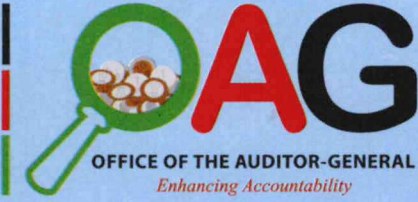



REPUBLIC OF KENYA



REPORT

PARLIAMENT
OF KENYA
LIBRARY

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 04 DEC 2025	DAY: THURSDAY
TABLED BY: MAJORITY LEADER	
CLERK-AT-TABLE: FINLAT	

THE AUDITOR-GENERAL

ON

**REVENUE STATEMENTS OF THE
BUSINESS REGISTRATION SERVICE**

**FOR THE YEAR ENDED
30 JUNE, 2025**

OFFICE OF THE AUDITOR GENERAL
P.O. Box 30084 - 00100, NAIROBI
RECORDS OFFICE

13 NOV 2025

RECEIVED



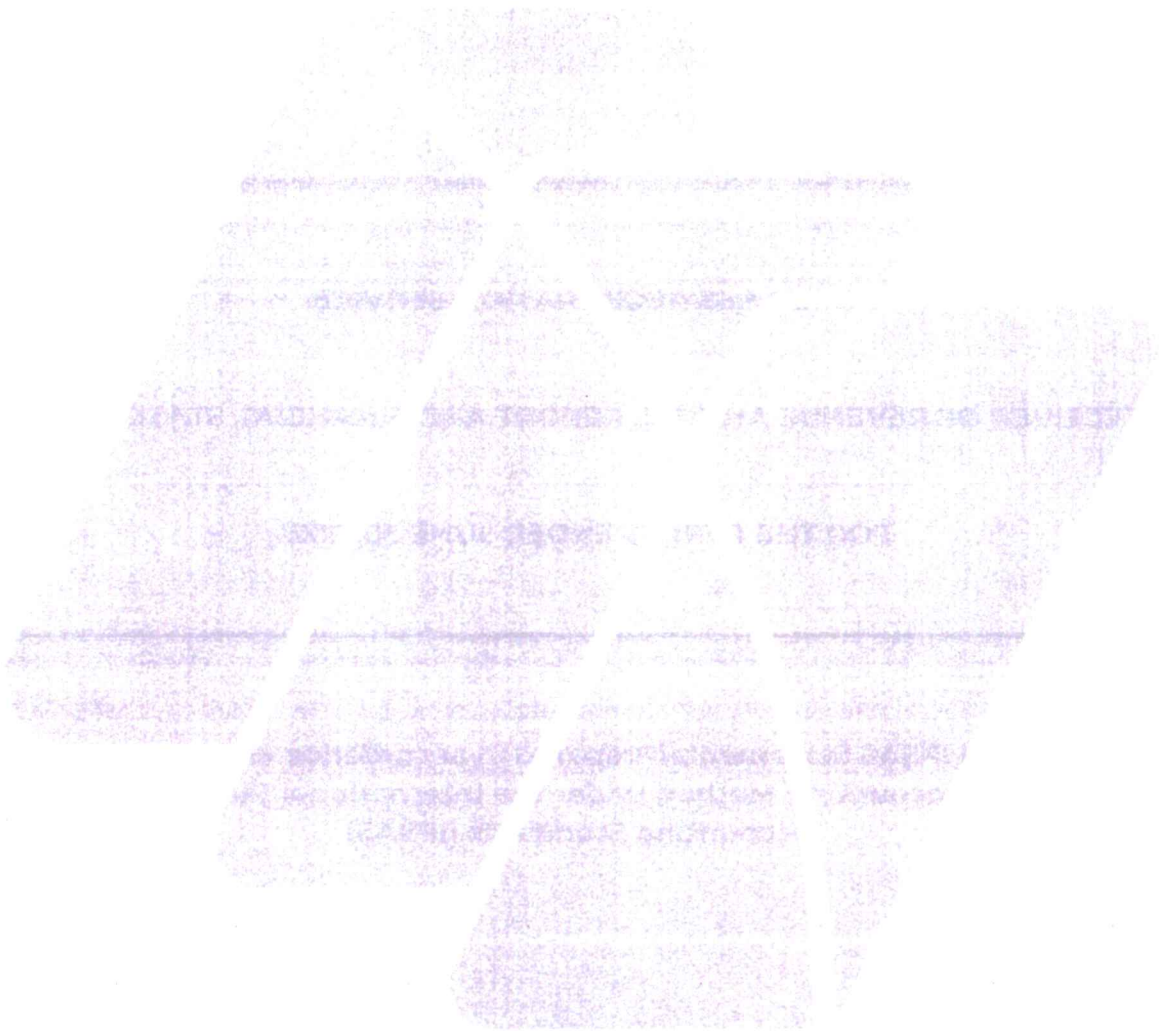
BUSINESS REGISTRATION SERVICE

RECEIVER OF REVENUE ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2025

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

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**



**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

TABLE OF CONTENTS

1. Acronyms and Definition of Key Terms	ii
2. Key Entity Information and Management	iii
3. Statement By Receiver Of Revenue.....	xxvii
4. Management Discussion And Analysis.....	xxix
5. Statement Of Receiver Of Revenue Responsibilities	xxxi
6. Report of the Independent Auditors on the Business Registration Service Receiver of Revenue	xxxiii
7. Statement of Financial Performance for the year ended 30th June 2025.....	1
8. Statement of Financial Position as at 30 th June 2025	2
9. Statement of Cash Flows for the Year Ended 2025	3
10. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 th June 2025.....	4
11. Notes to the Financial Statements.....	5
12. Appendices	16

1. Acronyms and Definition of Key Terms

a) Acronyms

TNT	The National Treasury
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
ROR	Receiver of Revenue
CBK	Central Bank of Kenya
BRS	Business Registration Service

b) Definition of Key Terms

2. Key Entity Information and Management

(a) Background information

Business Registration Service is under the Office of the Attorney General. BRS is represented at the Cabinet level, by the Attorney General, who is responsible for the general policy and strategic direction of the Office. The Director General of Business Registration Service was designated as a receiver of revenue on 1st July 2024 by the cabinet secretary, National Treasury in accordance with section 75 and 76 of the PFM Act 2012.

(b) Principal activities

The Director General of Business Registration Service collects revenue from the following services;

- i.) Registration of Companies.
- ii.) Official Receiver's fees.
- iii.) Registration of Movable Property Security Rights.
- iv.) Hire Purchase Licencing.
- v.) Registration of Trusts.

The revenue is collected and remitted to the National Treasury's Exchequer Account (Consolidated Fund).

The Registries under the Business Registration Services are as follows;

a) THE COMPANIES REGISTRY

The Companies Registry administers the following laws;

- (i) The Companies Act, 2015;
- (ii) The Registration of Business Names Act, Cap 499 Laws of Kenya; and
- (iii) The Limited Liability Partnerships Act. No 42 of 2011.

Core Functions

The functions of the Department entails;

- I. Registration of Limited Liability Companies; Registration of Limited Liability Partnerships; Registration of Business Names;
- II. Registration of debentures and charges;

- III. Maintenance of various statutory records under the above Acts;
- IV. and enforcing compliance with the laws administered by the Registrar.

b) TRUST REGISTRY

What is a trust?

A trust is a fiduciary relationship where a settlor (person setting up the trust) gives another party, known as the trustee, the right to hold title to property or assets for the benefit of a third party commonly referred to as beneficiaries.

Types of trusts registrable in Kenya

There are three types of trusts that can be incorporated in Kenya, namely;

i. Family Trust

A family trust is a trust, whether living or testamentary, partly charitable or non-charitable, that is registered or incorporated by any person or persons, whether jointly or as an individual, for the purposes of planning or managing their personal estate.

ii. Charitable Trust

A charitable trust is a trust formed for the exclusive purpose of the relief of poverty, the advancement of education, religion or human rights and fundamental freedoms, or the protection of the environment or any other purpose beneficial to the general public.

iii. Non-charitable Trust

A non-charitable is a trust created for a specific purpose, whether partly charitable or not, provided that the purpose/objects of the trust are not illegal.

c) OFFICIAL RECEIVER

The Office of the Official Receiver In Insolvency is established under the Insolvency Act, 2015 as the Official Receiver in Insolvency. The office is a department under the Business Registration Service, a Semi-Autonomous Government Agency under the Office of the Attorney General & Department of Justice. Our governing law is the Insolvency Act, 2015 and its Regulations.

MANDATE, POWERS AND FUNCTIONS

- Implementation of the Insolvency Act 2015 and its Regulations.
- Regulate Insolvency Practice in Kenya.
- Manage affairs of Bankrupts' estates (Bankruptcy Trustee).
- Liquidation and administration of insolvent and financially distressed companies.
- Investigate into the conduct of any person or company subject to the Insolvency Act.
- Act as officers of the Court.
- Investigate offences under the Insolvency Act.

d) HIRE PURCHASE REGISTRY

The Hire Purchase Registry deals with licensing and supervising Hire Purchase Businesses, the Registry carries out its functions under the Hire Purchase Act, CAP 507. The Hire Purchase Registry is linked to the MPSR Registry. Once the Owner enters into a Hire Purchase Agreement with the Hirer, the Owner must ensure that they register the Security Right in the movable property under the MPSR Registry. Registration of the Security Rights in the property by the Owner protects their interest should the hirer fail to pay the installment or undergo bankruptcy or liquidation noting that the goods may not be in the owner's possession. Registration guarantees the owner a right of priority against other creditors.

CORE FUNCTIONS

Department of Hire Purchase is mandated to perform the following functions:

1. Issue Licenses to Hire Purchase Business
2. Inspect Hire Purchase Businesses
3. In collaboration with the MPSR Registry receive, store and make available information relating to registered notices with respect to security rights in movables.
4. Implement relevant policies and guidelines.

e) Movable Property Security Rights Registry

Movable Property Security Rights Act, 2017

The Movable Property Security Rights Act, 2017 provides the legal framework that governs use of movable property as collateral in Kenya. The law seeks to

promote consistency and certainty in secured financing relating to movable assets and enhance the ability of individual and entities to access credit

Movable Property Security Rights Registry

The MPSR Registry is the official government register of security rights in movable property. It is a notice-based register accessible by the public 24/7. The Registry was established on the 24th May, 2017 and replaced the Chattels Registry.

MPSR Registry is a register of security rights in movable property, in this case the borrower grants a security right over assets in favour of the lender to secure repayment of a loan or debt and possibly other performance obligations to the lender. Note that the MPSR register is not a register of ownership but a way of letting other lenders know that the movable asset in question have security right over them.

CORE FUNCTIONS

MPSR Registry is mandated to perform the following functions:

- To provide for the registration of security rights in movable property.
- Receive, store and make available information relating to registered notices with respect to security rights in movables.
- Implement relevant policies and guidelines.

(c) Key Management

I. The Board of Directors



Mr. Hamisi Mwaguya

**Chairperson of the
Board**

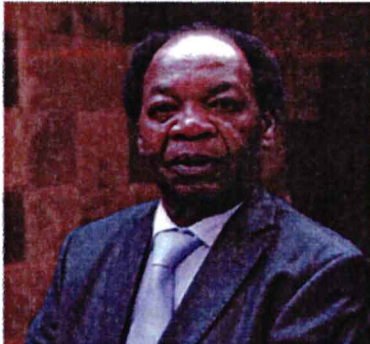
Hamisi Mwaguya is a seasoned Development Economist with over 20 years of experience spanning both the public and private sectors. He has held key positions in government and worked in several multinational corporations in the shipping and maritime industries.

He brings a wealth of expertise in policy development, economic planning, and strategic development. Mr. Mwaguya has played a pivotal role in shaping economic policy, having previously served as County Secretary and County Executive for Trade and Investments for the Government of Mombasa County.

In 2018, he led a landmark research study in collaboration with the University of Nairobi, assessing the socio-economic impact of the Standard Gauge Railway (SGR) on the growth of Mombasa and its environs. The study sparked a national discourse and influenced critical policy adjustments. His extensive contributions to national development include serving on various economic and infrastructure committees, including urban roads committee, national economic stimulus programs, and key local development initiatives. He has also served as a Board Member of the Kenya National Trading Corporation and, in 2022, was appointed Chairperson of the Kenya Maritime Authority.

Mr. Mwaguya holds a Bachelor of Arts (Economics & Management) degree from Moi University, Eldoret, and a postgraduate qualification in Local and Regional Economic Development from Dundee University, Scotland. Beyond his professional career, he is deeply committed to community development. He actively supports aquaculture projects, youth sports initiatives, and programs for orphans. Additionally, he is a co-founder of the East African Ocean Festival (TEAOF), an initiative that fosters collaboration among stakeholders to promote ocean sports, sustainable waterfront development, and marine conservation programs.

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**



**Justice (Rtd) Erastus
Githinji CBS EBS
(Chairperson)
LL.B.(UON) CS
(Company Secretary)**

Born in 1949, Justice (Rtd) Erastus Githinji CBS EBS has over 40 years' experience in the application and interpretation of the law.

He has served as a Magistrate in various ranks for over 10 years during which he was head of five magistrates' Court stations. The Judge served as a Puisne Judge of the High Court for over 15 years and as a Judge in the Court of Appeal for over 16 years. In the Court of Appeal, he served as Acting President of the Court, Head of the Civil Division and Presiding Judge Court of Appeal Mombasa (Malindi), Kisumu and Eldoret.

In his tenure as a Judge, Justice Githinji CBS EBS, was a member and later Chairperson of Judicial Code of Conduct and Ethics which developed the current code for the entire Judiciary; he was a longstanding member of the Council of Legal Education and a Board Member of Judiciary Training Institute (now Academy).

The Judge has attended various local and international courses for professional development and obtained certification in Competition law for adjudicators, Alternative Dispute Resolution (ADR); Refugee law; Environmental law; Human Rights and Global Economy and others.

He is a recipient of two National Honors:

- o Elder of the Order of Burning Spear (EBS) in 2012.
- o Chief of the Order of the Burning Spear (CBS) in 2019

He holds a Bachelor of Laws Degree from the University of Nairobi and is an advocate of the High Court of Kenya.

He retired from the BRS board on 6th October, 2024



**Ms. Njeri Wachira MBS,
EBS (Alternate to the
Solicitor General)**

Born on 30th June, 1968, Ms. Njeri Wachira MBS holds a Bachelor of Laws Degree from the University of Nairobi and a Masters of Law Degree in Public International Law from Lund University in Sweden. Ms. Njeri Wachira MBS is currently the Deputy Solicitor General and Heads, the International Law Division at the Office of the Attorney General and Department of Justice.

She is a seasoned Advocate with extensive experience working in the field of Public International Law. She possesses experience as a Legal Advisor to the Government in negotiating, drafting, vetting and interpreting local and international treaties and agreements.

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

She is responsible for handling all matters on Mutual Legal Assistance pursuant to the Mutual Legal Assistance Act of 2011 which appoints the Attorney-General as the Central Authority. She is also responsible for the coordination of the legal team, both external counsel and in-house counsel that represent the Republic of Kenya in all International Arbitration or Litigation matters.

Njeri MBS has been an Alternate Director to the Attorney-General on various Boards of Directors including, the Business Registration Service, Capital Markets Authority, Constituencies Development Fund, National Environmental Management Authority, Kenya Ports Authority, Kenya Pipeline Company Ltd, Kenya Railways Corporation, South Nyanza Sugar Company, and the Betting Control and Licensing Board.

Njeri MBS has also served as the Head of Legal and Corporate Affairs at Seven Seas Technologies Group which covered the Group Companies in Kenya, Rwanda, Zimbabwe, Nigeria and Portugal. She has also been assigned by the Commonwealth Secretariat to work for a period of two years as a Legal Expert with the East African Community Secretariat in Arusha, Tanzania where she was tasked with implementing the Treaty for the Establishment of the East African Community, by drafting Protocols to the Treaty and various legislation; as well as approximation of Partner States Municipal Laws relating to finance, investment, as well as commercial laws in the EAC context.

As part of her CSR, Njeri MBS has served as a Board Member and Founding Director of *Tomorrow's Child Initiative*, an NGO registered in Kenya whose vision is to have a society where children and women have unfettered access to opportunities, which allow them to live in dignity because their rights are respected and upheld.

Njeri MBS is married and is a mother of two children. She enjoys reading books, travelling and playing golf.

She was re-appointed to the Business Registration Service Board on 3rd December 2019 as an alternate to the Solicitor General and is a member of the Human Resource and Finance, Technical and Strategy and Compliance and Risk Committees. She was conferred the National Award of Moran of the Order of the Burning Spear (MBS) in December 2018.

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**



**PS, LLB, CPA, CPS,
CIFA, CFE, Abubakar
Hassan
Principal Secretary
State Department for
Investment
Promotion, Ministry of
Investment, Trade and
Industry
(Member)**

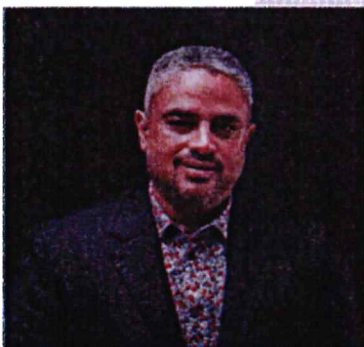
PS Abubakar Hassan is a holder of Masters in Financial Services Law (Project ongoing), Masters of Business Administration (Strategic Management) and a Bachelor's Degree in Law all from the University of Nairobi.

He is an Advocate of the High Court of Kenya, Certified Public Accountant, Certified Public Secretary, Certified Fraud Examiner, Certified Investment & Financial Analysts and holds a Certification in the Management of Banking Risks. He is a member of the following professional bodies; Law Society of Kenya (LSK), Institute of Certified Public Secretaries of Kenya (ICPSK), and Institute of Certified, Investment and Financial Analysts (ICIFA).

From his background in law, finance and investment, he has wide experience in facilitating and mobilization of capital, allocation of the said capital into productive areas of the economy and protection of the investors' interests.

Prior to appointment as Principal Secretary in December 2022, he was the Director Market Operations at Capital Market Authority. He was in charge of market oversight and investors' confidence.

PS Abubakar is committed to steer upwards investments (both Foreign and Domestic) into the Kenyan economy.



**Mr. Faraj Mansur
(Member)**

Born on 24th October 1970, Mr. Faraj Mansur is a Serial Tech-primeur with over 20 years' experience in East African Tech Ecosystem. He is a builder of high-performance teams and a natural leader, mentor, and a motivator who thrives in environments requiring a high-level strategist and a big-picture thinker.

Faraj had an illustrious career in blue-chip tech companies like UUNET, then one of the largest Corporate Internet Service Provider and one of the early Tier 1 networks. Since 2005 he has co-founded a number of award-winning technology companies under Techbiz Group. The firms are in System Integration.

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

He was a member of the Core Committee that developed the National Export Strategy paper in 2003 and a founding member of the Kenya Private Sector Alliance Committee. He was first appointed as Business Registration Board member on 28th October 2021 and chairs the Human Resource and Finance Committee.

He retired from the BRS board on 6th October, 20



**Ms. Josephine
Waruguru Macharia-
Kanyi (Alternate to the
Cabinet Secretary,
National Treasury)**

Born on 17th July 1966, Ms Josephine Waruguru Kanyi is a Senior Deputy Director in the National Treasury Budget Fiscal and Economic Affairs in the Department of Intergovernmental Fiscal Relations.

She holds a Bachelor's Degree and Master's Degree in Economics from the University of Nairobi. In addition, she has Diploma in Contemporary Public Administration Management from Galilee International Management Institute, Israel.

She served in the Ministry of Planning and National Development from 1991 to 1994, Ministry of Research and Technology (1994-1998) Ministry of Finance 1998-2010 as head of Intergovernmental Fiscal Relations and Business Regulation Reform Units. She served as Chief Economist in National Treasury from 2010-2016.

She has attended Courses on Fiscal Decentralization and Financial management and Tax Policy Analysis and Revenue forecasting at Harvard University USA & Macro Economic Diagnostics at the IMF Institute in the USA.

She also serves as a Board Member at:

1. National Construction Authority(NCA) and
2. National Government Constituencies Development Fund(NG-CDF).

She has previously served on the:

1. Kaimosi Friends University Council
2. Kenya Institute of Public Policy and Research Analysis(KIPPRA)

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

3. Kenya Hotel Properties Ltd(KHPL) Company
4. Kenya Vehicles Manufacturers Board; and
5. Local Advisory Transfer Fund (LATF) Advisory Board.

She was first appointed as a Business Registration Service Board member on 10th May 2017.



**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**



**Ms. Winnie Nyambok
(Alternate to the
Principal Secretary
State Department for
Investment
Promotion, Ministry of
Investment, Trade and
Industry)**

Born on 18th Feb 1984, Winnie Nyambok is an accomplished Economist with 14 years' extensive experience within the public sector.

Presently, she is actively involved in the dynamic landscape of business climate reforms at the State Department for Investment Promotion under Ministry of Investments, Trade and Industry. In her previous roles, Ms. Nyambok was an Assistant Director at the Ministry of East African Community & Regional Development where she played a pivotal role in shaping several business reforms.

Additionally, she served as a Senior Economist at the National Treasury providing valuable technical advisory on Financial and Sectoral affairs. Ms. Nyambok is pursuing her PhD in Economics at the University of Nairobi and holds a Master of Arts (Economics) and Bachelor of Arts in Economics; both from the University of Nairobi. She is passionate about economic modelling and analysis and is a member of the Economists Society of Kenya (ESK).



Mr. Alex Muchira

Born on 20th January 1986, Alex is a Partner in the Corporate & Commercial Department at CMS Daly Inamdar Advocates. He also heads the Company Secretarial & Immigration Departments. He is qualified as a Kenyan Advocate and is a practicing Certified Public Secretary. Alex's experience spans over 10 years.

He provides clients with specialist advice on matters relating Corporate Law, Corporate Governance, Company Secretarial, Regulatory & Compliance and Immigration Law.

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

He has substantial experience in Commercial, Corporate M&A, Foreign Direct Investments. Alex has been involved in various local and international transactions in the information communications & technology, insurance, consumer products, development funds and microfinance sectors.

He also represents the secretarial division as a Certified Public Secretary for various prominent national and multinational companies. Memberships & Roles · Law Society of Kenya · Institute of Certified Public Secretaries (Kenya) · Institute of Directors (Kenya) Education 2009 – Institute of Certified Public Secretaries of Kenya 2010 – Kenya Institute of Management, DBA 2011 – University of Nairobi, LLB (Hons) 2012 – Kenya School of Law, Advocates Training Programme 2018 – United States International University (Africa), MBA and was appointed as a Board Member on 17th May 2024.



Ms. Emily Mworia

Born on 7th Feb 1959, Emily Mworia is a strategic communications specialist with a wide experience in both private and public sectors having worked as a communications consultant, as well as an employee in senior positions for more than 15 years.

Emily possesses both local and international work experience and has a passion in building partnerships and networks for sustainable change. Emily holds a Global Executive Masters in Business Administration (MBA) from the United States International University, Post Graduate Diploma in Mass Communication and Bachelor of Arts Degree from the University of Nairobi.

She is a member of the Kenya Association of Professional Fundraisers, Public Relations Society of Kenya, Child Protection Committee, Amref Kenya, Chairperson transport Committee, Amref Kenya, Secretary, Fair-Acres Neighbourhood Association and the Chairperson of St. Luke's Methodist Church-Karen from 2017 to 2023.

She was appointed as a board member on 28th July 2022.

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**



Mr. Solomon Osundwa
Member

Solomon is the Group Chief Operating Officer of Hass Petroleum . He has a wealth of experience in Senior Management having served as the Regional Director of VTTI, Managing Director of Nissan Kenya, Manager at Kenol Kobil, Caltex and Unilever. He also sits on many Boards in the Private Sector including Bible Translation Limited, Petroleum Institute of East Africa, Shalom Hospitals, Talentplex Holdings and Twenty Talents Limited. Solomon is the immediate former Chairman of the Elder's Court at Nairobi Baptist Church. He has a Bachelor of Commerce Degree from the University of Nairobi, an MBA in International Business from the same institution and also studied Strategic Management at Harvard Business School



Mr. Wilfred Nyamu
Mati

Born on 30th April, 1969, Wilfred Nyamu Mati is an Advocate of the High Court of Kenya having practiced for over 20 years where he is a senior partner in the firm of Nyamu & Nyamu Company Advocates LLP.

He has specialized in Commercial, Constitutional, Civil Law and also public interest Litigation. Upon promulgation of the Constitution of Kenya, 2010 introducing Devolution, Wilfred Nyamu Mati Advocate helped develop Jurisprudence in devolution law where he served as part of the legal team identified by the Council of Governors to shape the legal framework on the County Government system.

Wilfred Nyamu Mati Advocate is a member of the ~~ICPSK~~ of Certified Public Secretaries of Kenya (ICPSK). He has served in various boards including the TIVET where he became the pioneer chairperson of ~~the~~ board of management at Tseikuru Technical Training Institute, in Kitui county for two three -year term between 2016 to 2022.

In the year 2008, Wilfred Nyamu Mati served as Counsel to the Commission appointed by H.E President Mwai Kibaki to investigate the controversial sale of the Grand Regency Hotel, chaired by Hon. Chief Justice (retired) Madjid Cockar.

Prior to entering the legal practice, Wilfred Nyamu M~~at~~ worked in the NGO Sector where he was engaged in advocacy on labour law reforms meant to improve worker's conditions in Kenya and to enhance democracy in the labour sector.

This paved way to the overhaul of labour regulations in Kenya in the year 2007.

He is currently also Chairperson of the Centre for Human Rights Civil Education NGO working in the Lower Eastern counties of Kitui, Makueni, Machakos and Tharaka Nithi.

In the year 2013, Wilfred Nyamu Mati was appointed member of committee on the development of the rules of procedure for Standards Tribunal representing the Law Society of Kenya and in 2015, he served in the Committee on the drafting of Broadcasting Regulations meant to guide broadcasting carriers.



**Mr. Kenneth Gathuma
HSC
Director General**

Born on 4th April 1980, Mr. Kenneth Gathuma HSC is an Advocate of the High Court of Kenya who has legal advisory skills developed through providing legal advice to government ministries and state-owned corporations for 12 years. Until his appointment as the Director-General in March 2020, Mr. Gathuma was the Acting Director General of BRS and formerly served as Deputy Head of Government Transactions in the Office of the Attorney General & Department of Justice where large Government development projects were arranged and concluded.

He holds a Bachelor of Laws Degree from the University of Nairobi and a postgraduate diploma from Kenya School of Law.



**Ms. Debra Ajwang
Corporation secretary**

Born on 10th October 1980, Debra has served as a Legal Manager & Company Secretarial officer in top tier Banks in Kenya, notably Absa, Kenya Commercial Bank, Co-operative Bank, Family Bank and UBA Bank, where she has a demonstrable track record in litigation management and strategy, contract management, securities, legal and regulatory compliance, advisory and support, alternative dispute resolution, people management, multicultural & diversity management.

She has handled complex financial transactions, syndications and insolvency matters notably Athi River Mining and Nakumatt.

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

As a Company Secretary and accredited Governance Auditor, she has developed expertise in Board advisory, Board evaluations, Board Induction, Governance Audits and training and general Board Management. She is also a part time lecturer teaching Advanced Company Secretarial & Corporate Governance and also serves on a few boards on a voluntary basis – ACTKenya, Precious Sisters Kenya, Youth Hub Africa and Precious Blood Secondary School Alumni Association and therefore has a multifaceted and practical approach to corporate governance. She also serves on the recently established Nairobi Financial Centre Tribunal.

II. Senior Management Team



**Mr. Kenneth Gathuma,
HSC Director General**

Mr. Kenneth Gathuma is an Advocate of the High Court of Kenya who has legal advisory skills developed through providing legal advice to government ministries and state-owned corporations for 12 years.

Until his appointment as the Director-General in March 2020, Mr Gathuma was the Acting Director General of BRS and formerly served as Deputy Head of Government Transactions in the Office of the Attorney General & Department of Justice where large Government development projects were arranged and concluded.

He holds a Bachelor of Laws Degree from the University of Nairobi.



**Mr. Mark Gakuru HSC
Official Receiver**

Mr. Mark Gakuru is the Official Receiver and his mandate is to oversee the overall coordination and management of the Insolvency function at the Service and as such a regulator in Insolvency practice in Kenya in line with Section 701 of the Insolvency Act, 2015.

He holds a Master of Laws degree in Laws (LLM) from the University of Nairobi. He is an Advocate of the High Court of Kenya with over 19 years of legal and administrative experience in the private and public sectors.

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**



**Ms. Damaris Lukwo,
OGW**

**Ag. Registrar of
Companies**

Damaris Lukwo, OGW, serves as the Acting Registrar of Companies. Her responsibilities include overseeing company registration and regulation, maintaining secure registry records, and ensuring compliance with statutory filing obligations to promote corporate transparency and accountability.

With over 15 years of legal experience, Ms. Lukwo has built a distinguished career in government advisory roles. Before her appointment in April 2025, she served as a Senior Legal Advisor at the Ministry of Interior and National Administration providing strategic legal counsel on complex legal and intergovernmental matters

Her expertise includes extensive practical experience in international law and diplomatic negotiations. Earlier in her career, she held the position of Senior Legal Researcher at the Court of Appeal, contributing to landmark jurisprudence through in-depth legal research and drafting. She also practiced law at the firm of Migos Ogamba & Company Advocates.

Ms. Lukwo holds a Bachelor of Laws degree (LL.B.) from Moi University, a Postgraduate Diploma in Law from the Kenya School of Law, and a Master's degree in International Conflict Management from the University of Nairobi. She is currently pursuing a Ph.D. in Law at the University of Nairobi.



Ms. Joyce Koech

**Registrar of
Companies**

Ms. Joyce Koech is the Registrar of Companies and her mandate is to oversee the overall coordination and management of the Companies Registry at the Service in line with Companies Act, 2015.

She is an advocate of the High Court of Kenya with over 8 years' experience. She holds a Bachelor of Laws Degree from the University of Nairobi, and a Certified Public Secretary. Currently, she is undertaking Master's Degree in Arts at the University of Nairobi.

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**



Mr. Jones Otuke
Director Corporate
Services

Mr. Jones Otuke is the Director, Corporate Services and his mandate is to oversee the overall coordination and management of the Corporate Services function at the Service, that include; Human Resource Management and Administration Division, Finance and Accounts Division, Corporate Strategy Unit, Corporate Communication Unit and Information Communication Technology Unit.

He holds a Masters of Business Administration, a Bachelor of Business Management (Accounting and finance) and a Certified Public Accountant (CPAK). He is a member of the Institute Certified Public Accountant of Kenya (ICPAK). Mr. Otuke has previously served in various public sector institutions in the areas of accounting, financial management and administration.



Ms. Doris Wambugu
Director Legal
Research &
Compliance

Ms. Doris Wambugu is the Director, Legal Compliance and Research of the Business Registration Service. Her mandate is to oversee the overall coordination and management of the Legal, Compliance and Research function at the Service.

She is an advocate of the High Court of Kenya with over 16 years of experience in the private and public sector in the areas of legal, compliance and research. She holds a Master's degree in Strategic Management from Daystar University and a Bachelor of Laws Degree from the University of Nairobi. She is also a member of the Law Society of Kenya.

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**



Mr. Paul Kariuki
Director ICT

Mr. Paul Kariuki is the Director Information Communication & Technology. His mandate is to oversee the overall formulation and implementation of the Services ICT strategy, development of the Information technology and Communication systems and management of the ICT security at the Service.

Paul is a highly experienced ICT specialist and solutions architect with a strong technical foundation. He holds a First-Class Honours degree in Information Technology from Ndejje University, and an MSc in Data Communications, along with multiple industry certifications.

He has over 12 years of professional experience; eight of which have been spent within the World Bank Group playing a lead digital development role as a consultant supporting governments in Sub-Saharan Africa and Asia, to adopt and implement technology for the creation of markets, business environment and economy-wide reforms through the provision of enhanced services for businesses (G2B) and citizens (G2C).

Some of the countries Paul has worked in while at the World Bank Group include the Maldives, Sierra Leone, Nigeria, Kenya, Tanzania, Somalia, Somaliland, and Liberia. He also served as the Ag. Director ICT, and university lecturer at Karatina University, where he trained and mentored computer science students for 5 years. Paul also taught at Dedan Kimathi University of Technology and Kirinyaga University as an adjunct faculty member. He is a member of the ICT Association of Kenya

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**



**CPA William M. Njeru,
CISA
Director Internal Audit**

CPA William M. Njeru-CISA is a financial and Information Systems assurance professional with over 14 years' experience in auditing, accounting, risk management and governance. He holds a Bachelor of Commerce (Finance) and currently pursuing a Masters in Economics at Moi University, Kenya. He is also a Certified Public Accountant, Certified Information System Auditor (CISA) and a Certified Internal Audit Quality Assessor.

Currently, William is serving as the Director Internal Audit at Business Registration Service, a state corporation under the Office of Attorney General and Department of Justice. He operationalized and heads the Internal Audit department at BRS since October 2020.

He has served in other capacities, as an accountant, internal auditor and consultant, in the private sector, Non-Governmental Organizations and the public sector. He has worked in various organization, which includes, among others, the Numerical Machining complex, MGK consulting and Kenya Women Microfinance Bank, where he gained substantial experience in accounting and finance, internal auditing, system assurance, risk management, governance and policies formulation and review processes.

William is a registered member, in good standing, with institute of Certified Public Accountants of Kenya (ICPAK), the Information Systems Audit and Control Association (ISACA) and the Institute of Internal Auditors (IIA).

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**



**Dr. Shapayah Yusuf
Saleh**

**Deputy Director HR &
Administration**

Dr. Shapayah Yusuf Saleh is the Deputy Director, Human Resource Management and Administration. His mandate is the overall coordination and management of the Human Resource Management and Administration function at the Service.

He is an innovative HR leader and organizational culture and branding specialist with over 10 years working experience and has held senior executive roles. Adept at designing and implementing strategies that promote social equity, inclusivity, and sustainable growth within organizations and communities. Strong background in stakeholder engagement, project management, and impact assessment, with a proven track record of fostering partnerships that address environmental and social challenges.

He is a full member of the Institute of Human Resources Management (IHRM) Kenya and serves as a member of the continuing professional development (CPD) and membership Committee of IHRM. Previously, he has served as a member of the Association of Commonwealth Universities (ACU) HR in HE Steering committee and the first Regional liaison officer for Eastern Africa. Dr. Shapayah holds a Doctoral degree in strategic management, master's degree in business Administration and a bachelor of science in International Business Administration.



**CPA Erastus Mbalu
Deputy Director
Finance & Accounts**

Mr. Erastus Mbalu is the Deputy Director Finance and Accounts and his mandate is the overall coordination and management of the Finance and Accounts function at the Service. Erastus is a Certified Public Accountant (CPA-K) with over 10 years' experience in the public sector.

He has previously served in several ministries as well as serving under secondment in African Rehabilitation Institute (ARI-AU) as Finance and Administration Officer. Erastus holds a Bachelors of Commerce Degree (Accounts Option) from KCA University.



Ms. Debra Ajwang
Corporation secretary

Debra has served as a Legal Manager & Company Secretarial professional in top tier Banks in Kenya, notably Absa, Kenya Commercial Bank, Co-operative Bank, Family Bank and UBA Bank, where she has a demonstrable track record in litigation management and strategy, contract management, securities, legal and regulatory compliance, advisory and support, alternative dispute resolution, people management, multicultural & diversity management. She has handled complex financial transactions, syndications and insolvency matters notably Athi River Mining, Nakumatt.

As a Company Secretary and accredited Governance Auditor, she has developed expertise in Board advisory, Board evaluations, Board Induction, Governance Audits and training and general Board Management.

She is also a part time lecturer teaching Advanced Company Secretarial & Corporate Governance and also serves on a few boards on a voluntary basis – ACT Kenya, Precious Sisters Kenya, Youth Hub Africa and Precious Blood Secondary School Alumni Association and therefore has a multifaceted and practical approach to corporate governance. She also serves on the recently established Nairobi Financial Centre Tribunal



Ms. Shighadi Mwakio
HSC
Deputy MPSR

Ms. Shighadi Mwakio is a Deputy Registrar, MPSR at the Business Registration Service. She is an Advocate of the High Court of Kenya with over 5 years' experience in Commercial Law and Legislative Drafting. She has been instrumental in the various legislative reforms under the Business Registration Service that led to the improvement of Kenya's standing in the World Bank Doing Business Ranking in Protecting Minority Investors Indicator, Getting Credit Indicator and Resolving Insolvency Indicator.

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

She was involved in the development of the Movable Property Security Rights Regulations, 2017, the Companies (Beneficial Ownership Information) Regulations, 2020 and the draft Partnership (Limited Partnerships) Regulations, 2020. She has been instrumental in the Secured Transaction Legislative Reform process in Kenya from 2017. She is a member of the Task Force on National Risk Assessment on Money Laundering and Terrorism Financing and also sits in the Ease of doing business Transformation Team that has been responsible for the improvement of Kenya's standing in the World Bank Doing Business Ranking.



(d) Entity Headquarters

P.O. Box 30404-00100
316 Upper Hill Chambers, 17th Floor
2nd Ngong Avenue
Nairobi, KENYA

(e) Entity Contacts

Telephone: +254(714) 777800
E-mail: eo@brs.go.ke
Website: www.brs.go.ke

(f) Independent Auditors

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

(g) Principal Legal Adviser

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

(h) Bankers

Central Bank of Kenya
Haile Selassie Avenue
Account No.: **1000319739**
P O Box 60000
City Square 00200
Nairobi Kenya
Telephone: (254)202860000
E-Mail: comms@centralbank.go.ke

Kenya Commercial Bank LTD.
Branch: KCB MOI AVENUE-4001
Account No.: **1252536569**
Telephone: (254) 20244939
FAX: 20244939
Website: www.kcb.go.ke

3. Statement By Receiver Of Revenue

During the fiscal year 2024/25, the Service achieved significant milestones in its efforts to facilitate economic growth and support business operations. A total of 138,000 business entities were successfully registered within this period, reflecting the Service's commitment to empowering new businesses with the legal foundation to operate and contribute to the nation's economic development.

This achievement was largely attributed to systemic and process enhancements that streamlined registration workflows and improved service delivery. Additionally, the Service's close collaboration with stakeholders, including private sector partners and regulatory agencies, played a pivotal role in creating a conducive environment for efficient business registration.

Revenue Collection

In the year under review, the Service reported a total revenue collection of 1.311 billion. This impressive figure underscores the direct impact of a robust and well-regulated business environment, as it enhances compliance and fosters growth in economic activities. The consistent collection of revenue is vital for funding public services and driving national development initiatives.

Support for Financial Distress

The Official Receiver continued to play a crucial role in supporting both businesses and individuals facing financial difficulties. By offering expert guidance and tailored solutions, the Office provided a safety net for those navigating economic challenges. These efforts are aligned with the broader goal of sustaining economic stability and ensuring that entities in financial distress have a pathway to recovery.

Moving Forward

The Service remains committed to advancing its mission of fostering a thriving business ecosystem. Continuous improvements in technology, stakeholder engagement, and operational efficiency will be prioritized to maintain momentum and achieve even greater milestones in the coming years. By empowering businesses and supporting financial recovery, the Service contributes to a resilient and dynamic economic landscape.

This performance highlights the critical role of well-executed business policies and proactive measures in promoting national economic growth. With the

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

foundation in this FY 2024/25, the Service is poised to achieve sustained progress in the years ahead.



.....
**Kenneth Cathuma, HSC
Director General**

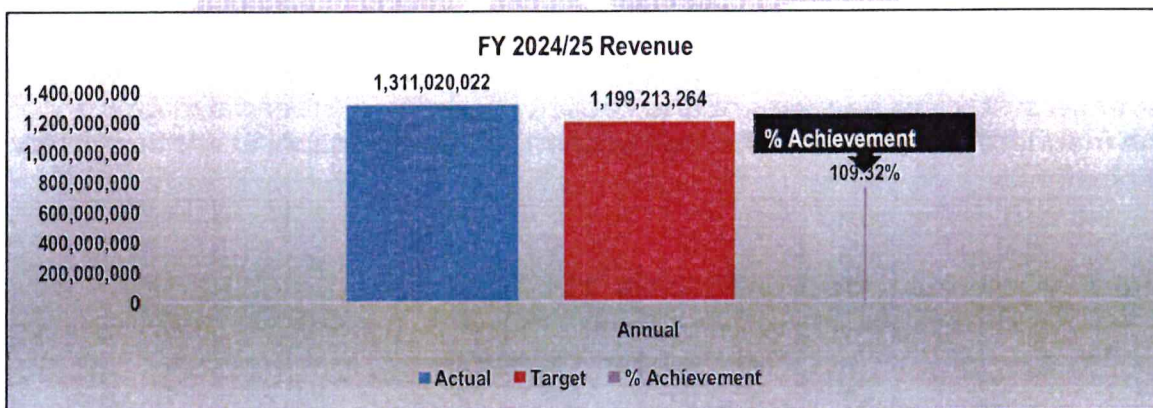
4. Management Discussion And Analysis

As of 30th June 2025, the Service collected a total revenue of Ksh. 1.311 Billion marking a significant milestone in its fiscal performance for the year.

Positive Growth Trajectory: The 11.1% growth demonstrates the effectiveness of the Service's strategies to enhance compliance and streamline revenue collection processes. The consistent gradual increase highlights a positive trajectory, suggesting sustained efforts in optimizing systems and strengthening collaboration with stakeholders.

Target achievement

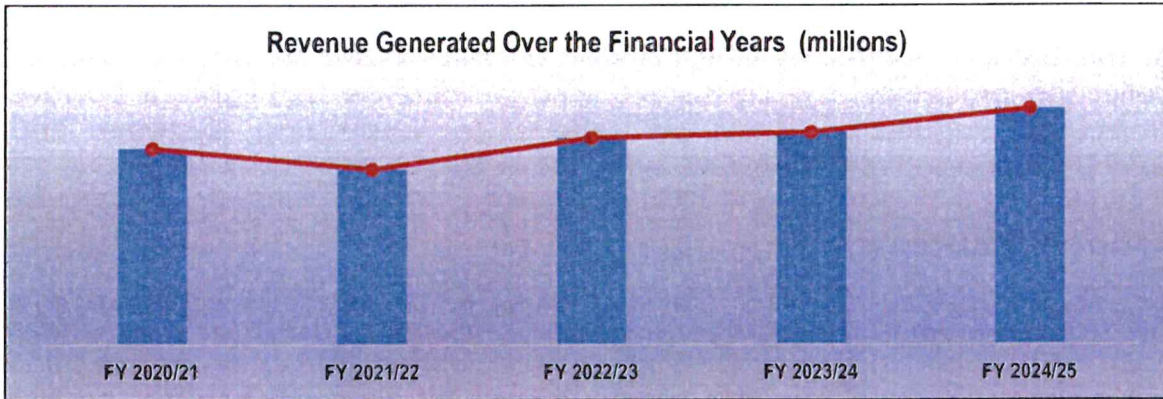
Business Registration Service surpassed the set targets(1,199,213,264) by 9.32% thus an achievement of 109.32%(1,311,020,022).



**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

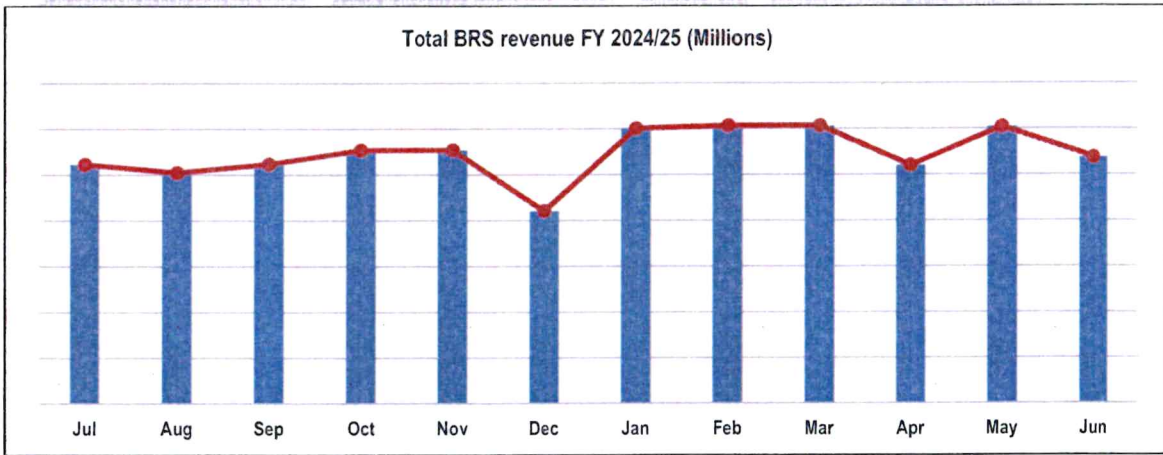
Revenue collected over the years

The graph below suggests an upward trend in revenue collection and a projected upward growth in the coming years.



In order to maximize Business Registration Service potential in collecting revenue, system enhancement and capacity building is essential in delivery of the mandate. This has been majorly challenged by the inconsistent budgetary allocations.

Monthly revenue collection FY 2024/25



5. Statement Of Receiver Of Revenue Responsibilities

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

The Director General the designated receiver of revenue in charge of the Business Registration Service is responsible for the preparation and presentation of the receiver of revenue account, which gives a true and fair view of the state of affairs of the receiver of revenue for and as at the end of the financial period ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Director General designated receiver of revenue in charge of the Business Registration Service accepts responsibility for the entity's receiver of revenue accounts, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Director General is of the opinion that the entity's receiver of revenue account gives a true and fair view of the state of entity's receiver of revenue transactions during the financial period

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

ended June 30, 2025, and of the *entity's* financial position as at that date. The Director General in charge of the *BRS* further confirms the completeness of the accounting records maintained for the *receiver of revenue*, which have been relied upon in the preparation of the *receiver of revenue* account as well as the adequacy of the systems of internal financial control.

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

Approval of the Revenue Statements

The revenue statements were approved and signed on23/10/2025
by:



.....
**Kenneth Gathuma, HSC
Director General**

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON REVENUE STATEMENTS OF THE BUSINESS REGISTRATION SERVICE FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

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

REPORT ON THE REVENUE STATEMENTS

Opinion

I have audited the accompanying Revenue Statements of the Business Registration Service set out on pages 1 to 22 which comprise the statement of financial position as at 30 June, 2025, and the statement financial performance, the statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended and

Report of the Auditor-General on Revenue Statements of the Business Registration Service for the year ended 30 June, 2025

a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the revenue statements present fairly, in all material respects, the financial position of Revenue Statements of the Business Registration Service as at 30 June, 2025, and of its financial performance and its cash flows for the year then ended, in accordance International Public Sector Accounting Standards (Accrual Basis) and comply with the Business Registration Service Act, 2015 and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Business Registration Service Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audit of revenue statements in Kenya. 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 judgement, are of most significance in the audit of the revenue statements. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matters

In the prior year's audit report, two (2) issues were raised under the Report on the Effectiveness of Internal Controls, Risk Management, and Governance. The issues include lack of capacity in internal audit and lack of service level agreement for the financial service providers. Although Management indicated in the revenue statements under Progress on Follow-up of Prior Year Auditor's Recommendations that these issues have been resolved, no supporting evidence was provided to confirm how the matters were addressed.

Other Information

The Management is responsible for the Other Information set out on pages iii to xxxi, which comprises Key Entity Information and Management, Statement by Receiver of Revenue, Management Discussion and Analysis, and the Statement of Receiver of Revenue Responsibilities. The Other Information does not include the Revenue Statements and my audit report thereon.

In connection with my audit on the Revenue Statements of the Business Registration Service, my responsibility is to read the Other Information and, in doing so, consider

whether the Other Information is materially inconsistent with the revenue statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matter 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

Delay in Remittance of Revenue to Collection Account

Review of the revenue collection bank statements and supporting records revealed that revenue amounting to Kshs.927,299,025 was transferred to the collection account after the prescribed three-day window, as the delays ranged from 4 to 50 days. This was contrary to Section 76 (2) of the Public Finance Management Act, 2012 which requires that any public officer, other than a receiver or collector of revenue for the National Government, who collects revenue for the National Government shall, not later than three days after receiving it, deliver the revenue to a receiver or collector of revenue for the National Government.

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

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

REPORT ON THE 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, except for the effect of the matters described in the Basis for

Conclusion on the Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Capacity in Internal Audit Unit

As previously reported, review of the staffing levels in the Internal Audit Department revealed that the Department has only one Officer instead of two after the resignation of the systems auditor in May, 2022. The remaining member of staff is currently serving as the Head of the Internal Audit Unit and is placed at BRS Grade 4. This is contrary to the Head of Public Service Circular dated 11 March, 2020, which directed that the Head of Internal Audit be placed between level 2 and 3 of the grading structures. Further, the current staff establishment of only two auditors is considered insufficient to ensure adequate risk management and governance.

In the circumstances, the effectiveness of the internal audit department as an independent, objective assurance and advisory service to the Service could not be confirmed.

2. Lack of Service Level Agreements for the Financial Service Providers

As previously reported, review of records provided revealed that revenue collection for the Business Registration Service (BRS) was being undertaken by the E-Citizen platform, which was contracted by the Government Digital Payment Unit (GDPU). However, the Service Level Agreements (SLAs) intended to establish a formalized service management process between the BRS and the service providers were not provided for audit review.

In the circumstances, the effectiveness of controls over revenue collected under the E-Citizen platform could not be confirmed.

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

Responsibilities of Management and Those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

25 November, 2025

BUSINESS REGISTRATION SERVICE
 REVENUE STATEMENTS FOR THE PERIOD
 FOR THE PERIOD ENDED 30 JUNE, 2025

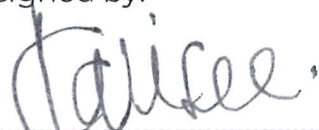
7. Statement of Financial Performance for the year ended 30th June 2025

Description	Notes	2024-2025 Kshs
Revenue from non-exchange transactions		
Miscellaneous Revenue	5	129,968
Sub-total		129,968
Revenue from exchange transactions		
Sale of Goods and Services	6	1,310,890,034
Sub-total		1,310,890,034
Total revenue		1,311,020,002
Expenses		
Disbursements to Exchequer Account	7	(1,318,812,300)
Bank Charges	7	(45,689)
Total expenses		(1,318,857,989)
Increase/Decrease in Disbursements Due to Exchequer		7,837,987

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 23/10/ 2025 and signed by:



Kenneth Gathuma, HSC
Director General




Erastus Mbalu
Deputy Director Finance &Accounts
ICPAK NO: 6469

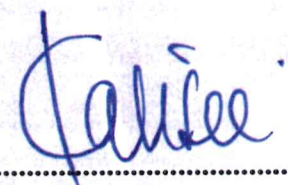
**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

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

Description	Note	2024-2025	Opening Statement 1 st July 2024
		Kshs	Kshs
Current Assets			
Cash and Cash Equivalents	8	425	331,414
Receivables from Non-Exchange transactions	9	21,536	32,765
Receivables from Exchange transactions	10	17,179,974	24,675,743
Total Current Assets		17,201,935	25,039,922
Total Assets		17,201,935	25,039,922
Current Liabilities			
Dues to Exchequer	12	17,201,935	25,039,922
Total Current Liabilities		17,201,935	25,039,922

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 23/10/ 2025 and signed by:

.....

Kenneth Gathuma, HSC
Director General

.....

Erastus Mbalu
Deputy Director Finance &Accounts
ICPAK NO: 6469

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

9. Statement of Cash Flows for the Year Ended 2025

Description	Note	2024-2025
		Kshs
Operating Activities		
Receipts		
Miscellaneous receipts	5	129,968
Sale of Goods and Services	6	1,310,890,034
Total Receipts		1,311,020,022
Payments		
Disbursements To Exchequer Account	7	(1,318,812,300)
Bank Charges	7	(45,689)
Total Payments		(1,318,857,989)
Net Cash from operating Activities		(7,837,987)
Cash and Cash Equivalent as at 1 st July 2024	8	25,039,922
Cash and Cash Equivalent as at 30th June 2025	8	17,201,935

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

**10. Statement of Comparison of Budget and Actual Amounts for the
Year ended 30th June 2025**

Description	Original Targets	Adjustm ents	Final Targets	Actual	% Realized
	Kshs	Kshs	Kshs	Kshs	
Revenue from non- exchange transactions					
Miscellaneous Revenue	125,000	0	125,000	129,968	104%
Sub Total	125,000	0	125,000	129,968	104%
Revenue from exchange transactions					
Sale of Goods and Services	1,023,888,728	175,199,536	1,199,088,264	1,310,890,034	109%
Sub Total	1023,888,728	175,199,536	1,199,088,264	1,310,890,034	109%
Total Revenues	1,024,013,728	175,199,536	1,199,213,264	1,311,020,002	109%

11. Notes to the Financial Statements

1. General Information

Receiver of Revenue was appointed by the Cabinet Secretary, National Treasury in accordance with section 75 of the PFM Act. The Entity's principal activity is i.) Registration of Companies. ii.) Official Receiver's fees. iii.) Registration of Movable Property Security Rights. iv.) Hire Purchase Licensing. v.) Registration of Trusts as outlined in the appointment letter and section 75 of the PFM Act.

2. Statement of Compliance and Basis of Preparation

The revenue statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) and Section 82 of the Public Finance Management Act, 2012. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

Guiding note during the transition period:

The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS), or the entity has taken advantage of the transitional provisions under IPSAS 33 and therefore these 1st/2nd/3rd/years financial statements are transitional financial statements and the following elements of the financial statements have not been recognized as the entity has taken advantage of the transition provisions outlined in IPSAS 33. (entity to state the transitional provisions it has applied and the steps being towards full compliance with IPSAS Accrual).

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

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

The revenue statements have been prepared on the Accrual Basis of accounting.

These financial statements were authorized for issue by the accounting officer on 30th September 2025

3. Adoption of New and Revised Standards.

i) *New and amended standards and interpretations in issue effective in the year ended 30 June 2025.*

ii) *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025*

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p>

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

Standard	Effective date and impact:
	Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45- Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
IPSAS 46 Measurement	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

Standard	Effective date and impact:
	<p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47- Revenue</p>	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
<p>IPSAS 48- Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

Standard	Effective date and impact:
IPSAS 49- Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii) Early adoption of standards

The Service did not early-adopt any new or amended standards in the financial year or the entity adopted the following standards early (state the standards, reason for early adoption and impact on entity's financial statements.)

4. Significant Accounting Policies

a) Revenue

i. Revenue from non-exchange Transactions

Revenue from taxes, grants, fines, penalties and forfeitures is recognized when the event occurs and the asset recognition criteria is met. Revenue billed/assessed during the year but not yet collected is reported as a receivable in the statement of financial position.

ii. Revenue from exchange Transactions

Rendering of services

The *Receiver of Revenue* recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the Entity.

b) Budget

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

c) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank. Bank account balances include amounts held at the Kenya commercial bank.

d) Disbursements to the Exchequer

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

e) Comparative Figures

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

f) Subsequent Events

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

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

Notes to the Financial Statements

5. Miscellaneous Revenue

Description	2024/2025
	Kshs
Miscellaneous Revenue	129,968
Total Revenue	129,968

6. Sale of Goods and Services

Description	2024/2025
	Kshs
Official Receiver's Fees	4,235,824
Registration of Companies	1,285,590,260
Registration of Hire Purchase Agreement	3,150,000
Registration of Trust	5,132,950
Registration of Movable Property and Security Rights	12,781,000
Total Revenue	1,310,890,034

7. Disbursement to Exchequer Account

Descriptions	2024-2025
	Kshs
Amount received	1,318,857,989
Bank Charges	(45,689)
Total	1,318,812,300

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

Notes to the financial statements

8. Cash and Cash Equivalents

Name of Bank, Account No. & currency	Amount in bank account (local currency)	Exc. rate (if in foreign currency)	2024-2025	Opening Bal as at 1st Jul 2024
			Kshs	Kshs
Kenya Commercial Bank Name of Bank, Account No. 1252536569	425.00		425.00	331,414.00
Total	425.00		425.00	331,414.00

9. Receivables from non-Exchange transactions

Description	2024-2025	Opening Bal as at 1st Jul 2024
	Kshs	Kshs
Miscellaneous Revenue	21,536	32,765
Total	21,536	32,765

10. Receivables from exchange transactions

Description	2024-2025	Opening Bal as at 1st Jul 2024
	Kshs	Kshs
Sale of Goods and Services	17,180,399	25,007,157
Total	17,180,399	25,007,157

Notes to the financial statements

11. Prior year adjustments

Description	Opening Bal as at 1 st Jul 2024
	Kshs
Balance b/f	24,904,577
Adjustment	135,345
Total	25,039,922

12. Payables- Due to Exchequer

Payables	2024/2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Amount collected yet to be disbursed to Exchequer	17,201,935	25,039,922
Total Due to Exchequer	17,201,935	25,039,922

13. Movement Disclosure on Dues to Exchequer

Description	Amount
	Kshs
Opening Dues to Exchequer	25,039,922
Increase/Decrease in Dues to Exchequer	(7,837,987)
Closing Dues to Exchequer	17,201,935

Notes to the financial statements

12. Appendices

Appendix 1: Progress on Follow Up of Prior Year Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	<p>Lack of Capacity in Internal Audit Unit; The Internal Audit department has only one member of staff after the resignation of the systems auditor in May 2022. The member of staff in the Internal Audit Department is currently the Head of the Internal Audit function who is placed at the BRS grade 4. This is contrary to the Head of Public Service circular dated 11th March 2020 which directs</p>	<p>It is true that the Internal Audit unit is understaffed following resignation of the systems Auditor. Efforts to enhance the staffing capacity in the Internal Audit Function is underway. Board of Directors, in their meeting held on 25th June 2024 resolved for a redeployment of one suitable officer from the operations to the</p>	Resolved	

**BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>that the Head of Internal Audit be placed between level 2 and 3 of the grading structures. Further, the current staff establishment provides for only two (2) auditors in the Internal Audit department, which may not be adequate to ensure adequate risk management and governance</p>	<p>Internal Audit function to enhance the staffing capacity. The Officer was redeployed in November 2024. Management is also in the process of recruiting a replacement for the exited staff, system auditor.</p> <p>It's also worth noting that the Board of Directors resolved on 25th June 2024 to seek for a secondment of two (2) Internal Auditors from the National Treasury through the office of Solicitor General. Management prepared and delivered the letter on 30th September 2024.</p> <p>On the inappropriate placement of the Head</p>		

**BUSINESS REGISTRATION SERVICE
 REVENUE STATEMENTS FOR THE PERIOD
 FOR THE PERIOD ENDED 30 JUNE, 2025**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>of Internal Audit, the Board of Directors resolved in their meeting held on 25th June 2024 to elevate the position of the Head of Internal Audit at BRS to level 2, in compliant with the circular. The Board also resolved to conduct a suitability assessment on the current Head of Internal Audit Function, for the level 2, to ensure duly compliance to the circular from the Head of Public Service. Subsequently, the Board made a resolution on 4th December 2024, during their Quarter one (1) meeting for the FY. 2024/2025 to elevate the current Head of Internal Audit to level 2.</p>		

BUSINESS REGISTRATION SERVICE
 REVENUE STATEMENTS FOR THE PERIOD
 FOR THE PERIOD ENDED 30 JUNE, 2025

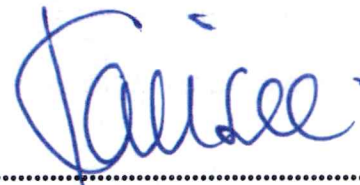
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2	Unresolved Prior Year Matter: ✓ Lack of Service Level Agreements for the Financial Service Providers; E-Citizen-pesaflow	i. The Government vide Gazette Notice Number 2725 dated 24th April,2014 appointed a task force to implement the Government Digital Payments with the mandate to implement the Government Payment Gateway and ensure that individuals and businesses are enabled to make payments into Government electronically through all available channels. ii. The mandate of the task force was captured in the Kenya Gazette special Issue no.	Resolved	

BUSINESS REGISTRATION SERVICE
REVENUE STATEMENTS FOR THE PERIOD
FOR THE PERIOD ENDED 30 JUNE, 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		9290 of 30th December 2014 through which the Cabinet Secretary, National Treasury introduced the Government Services Digital Payments Programme.		



.....
Kenneth Gathuma, HSC
Director General



.....
Erastus Mbalu
Deputy Director Finance &Accounts
ICPAK NO: 6469

Appendix 2: Statement of Arrears of Revenue as at 30th June 2025

Classification of Revenue	Balance as at 1st July 2024	Arrears received during the year	Additions in arrears for the current year to 30th June 2025	Total arrears as at 30th June 2025	Measures taken to recover the arrears	Assessment to the recoverability of arrears
	Kshs	Kshs	Kshs	Kshs		
Arrears of Revenue from Non-Exchange Transactions						
Miscellaneous Receipts	0	0	0	0		
Sub Total	0	0	0	0		
Arrears of Revenue from exchange transactions						
Sale of Goods and Services	0	0	0	0		
Sub Total	0	0	0	0		
Total Arrears	0	0	0	0		

.....
 Kenneth Gathuma, HSC
 Director General

Appendix 3: Ageing Analysis of Revenue in Arrears

Description	Less than 1 year	Between 1-2 years	Between 2-3 years	Over 3 years	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
Arrears of Revenue from Non-Exchange Transactions					
Miscellaneous Revenue	0	0	0	0	0
TOTAL	0	0	0	0	0
Arrears of Revenue from exchange transactions					
Sale of Goods and Services	0	0	0	0	0
Total (Agree to Statement of Arrears)	0	0		0	0
	<i>% of A*</i>	0	0	0	0