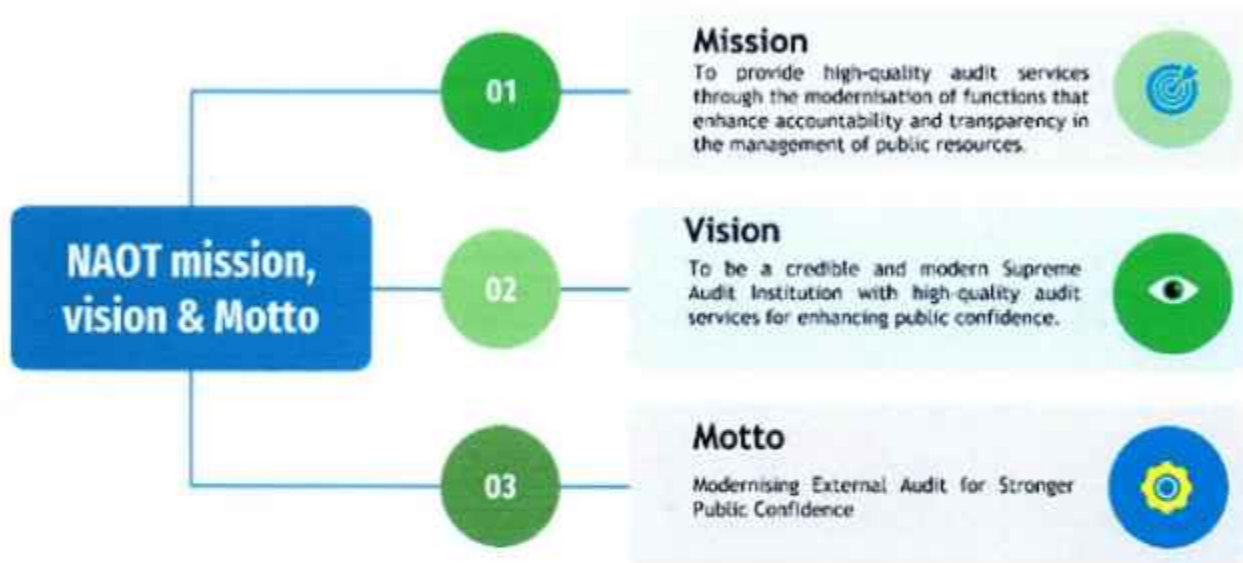


About the National Audit Office

Mandate

The statutory mandate and responsibilities of the Controller and Auditor-General are provided for under Article 143 of the Constitution of the United Republic of Tanzania of 1977 and in Section 10 (1) of the Public Audit Act, Cap. 418.



Independence and objectivity

We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

Teamwork Spirit

We value and work together with internal and external stakeholders.

Results-Oriented

We focus on achievements of reliable, timely, accurate, useful, and clear performance targets.



Professional competence

We deliver high-quality audit services based on appropriate professional knowledge, skills, and best practices

Integrity

We observe and maintain high ethical standards and rules of law in the delivery of audit services.

Creativity and Innovation

We encourage, create, and innovate value-adding ideas for the improvement of audit services.

© This audit report is intended to be used by Marine Parks and Reserves Unit and may form part of the annual general report, which once tabled to National Assembly, becomes a public document; hence, its distribution may not be limited.

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

The Chairperson of the Board of Trustees,
Marine Parks and Reserves Unit,
P.O Box 7565,
DAR ES SALAAM.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Marine Parks and Reserve Unit, which comprise the statement of financial position as at 30 June 2023, and the statement of financial performance, the statement of changes in net assets and cash flow statement, and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Marine Parks and Reserve Unit as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and the manner required by the Public Finance Act, Cap. 348.

Basis for Opinion

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the section below entitled "Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements".

I am independent of the Marine Parks and Reserve Unit, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. I have determined that there are no key audit matters to communicate in my report.

Other Information

Management is responsible for the other information. The other information comprises the report by those charged with governance, statement of trustee responsibility for financial statements for the year ended 30 June 2023, Declaration by the Head of Finance and statement of director's responsibility but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

My opinion on the financial statements does not cover the other information, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed on the other information that I obtained prior to the date of this audit report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an audit report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern 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 entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance 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.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are, therefore, key audit matters. I describe these matters in my audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because

the adverse consequences of doing so would reasonably be expected to outweigh the public interest of such communication.

In addition, Section 10 (2) of the Public Audit Act, Cap. 418 requires me to satisfy myself that the accounts have been prepared in accordance with the appropriate accounting standards.

Further, Section 48(3) of the Public Procurement Act, Cap. 410 requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Public Procurement Laws

Subject matter: Compliance audit on procurement of works, goods, and services

I performed a compliance audit on the procurement of works, goods, and services in the Marine Parks and Reserve Unit for the financial year 2022/23 as per the Public Procurement Laws.

Conclusion

Based on the audit work performed, I state that, procurement of goods, works and services of Marine Parks and Reserve Unit is generally in compliance with the requirements of the Public Procurement laws.

1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution in the Marine Parks and Reserve Unit for the financial year 2022/23 as per the Budget Act and other Budget Guidelines.

Conclusion

Based on the audit work performed, I state that the budget formulation and execution of the Marine Parks and Reserve Unit is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.



Charles E. Kichere
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
March 2024



5.0. FINANCIAL STATEMENTS

5.1. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2022/23 TZS	2021/22 TZS
ASSETS			
Current Asset			
Cash and Cash Equivalents	15	486,422,766	306,870,000
Receivables	16	742,950,778	755,069,498
Inventories	17	16,613,450	10,569,000
Total Current Asset		1,245,986,994	1,072,508,498
Non-Current Asset			
Property, Plant and Equipment	18	3,500,735,679	3,450,576,502
Work In Progress	19	73,070,000	38,070,000
Total Non-Current Asset		3,573,805,679	3,488,646,502
TOTAL ASSETS		4,819,792,673	4,561,155,000
LIABILITIES			
Current Liabilities			
Payables and Accruals	20	838,453,724	989,444,000
Provisions	21	455,984,000	455,984,000
Total Current Liabilities		1,294,437,724	1,445,428,000
TOTAL LIABILITIES		1,284,437,724	1,445,428,000
Net Assets		3,525,354,949	3,115,727,000
NET ASSETS/EQUITY			
Capital Contributed by:			
Other Reserves	24	128,643,298	80,359,000
Taxpayers/Share Capital		1,946,891,000	1,946,891,000
Accumulated Surpluses / Deficits		1,449,820,651	1,088,477,000
TOTAL NET ASSETS/EQUITY		3,525,354,949	3,115,727,000



PROF. RIZIKI S. SHEMDOE
PERMANENT SECRETARY
MINISTRY OF LIVESTOCK AND FISHERIES

Date 22/03/2024




DAVIS V. MPOTWA
ACTING MANAGER
MARINE PARKS AND RESERVES UNIT

Date 22/3/2024


5.2. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

		2022/23 TZS	2021/22 TZS
REVENUE			
Revenue from Exchange Transactions			
Fees, Fines, Penalties and Forfeits	5	50,500,000	2,305,000
Own Source Revenue	6	2,175,262,576	1,326,356,000
SUB TOTAL		2,225,762,576	1,328,661,000
Revenue from Non-Exchange Transactions			
Subvention from other Government entities	7	1,789,610,361	1,382,945,000
Revenue Grants	4	188,800,000	-
SUB TOTAL		1,978,410,631	1,382,945,000
TOTAL REVENUE		4,204,172,937	2,711,606,000
EXPENSES AND TRANSFERS			
Expenses			
Wages, Salaries and Employee Benefits	8	2,143,212,651	1,786,330,743
Use of Goods and Service	9	902,210,784	771,778,442
Maintenance Expenses	10	111,796,372	95,746,102
Depreciation of Property, Plant and Equipment	11	180,556,665	141,946,000
Other Expenses	12	94,767,641	139,541,935
Total Expenses		3,432,544,113	2,935,343,222
Transfer			
Grants and Transfers	13	119,808,439	107,632,000
Other Transfers	14	318,847,104	-
Total Transfer		438,655,543	107,632,000
TOTAL EXPENSES AND TRANSFERS		3,871,199,656	3,042,975,222
Surplus / Deficit		332,973,282	-331,369,222



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 ACTING MANAGER
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Date..... 22/03/2024

5.3. STATEMENT OF CHANGE IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2023

	Taxpayer's Fund	Accum. Surplus/(Deficit)	Other Reserve	Total
	TZS	TZS	TZS	TZS
Opening Balance as at 01 Jul 2022	1,946,891,000	1,088,477,000	80,359,000	3,115,727,000
Other Reserve	-	-	48,284,298	48,284,298
Adjustments	-	28,370,369	-	28,370,369
Surplus/ Deficit for the Year	-	332,973,282	-	332,973,282
Closing Balance as at 30 Jun 2023	1,946,891,000	1,449,820,651	128,643,298	3,525,354,949
Opening Balance as at 01 Jul 2021	1,946,891,000	1,644,947,000	(152,610,000)	3,439,228,000
Other Reserve	-	-	232,969,000	232,969,000
Adjustments	-	(225,100,778)	-	(225,100,778)
Surplus/ Deficit for the Year	-	(331,369,222)	-	(331,369,222)
Closing Balance as at 30 Jun 2022	1,946,891,000	1,088,477,000	80,359,000	3,115,727,000



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Date 22/03/2024


5.4. CASH FLOWS STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

		2022/23 TZS	2021/22 TZS
CASH FLOW FROM OPERATING ACTIVITIES			
RECEIPTS			
Subvention from other Government entities	25	1,978,410,361	1,382,944,944
Revenue from Exchange Transactions	26	123,116,329	49,680,000
Other Revenue	27	1,964,346,247	1,265,773,000
Fees, Fines, Penalties and Forfeits	28	50,500,000	2,305,000
Total Receipts		4,121,372,937	2,700,702,944
PAYMENTS			
Wages, Salaries and Employee Benefits	29	2,654,622,011	1,758,656,000
Use of Goods and Service	30	903,961,677	634,969,000
Other Expenses	31	249,767,641	191,439,000
Total Payments		3,808,351,329	2,585,064,000
NET CASH FLOW FROM OPERATING ACTIVITIES		313,021,608	115,638,944
CASH FLOW FROM INVESTING ACTIVITIES			
Investing Activities			
Payment for Work in Progress		-	-
Acquisition of Property, Plant and Equipment	32	-133,468,842	-868,944
Total Investing Activities		-133,468,842	-868,944
NET CASH FLOW FROM INVESTING ACTIVITIES		-133,468,842	-868,944
TOTAL CASH FLOW FROM INVESTING ACTIVITIES		-133,468,842	-868,944
Cash and cash equivalent at beginning of period		306,870,000	192,100,000
Cash and cash equivalent at end of period		486,422,766	306,870,000



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Date 22/03/2024.....




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Date 22/03/2024.....


5.5 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE PERIOD ENDED 30 JUNE 2023

	Budgeted Amount		Actual Amount on Comparison Basis (A) TZS	Difference
	Original Budget TZS	Final Budget (B) TZS		
RECEIPTS				
Subvention from other Government entities	2,365,068,000	2,365,068,000	1,978,410,361	(386,657,639)
Revenue from Exchange Transactions	2,901,067,420	2,901,067,420	1,897,110,676	(1,003,956,744)
Other Revenue	-	-	190,196,800	190,196,800
Fees, Fines, Penalties and Forfeits	20,636,580	20,636,580	55,655,100	35,018,520
Total Receipts	5,286,772,000	5,286,772,000	4,121,372,937	(1,165,399,063)
PAYMENTS				
Wages, Salaries and Employee Benefits	2,615,901,000	2,615,901,000	2,297,410,799	318,490,201
Use of Goods and Service	719,358,000	719,358,000	480,016,302	239,341,698
Other Transfers	371,100,000	371,100,000	318,947,104	52,152,896
Other Expenses	196,603,000	196,603,000	84,767,641	111,835,359
Maintenance Expenses	546,330,000	546,330,000	115,803,353	430,526,647
Grants and Transfers	123,131,000	123,131,000	-	123,131,000
Payment for Work in Progress	-	-	35,000,000	(35,000,000)
Acquisition of Property, Plant and Equipment	714,349,000	714,349,000	303,004,972	411,344,028
Total Payment	5,286,772,000	5,286,772,000	3,634,950,171	1,651,821,829
Net Receipts/Payments	-	-	486,422,766	486,422,766



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