

19. The nineteenth part is a list of things.

20. The twentieth part is a list of people.

21. The twenty-first part is a list of organizations.

22. The twenty-second part is a list of activities.

23. The twenty-third part is a list of places.

24. The twenty-fourth part is a list of things.

25. The twenty-fifth part is a list of people.

26. The twenty-sixth part is a list of organizations.

27. The twenty-seventh part is a list of activities.

28. The twenty-eighth part is a list of places.

29. The twenty-ninth part is a list of things.

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