



BRS BUSINESS
REGISTRATION
SERVICE
Doing Business Made Easier




BUSINESS REGISTRATION SERVICE

PARLIAMENT
OF KENYA
LIBRARY

ANNUAL REPORT

FINANCIAL YEAR 2024/25

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 08 OCT 2025	DAY. TUE
TABLED BY:	Hon. Owen Baya Opp-Leader of the Maj. Party
CLERK-AT THE-TABLE:	M. Chumo

JULY 2025

Doing Business Made Easier

OUR MANDATE

Register Businesses

Maintain Business Records

Validate Charges and Debentures

Facilitate access to credit

Regulate Insolvency practice

Liquidate insolvent entities

Protect investors interest

Disseminate information

Build strategic collaborations

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LIST OF ACRONYMS

BOI -	Beneficial Ownership Information
BRS	Business Registration Service
DG	Director General
DJ	Department of Justice
FY	Financial Year
GPA	Group Personal Accident
ICPAK	Institute of Certified Public Accountants of Kenya
ICS	Institute of Certified Secretaries
ICT	Information Communication Technology
IPSAS	International Public Sector Accounting Standards
LSK	Law Society of Kenya
MOU	Memorandum of Understanding
MPSR	Movable Property Security Rights
MTEF	Mid-Term Expenditure Framework
OR	Official Receiver
OSHA	Occupational Safety and Health Administration
PBB	Programme-Based Budgets
PFM	Public Finance Management
PPAD	Public Procurement & Asset Disposal Act
PPR	Program Performance Review
PSC	Public Service Commission
SAGA	Semi-Autonomous Government Agencies
SLO	State Law Office

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.

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**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
- o

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

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**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.

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.

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**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.

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. Kenya Hotel Properties Ltd Company;
2. Kaimosi Friends University Council; and
3. National Government Constituencies Development Fund

She has previously served on the:

1. KIPPPRA Board;
2. Kenya Vehicles Manufacturers Board; and
3. LATF Advisory Board.

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

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**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).

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**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.

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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.

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, 2024

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Mr. Alex Muchira

Born on 20th January 1986, Alex is a Partner in the Corporate & Commercial Department at CMS Dalylnamdar 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.

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.

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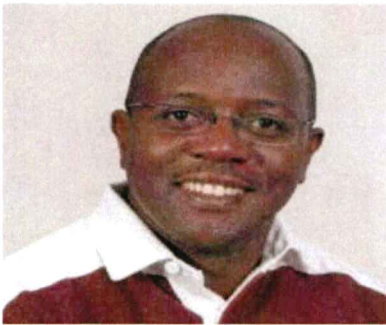
Ms. Emily Mworia

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.



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

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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 Institute 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 Mati 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.

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**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 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.

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.

KEY 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.

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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.

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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.

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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

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**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).

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**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.

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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

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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.

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.

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FY 2024/25 –KEY HIGHLIGHTS

138,000 Number of business entities registered	410.82 Average Number of Applications per day	378.08 Average Number of Registrations per day	92.03% Registration Efficiency
Kshs.1.311 Billion Revenue collected	127,298 MPSR notices registered	29,075 MPSR Searches conducted	13 Insolvency Matters Closed
53.49% Percentage of Private companies compliant with BO	49.92% Percentage of Business entities linked	87.63% of insolvency Proceedings resulted from financial distress	2,260 Number of applications received for business strike off
13.507% Percentage of strategy implemented	9.75 days Average time taken to register a business entity in July-Dec	98.044% Level of PC Implemented	49.0 Purchasing Managers Index ¹ .(PMI) As at June 2025
FY 2024/25 ACHIEVEMENT RATE			
ITEM	Actual	Target	% Achievement
Revenue	1,311,020,310	1,219,090,000	107.54%
Registration	138,000	150,100	91.94%
MPSR Searches	29,075	16,147	180.06%
MPSR Notices	127,298	138,476	91.93%
PC	98.044%	100%	98.044%
SP FY 24/25	13.507%	14.988%	90.118%
SP 23-28 Executed	31.77%	33.25%	95.55%

¹ The **Purchasing Manager Index (PMI)** assesses the business conditions of the manufacturing and service sectors of a country. Readings above 50.0 signal an improvement in business conditions on the previous month, while readings below 50.0 show a deterioration.

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EXECUTIVE SUMMARY

The Business Registration Service (BRS) continues to play a pivotal role in Kenya's economic landscape as a key business enabler. In line with the BRS Act, 2015, the Service remains committed to its core mandate: registering business entities, facilitating credit access through the Movable Property Security Rights (MPSR) system, and supporting businesses in financial distress through efficient liquidation processes that maximize recovery outcomes.

The execution of BRS's mandate is anchored in its Strategic Plan, which is cascaded into departmental strategies to ensure effective and seamless implementation. The overarching goal is to foster a conducive business environment for both local and foreign investors. To monitor our implementation, the service through the annual report indicates the progress and achievements on a year-to-year basis.

The Government priority is based on the Bottom- Up Economic Transformation Agenda (BETA). The agenda is geared towards economic turnaround and inclusive growth, and aims to increase investments in at least five sectors envisaged to have the largest impact and linkages to the economy as well as on household welfare. These include: Agricultural Transformation; Micro, Small and Medium Enterprise (MSME); Housing and Settlement; Healthcare; Digital Superhighway and Creative Industry. Special focus will be placed on increased employment, more equitable distribution of income, social security while also expanding the tax revenue base, and increased foreign exchange earnings. The Service will contribute to the BETA framework in the following areas.

Micro, Small and Medium Enterprise (MSME): The Government seeks to support the small and micro enterprises to thrive through interventions to correct market failure problems at the bottom of the pyramid and to cushion the MSMEs against high cost of credit. This program aims to lift those at the bottom of the pyramid through structured products in personal finance that includes savings, credit, insurance and investment. The service has continuously supported this initiative through Movable Property Security Right regime which has facilitated access of credit using movable properties. As a result of this initiative, an approximate amount of 6,501.74 billion has been accessed through 208,436 diversified types of collateral. Further the Plan has a well thought out plan on how to enable MSMEs to formalize their businesses.

Further, in support of access to credit, the Service through the Movable Property Security Rights (MPSR) Registry facilitated the registration of 138,476 MPSR notices on the S-Collateral system. This demonstrates a growing reliance on the registry as a trusted platform for securing credit using movable assets. In the same period, 16,147 collateral searches were conducted by investors, signaling increased confidence in and utilization of the system as a single source of truth on asset-backed lending.

With an aim to support startups and formalization of business entities, the service, registered 138,000 business entities in the Financial Year 2024/25, marking a 1.3% increase from the 136,209 entities registered in FY 2023/24. This growth reflects continued investor confidence and an improved registration process as well as an expansion of the tax base. Enhancing the formalization of businesses has helped to put more business under taxation and thereby broadening the tax base. To achieve this, out of 149,951 applications received for business registration, 138,000 were successfully processed, translating to a 92.03% efficiency rate an improvement from 90.37% recorded in the FY 2023/24. Through registrations and other post registrations service, the service collects revenue on a daily basis. In this financial year, the service collected a total revenue of 1.31 billion.

This enhanced performance is attributed to ongoing system improvements and Business Process Re-engineering initiatives. Additionally, during the same period, the Service processed 2,260 applications for the dissolution of business entities, ensuring orderly market exits in compliance with legal and procedural standards. The Government seeks to promote investment in the digital superhighway and the creative economy in order to further enhance productivity and overall competitiveness. The priority of the Government is to enhance Government service delivery through digitization and automation of all government critical processes and make available 80 per cent of government services online. Currently the service has more than 85% online.

The Government has prioritized the foreign exchange as a key pillar of growth and area of priority. In the financial year 2024/25, the service registered a total of, The Strategic Plan will be a major player here by registration of foreign companies which enables foreign companies to invest or set up business in Kenya. To sustain resource within the government sustainability: The Government seeks to ensure that its expenditure is financed within a budget deficit target of 3 per cent by financial year 2026/27. The service plays a big part in raising of Government revenue to ensure that the target of 3% deficit is attained through efficient management of fees collection process from the services offered.

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To promote transparency and accountability in the business environment, a total of 65,570 private companies declared their Beneficial Ownership (BO) information during the financial year. This effort increased the overall compliance rate from 48.96% at the beginning of the year to 53.49% by year-end, marking a significant step toward greater corporate disclosure. The Business Registration Service also played a key role in Kenya's first national risk assessment for legal persons and legal arrangements. The assessment aimed to evaluate the vulnerability of these structures to misuse for money laundering and terrorism financing, aligning with global standards on anti-financial crime measures.

On the data and records management front, the verification rate of company records improved from 46.84% to 49.92%, representing a 3.08% increase. Additionally, substantial progress was made in the development of a comprehensive master list, which reached 99% completion across three core data systems: (a) Private Company (PVT) & eCitizen records, (b) BPMS datasets, and (c) Permit Flow systems. These milestones underscore the Service's unwavering commitment to strengthening corporate governance, enhancing data integrity, and advancing Kenya's anti-money laundering and counter-terrorism financing (AML/CFT) agenda.

To support businesses in financial distress, the Service continued to provide insolvency proceedings aimed at facilitating fair and structured resolutions. During the reporting period, 97 applications were received, comprising 27 liquidation petitions, 18 administration filings, and 7 receivership cases, reflecting growing demand for formal insolvency mechanisms due to unmet financial obligations. Additionally, 13 insolvency matters were concluded, indicating an average closure rate of approximately one case per month.

To enhance the business environment, the Business Registration Service (BRS) undertook a series of strategic legal reforms during the year. Notably, the Service spearheaded the development of the Trust Bill, aimed at addressing Kenya's Financial Action Task Force (FATF) Action Plan and reforming the trust regime by consolidating previously fragmented legislation governing trusts.

Additionally, BRS developed two key regulatory instruments: the Companies (Foreign Companies) Regulations and the Companies (Annotation and Rectification) Regulations, both of which are critical to improving regulatory clarity and operational efficiency in corporate governance. In terms of legal case management, 86 cases were concluded during the year—a 38.89% increase compared to the 62 cases closed in FY 2023/24. Of these, 36 cases were resolved in favor of BRS, effectively shielding the Service and the Government from potential financial liabilities.

The Service maintained a proactive approach to enterprise risk management by continuously monitoring five key risks: legal, ICT system, strategy implementation, and data risk. This vigilance underscores BRS's strong commitment to institutional resilience, service continuity, and sound risk governance.

In FY 2024/25, the Service attended to 54,766 walk-in customers, while the call center handled 141,664 incoming calls, successfully responding to 94,232, resulting in an average response rate of 66.52%. The highest response rate was recorded in October at 76.82%, while the lowest was in June 2025 at 58.11%, highlighting opportunities for enhancing support capacity during peak periods.

The Service also recorded 6,092,790 website impressions and 409,902 user clicks from audiences spanning multiple continents demonstrating increased digital visibility, user engagement, and growing public reliance on online service channels. To further enhance the customer experience, the Service conducted its second Customer Satisfaction Survey, which recorded a satisfaction score of 78.5%, marking a 4.34% increase from the previous year's 74.16%. This positive trajectory underscores the impact of continuous service improvements and the Service's unwavering commitment to citizen-centric service delivery.

To raise public awareness and strengthen its brand presence, the Business Registration Service actively participated in key national events. It showcased its core services during the eCitizen Anniversary Celebration, held from 26th to 28th November 2024 at the Kenyatta International Convention Centre (KICC). As a key stakeholder in the Micro, Small, and Medium Enterprises (MSMEs) sector, BRS also exhibited at the 2024 Kenya Bankers Association Inua Biashara Expo, held on 17th October 2024, also at KICC.

Additionally, the ICT Department represented the Service at the Africa Region Cybersecurity Collaboration Symposium, organized by the Communications Authority of Kenya, reaffirming BRS's commitment to digital resilience and the adoption of cybersecurity best practices.

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The Service continues to encounter several challenges that hinder optimal performance, including inadequate budgetary allocations, limited ICT infrastructure, gaps and inconsistencies in the legal framework, sub-optimal staffing levels, low public visibility, and limited compliance with statutory obligations.

Looking ahead, the Service is committed to enhancing its delivery to citizens by leveraging technology-driven innovations and continuous service improvement initiatives. This will be achieved through ongoing Business Process Re-Engineering (BPR), system upgrades, and legal reforms to align the regulatory framework with emerging business needs. In addition, the Service plans to automate remaining manual processes, decentralize service delivery points, simplify compliance procedures, and intensify public awareness campaigns to strengthen its visibility and promote greater engagement with the Business Registration Service.

CHAPTER ONE

1 INTRODUCTION

1.1 Background Information

The Business Registration Service (BRS) is a State Corporation established under the Business Registration Service Act, 2015. The mandate of the Service is to administer laws relating to the incorporation, registration, operation and management of companies, partnerships, and firms. In connection with this, BRS is required to:

- (a) Carry out registrations required under the various acts governed by the Service;
- (b) Maintain registers, data and records on registrations carried out by the Service;
- (c) Implement relevant policies and guidelines and provide the Cabinet Secretary with necessary information to guide the formulation of policy and amendment of existing policy and guidelines;
- (d) Carry out research and disseminate research findings in fields covered by relevant laws through seminars, workshops, publications and to recommend to the Government any improvement in the relevant laws;
- (e) Collaborate with other state agencies for effective discharge of its functions;
- (f) Charges fees for any service performed by the Service; and
- (g) Performs such other functions as may be necessary under the Business Registration Service Act.

1.2 Rationale of Preparation of the Annual Report

The preparation of this annual report has been guided by Section 28 of the BRS Act 2015 which requires the Board to prepare an annual report for each financial year and submit the annual report to the Cabinet Secretary for onward transmission to the National Assembly three months after the end of the year to which it relates.

The annual report should contain, (a) the financial statements of the Service; (b) a description of the activities of the Service; (c) such other statistical information as the Board may consider appropriate relating to the functions of the Service; (d) the impact of the exercise of the mandate or functions of the Service; (e) the progress and the welfare of the members of staff of the Service, including matters relating to housing, insurance, safety equipment and the conditions of Service; (f) the gender, regional and ethnic diversity in the Service; and (g) any other information relating to the functions of the Service that the Board considers necessary. The Report should be published and publicized as advised by the board.

1.3 Organizational Chart

The topmost decision-making organ is the Board of Directors who make policy and strategic decisions on the operations of the Service. The coordination of the day-to-day operations of the Service activities is done by the Director General assisted by the staff in different departments as shown in the organ chart.

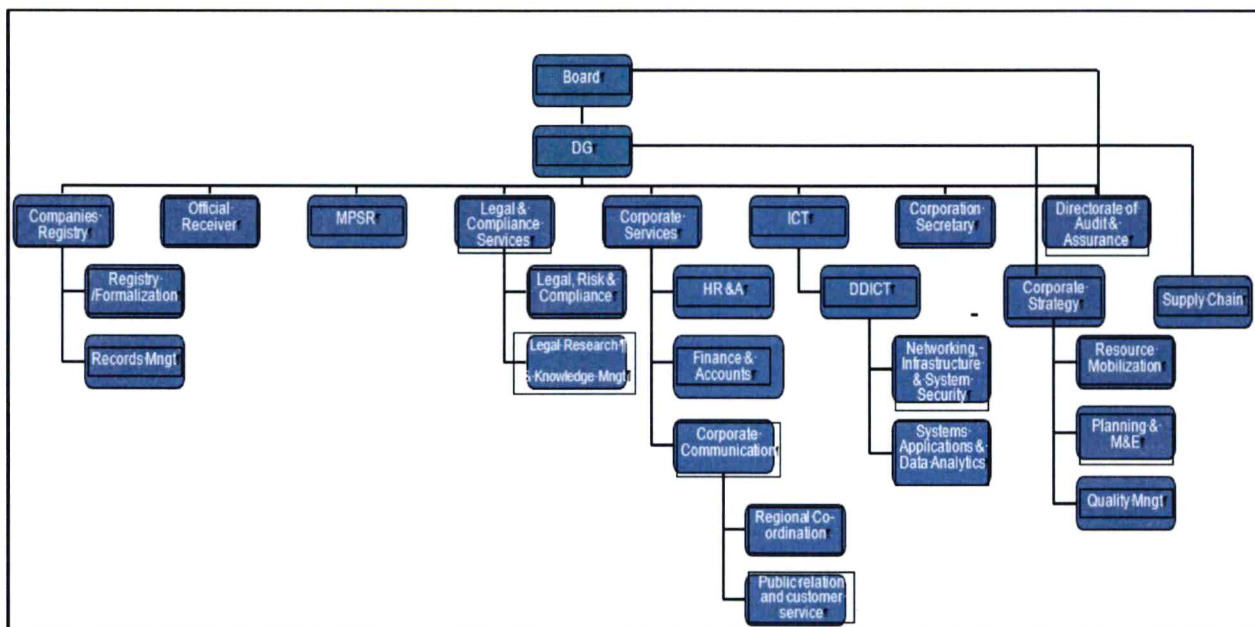


Figure 1: 1 Organizational Chart

1.4 Fiduciary Oversight Structure

The Service is governed by the Board of Directors which executes the following: formulates and reviews policies of the Service; ensures that the Service performs its functions; monitors and evaluates the performance of the Service; appoints, trains, disciplines, and removes members of staff of the Service; establishes departments within the Service and allocates responsibilities to such departments.

The Board has four standing Committees to which it has delegated key responsibilities. Each Committee meets at least four times a year under the terms of reference approved by the Board.

The main responsibilities of the Committees are as follows;

1.4.1 The Audit and Governance Committee

The principal responsibilities of the Committee are to oversee, advise, and make appropriate recommendations to the Board on the financial statements, including the effectiveness of the internal control system, review of the terms of reference of the Committee, and the Board charter. The Committee is also responsible for evaluating the effectiveness of the Internal Audit function.

1.4.2 The Human Resource and Finance Committee

The principal responsibilities of the Committee are to consider, advise and make appropriate recommendations to the Board on all aspects of human resource management strategy including policy and procedures, track and review the performance of staff members, consider annual capital, income and expenditure budgets as well as review financial performance against budget and plans.

1.4.3 The Compliance and Risk Committee

The principal responsibilities of the Committee are to consider, advise and make appropriate recommendations to the Board on all aspects of compliance and risk management. The Committee oversees and makes appropriate recommendations to the Board on the implementation of processes, systems and risk management in the Service.

1.4.4 The Technical and Strategy Committee

The principal responsibilities of the Committee are to oversee, advise, and make appropriate recommendations to the Board on implementation of the strategic plan, strategies, and policies and to advise the Board on any significant changes and emerging trends in the organization's operating environment.

1.5 Institutional Structure

The Service is comprised of the following administrative departments namely: -

- i) Executive Office
- ii) Companies Registry;
- iii) Official Receiver
- iv) Department of Movable Properties Securities Rights Registry;
- v) Directorate of Legal, Compliance and Research;
- vi) Directorate of Corporate Services;
- vii) Directorate of ICT
- viii) Office of the Corporation Secretary;
- ix) Supplies Chain Management Unit; and
- x) Internal Audit Unit.

1.5.1 Executive Office

The Office is headed by The Director General /Chief Executive Officer (CEO) who is also responsible to the Board for the day-to-day affairs of the Service. The function of the Office includes: Ensuring the implementation of the Board's decisions in an effective, efficient, result oriented, and timely manner; coordinating the development and implementation of the education, training, research, administrative and financial policies of the Service, functions and Strategic Plan; managing, directing, organizing and administering all the activities of the Service; organizing, controlling and managing members of the Service; ensuring effective communication between the management and the Board; maintaining a conducive work environment for attracting, retaining, and motivating employees, fostering local and international partnerships with institutions of research and other agencies; and mobilizing financial and other resources for the Service.

1.5.2 Companies Registry

The Directorate of Company Registry is headed by the Company Registrar who reports to the Director General. The Department of Companies 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 (iv) Partnerships, Insolvency Act 2015, Movable Property Security Rights Act 2017, among others. The functions of the Department entail. Registration of Limited Liability Companies; Registration of Limited Liability Partnerships; Registration of Business Names; Registration of debentures and charges; Maintenance of various statutory records under the above Acts; and enforcing compliance with the laws administered by the Registrar.

1.5.3 Official Receiver

This directorate is headed by the Official Receiver, who reports to the Director General. The roles of the department entail: receiving, approving, and issuing insolvency licenses to qualified insolvency practitioners; supervising insolvency practitioners in matters of bankruptcy of natural persons/alternative to bankruptcy, liquidation and administration of insolvent companies; administration of the insolvent deceased estate; act as interim in respect of debtors property; investigating the conduct of the debtor and reporting to court; verifying proofs, petitions, affidavits administered under the insolvency act; advertising the bankruptcy orders and reporting to the creditors of any voluntary arrangement which the debtor/company may have made with respect to liquidating the debts among others.

1.5.4 Movable Properties Securities Rights Registry

The Department of Movable Properties Securities Rights Registry is headed by the Deputy Director Registrar, Movable Properties Securities Rights who is responsible to the Director General for the overall coordination and management of the Movable Properties Securities Rights Registry function at the Service. The Movable Property Security Rights Act, 2017 is the principal Act governing the registration of Security Rights in the Movable Property Securities Rights Registry. The functions of the Department entails: Registration of Security rights; renewal of registered Security Rights; registration of transfer of Security Rights; and Litigating in matters where the Director General is a party in a suit.

1.5.5 Directorate of Legal, Compliance and Research

The Directorate of Legal, Compliance and Research is headed by the Director, Legal Compliance and Research who reports to the Director General for the overall coordination and management of the Legal, Compliance and Research function at the Service.

The functions of the Directorate entail: developing, reviewing and implementing the Services' legal policies, contracts, Memorandum of Understanding (MOUs) and all other legal documents; safeguarding the legal interests of the Service by advising on and ensuring compliance with all statutory requirements; ensuring relevant policies are implemented in line with the existing guidelines; providing the necessary information to guide the formulation and amendment of relevant policies and guidelines; carrying out research and disseminating research findings in the fields covered by the relevant laws through seminars, workshops, publications or other means; recommending to the Government any improvements in the relevant laws; ensuring that the Service complies with statutory and other regulatory requirements by undertaking periodic legal audit compliance; drawing and processing legal notices and other gazette notices to be issued by the Service; drawing contracts, agreements, leases and other legal documents and vetting those drawn by other parties; coordinating the review of laws, bylaws and regulations relating to the Service; and creating linkages with professional bodies on matters of development of the legal framework.

The Department is further organized into two (2) Divisions namely:

- i) Legal and Compliance Division; and
- ii) Research Division.

1.5.5.1 Legal and Compliance Division

The Legal Division is headed by the Director, Legal and Compliance, who reports to the Director of Legal Services for the overall management of the Legal and Compliance function in the Division. The functions of the Legal Division are developing, reviewing, and implementing the Services' legal policies, contracts, Memorandum of Understanding (MOUs), and all other legal documents; preparing court records and forwarding them to the appropriate courts; preparing Legal opinions; opening case files for cases instituted before the Service; fixing hearing dates; preparing case files for hearing; undertaking litigation for the Service; undertaking investigations and prosecutions; issuing notices on non-compliance; and undertaking mediation.

1.5.5.2 Research Division

The Research Division is headed by Deputy Director, Legal Research, who reports to the Director, Legal Services for the overall management of the Research function in the Division. The functions of the Research Division entail; conducting all research activities at the Service; undertaking legal research on emerging trends; undertaking law review and research relating to applicable laws; developing research agendas and, tools and providing leadership in data collection, analysis, presentation, and compiling reports; creating linkages with professional bodies on matters of development of the legal framework; and developing, managing and ensuring safe custody of all research-based databases at the Service.

1.5.6 Directorate of Corporate Services

The Corporate Services Directorate is headed by a Director, Corporate Services, who reports to the Director General for the overall coordination and management of the Corporate Services function at the Service.

The Department oversees the development of effective policies and efficient systems, controls, and procedures for all matters relating to Human Resource and Administration, Finance, Planning and Corporate Communication; coordinates and directs all support services and activities relating to Human Resource and Administration, Finance, Planning and Corporate Communication; provides technical advice and guidance in all matters relating to Human Resource and Administration, Finance, Planning and Corporate Communication; promotes corporate brand and image of the Service; spearheads Corporate Social Responsibility programs and overseeing maintenance, repair and construction activities in the Service.

Further, the directorate spearheads change management processes across all areas of responsibility as required through the planning, leading and implementation of change to ensure support functions provide efficient and cost-effective services for the organization; oversees the implementation of HR processes for staff performance management and when necessary, the initiation and following through of disciplinary and grievance procedures; ensures adequate internal controls and compliance with the applicable laws, policies and procedures on Human Resource and Administration, Finance, Planning and Corporate Communication.

The directorate is also responsible for analyzing and interpreting policy issues, reporting, monitoring, and evaluating and providing feedback on Human Resource and Administration, Finance, Planning and Corporate Communication activities in the Service; and is Responsible for the preparation of Board papers for deliberation and decision making by the Board members on matters relating to Human Resource and Administration, Finance, Planning and Corporate Communication.

The Department is comprised of the following two (2) Divisions and two (2) Units:

- i) Human Resource and Administration Division;
- ii) Finance and Accounts Division;
- iii) Corporate Strategy Unit;
- iv) Corporate Communication Unit.

1.5.6.1 Human Resource and Administration Division

The Human Resource and Administration Division is headed by a Deputy Director, Human Resource and Administration, who reports to the Director, Corporate Services for the overall coordination and management of the Human Resource and Administration function at the Service.

The division initiates, formulates, promotes and implements human resource and administrative policies, strategies and procedures; provides advice on matters relating to implementation, interpretation, application and enforcement of staff rules and regulations (disciplinary management); recruits and retains highly qualified human resources; administers employees' benefits, remuneration and payroll records management; coordinates human resource planning; develops capacity building programs and strategies; coordinates organizational transformation and development; formulates and implements performance management systems; manages staff welfare and employee relations; coordinates all matters pertaining to general office administration and security; ensures efficient management of the Service's office environment, facilities and assets; allocates office space, manages transport and common user facilities; develops, advises and implements security and safety policies and procedures; coordinates registry services in BRS; and coordinates staff meetings.

1.5.6.2 Finance and Accounts Division

The Finance and Accounts Division is headed by a Deputy Director who reports to the Director, Corporate Services, for the overall coordination and management of the Finance and Accounts function at the Service.

The Function of the Division entails:-overseeing the development and maintenance of an efficient financial management, organizational governance and administration system in accordance with the financial procedures of the Service and international accounting standards and best management practices; providing professional advice to management on financial planning, budgeting, cash flow and investment; ensuring effective and timely financial management on all the Service's matters and report in accordance with the laid down guidelines; administering and monitoring the Service's budget and work plan in accordance with the Service's financial management procedures in consultation with departmental heads; ensuring statutory deductions are remitted to relevant authorities; liaising with heads of departments and divisional heads to ensure economic and efficient use of the Service's resources; liaising with tax authorities to ensure compliance with the laid down internal and external regulations; overseeing effective accounting management to ensure effective applicable laws, policies and procedures; overseeing mobilization of Resource for the Service; and coordinating external audits and follow up actions with other departments.

1.5.6.3 Corporate Strategy Unit

The Corporate Strategy Unit will be headed by a Senior Planning Officer, Job Grade BRS 4, who will be responsible to the Director, Corporate Services for all planning services, monitoring and evaluating programs and projects of the Service.

The Functions of the Unit entail; Formulation, review and interpretation of planning, monitoring and evaluation policies; coordinating the development, review and implementation of the Service's strategic plan and Service Charter; coordinating the development, implementation and evaluation of the Service's performance contract and master plan; coordinating the development of departmental work plans and aligning them to the budget; coordination and the preparation of ministerial public expenditure review (MPER) and mid-term expenditure framework (MTEF) budget; prioritization of projects and processes for MTEF in accordance to budget calendar; monitoring, evaluation and reporting on progress in the implementation of projects and programs; coordination of economic analysis and strategies; preparation of development plans; economic modeling and forecasting; compilation and interpretation of statistical data; feasibility studies on all service delivery projects; and service delivery surveys.

1.5.6.4 Corporate Communication Unit

The Corporate Communications Unit is headed by the Senior Corporate Communications Officer who reports to the Director, Corporate Services, for the overall management of the Unit. The function of the unit entails promotion of corporate brand and image of the Service; development and implementation of a communications strategy; coordination of Corporate Social Responsibility programs; coordination of Media events and publicity programs; overseeing customer care services; assessing media activity in relation to the Service and coordinate responses where appropriate; development and dissemination of corporate and promotional materials in liaison with relevant Departments; overseeing engagement and presence of the Service in the Social Media; overseeing and coordination of website content and updates; coordinating official communication with the media and coverage of Service events and activities; production of brochures, handouts, direct mail, leaflets, promotional videos, photographs films and multimedia programs in liaison with relevant Departments; organization of press conferences exhibitions, open days, tours competitions and sponsorship; and preparation of and edit publishing press releases, newsletters, features, speeches, articles, media supplements and documentaries.

1.5.7 Directorate of Information Communication Technology (ICT)

The Information Communication Technology Directorate is headed by a Director ICT who reports to the Director General for the overall coordination and management of the Information Communication Technology function at the Service. The Function of the Directorate entails; planning, coordination and implementation of Information Communication Technology (ICT) policy, systems and strategies; coordination of the information systems network; managing local, intra and wide area networks; managing bandwidth and e-security; designing and updating web-portals, websites and provision of webmaster services; analyzing and review operational and business workflows; identifying areas of improvement and automation and implement proposed solutions; ensuring information security; keep custody of the key database and application systems passwords; evaluation, configuration and installation of new hardware and software; carry out systems analysis; and drawing specifications, systems and user-friendly documentation.

1.5.8 Independent Unit Functions

1.5.8.1 Supply Chain Management Unit

The Supply Chain Management Unit is headed by a Senior Supply Chain Management Officer who reports to the Director General for the overall coordination and management of the Supply Chain Management function at the Service.

The functions of the Unit entail: overseeing the procurement processes and procedures to ensure compliance with the Public Procurement and Disposal Act and Regulations; formulation and implementation of supplies and stores policies including effective stock control systems; creating liaisons with the National Treasury and the Public Procurement Oversight Authority on matters related to procurement and asset disposal; implementing procurement decisions and coordinating procurement activities in the Service; preparing annual procurement plan for goods and services; consolidated procurement and asset disposal plans; procuring required goods at the most competitive and economical prices; conducting boarding and disposal of unserviceable and/or other stores; maintaining updated lists of pre-qualified and approved suppliers; participating in the preparation of the annual budget and annual procurement plans and maintaining accurate records as required. The unit also coordinates the evaluation of tenders, quotations, and proposals among other duties.

1.5.8.2 Office of the Corporation Secretary

The Corporation Secretary reports to the Director General for the overall coordination and management of the Corporation Secretary function at the Service. The functions of the Corporation Secretary entails providing guidance responsibilities and on matters of governance, assisting the Board in carrying out Board induction and training; updating the Board and Committee Charters; preparing Board work plans ; Board evaluation; Governance audit; and implementing the code of conduct and ethics; ensuring the timely preparation and circulation of Board and Committee papers and minutes; providing custody of the seal of the Organization and account to the Board for its use; maintaining and updating the register of conflicts of interest; ensuring that Board members are aware of all relevant laws affecting the organization; facilitating effective communication between the organization and the shareholders; ensuring that annual returns are promptly filed with the relevant authorities; ensuring that Board and Committee papers are circulated in advance of any meeting; coordinating and conducting legal research for the Board; providing Legal advice to the Board; coordination and promotion of corporate brand and image of the Board; and liaising with the Office of the Attorney General on Legal matters.

1.5.8.3 Internal Audit Unit

The Internal Audit Unit is headed by the Head of Internal Audit who administratively reports to the Director General for day-to-day operations and directly to the Board for the overall coordination and management of the Internal Audit function at the Service. The Internal Audit Unit performs the following functions: carrying out timely and continuous audits, verify and monitor all financial transactions; liaising with external auditors on matters relating to management on all final audit queries; monitoring and evaluating procedures and processes of receiving, recording, and banking of cash;

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monitoring of expenditure; formulation and review the internal controls to ensure compliance with the set policies, procedures and governing legislations; ensuring accuracy of internal management reports; assurance of the effectiveness of the risk assessment and mitigation measures within the Service .

CHAPTER TWO

2 BRS PERFORMANCE AND ACHIEVEMENTS FOR THE FY 2024/25

2.1 Supporting the Bottom Up Economic Transformation Agenda(BETA)

The Government priority is based on the Bottom- Up Economic Transformation Agenda (BETA). The agenda is geared towards economic turnaround and inclusive growth, and aims to increase investments in at least five sectors envisaged to have the largest impact and linkages to the economy as well as on household welfare. These include: Agricultural Transformation; Micro, Small and Medium Enterprise (MSME); Housing and Settlement; Healthcare; Digital Superhighway and Creative Industry. Special focus will be placed on increased employment, more equitable distribution of income, social security while also expanding the tax revenue base, and increased foreign exchange earnings. The Service will contribute to the BETA framework in the following areas.

Micro, Small and Medium Enterprise (MSME): The Government seeks to support the small and micro enterprises to thrive through interventions to correct market failure problems at the bottom of the pyramid and to cushion the MSMEs against high cost of credit. This program aims to lift those at the bottom of the pyramid through structured products in personal finance that includes savings, credit, insurance and investment. The service has continuously supported this initiative through Movable Property Security Right regime which has facilitated access of credit using movable properties. As a result of this initiative, an approximate amount of 6,501.74 billion has been accessed through 208,436 diversified types of collateral. Further the Plan has a well thought out plan on how to enable MSMEs to formalize their businesses.

Further, in support of access to credit, the Service through the Movable Property Security Rights (MPSR) Registry facilitated the registration of 138,476 MPSR notices on the S-Collateral system. This demonstrates a growing reliance on the registry as a trusted platform for securing credit using movable assets. In the same period, 16,147 collateral searches were conducted by investors, signaling increased confidence in and utilization of the system as a single source of truth on asset-backed lending.

With an aim to support startups and formalization of business entities, the service, registered 138,000 business entities in the Financial Year 2024/25, marking a 1.3% increase from the 136,209 entities registered in FY 2023/24. This growth reflects continued investor confidence and an improved registration process as well as an expansion of the tax base. Enhancing the formalization of businesses has helped to put more business under taxation and thereby broadening the tax base. To achieve this, out of 149,951 applications received for business registration, 138,000 were successfully processed, translating to a 92.03% efficiency rate an improvement from 90.37% recorded in the FY 2023/24. Through registrations and other post registrations service, the service collects revenue on a daily basis. In this financial year, the service collected a total revenue of 1.31 billion.

This enhanced performance is attributed to ongoing system improvements and Business Process Re-engineering initiatives. Additionally, during the same period, the Service processed 2,260 applications for the dissolution of business entities, ensuring orderly market exits in compliance with legal and procedural standards. The Government seeks to promote investment in the digital superhighway and the creative economy in order to further enhance productivity and overall competitiveness. The priority of the Government is to enhance Government service delivery through digitization and automation of all government critical processes and make available 80 per cent of government services online. Currently the service has more than 85% online.

The Government has prioritized the foreign exchange as a key pillar of growth and area of priority. In the financial year 2024/25, the service registered a total of, The Strategic Plan will be a major player here by registration of foreign companies which enables foreign companies to invest or set up business in Kenya. To sustain resource within the government sustainability: The Government seeks to ensure that its expenditure is financed within a budget deficit target of 3 per cent by financial year 2026/27. The service plays a big part in raising of Government revenue to ensure that the target of 3% deficit is attained through efficient management of fees collection process from the services offered.

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During the financial year 2024/25, the Service recorded some notable progress and achievements during the year under review. The Performance and achievements of the Service presented in this section is in line with the strategic plan of the Service which has three main strategic focus areas namely: Business stability and growth, Value of data and Service delivery.

2.2 Business stability and growth

2.2.1 Business Registration and Support Services

2.2.1.1 Number of Businesses Registered

During the FY 2024/25, the Service registered a total of 138,000 business entities which comprised 73,624 Business Names, 62,287 Private Companies, 52 Public Companies, 185 Foreign Companies, 894 CLGs 522 LLPs, 48 LPs and 388 Trusts. This is an additional of 1791 registrations compared to the last FY 2023/24 thus a 1.31% increase.

Table 2:1 Number of Businesses Registered in FY 2024/25

Entity	Business Names	Foreign Companies	Companies Ltd by Guarantee (CLGs)	Limited Liability Partnerships (LLPs)	Limited Partnerships	Private companies	Public Companies	Trusts	Total Entities Registered
Jul	6,275	18	51	38	2	4,811	6	1	11,202
Aug	6,633	11	53	52	6	5,296	8	12	12,071
Sep	6,026	17	64	35	3	5,029	4	33	11,211
Oct	5,125	20	102	27	6	4,941	4	43	10,268
Nov	5,336	8	152	44	3	4,616	5	29	10,193
Dec	4,279	12	87	34	4	3,876	4	19	8,315
Jan	6,621	14	77	53	3	5,957	3	43	12,771
Feb	6,028	20	64	63	-	6,210	3	52	12,440
Mar	7,220	13	57	54	3	5,897	3	33	13,280
Apr	5,731	13	39	36	6	4,459	3	35	10,322
May	7,522	17	55	39	8	5,602	7	55	13,305
Jun	6,828	22	93	47	4	5,593	2	33	12,622
Total	73,624	185	894	522	48	62,287	52	388	138,000

Across the months, a wavy trend of registrations has been experienced subject to historical trend factors. For instance, the least number of registrations experienced in the month of December (8,315) is as a result of the long festivities during the month that alter the normal uptake of customer applications. This as well is monitored for the month of April (10,322) where the Easter holidays tend to disrupt the trend in registrations. The relatively high registrations observed at the start of the calendar year, January, shows the positivism by customers to make their contribution to the economy

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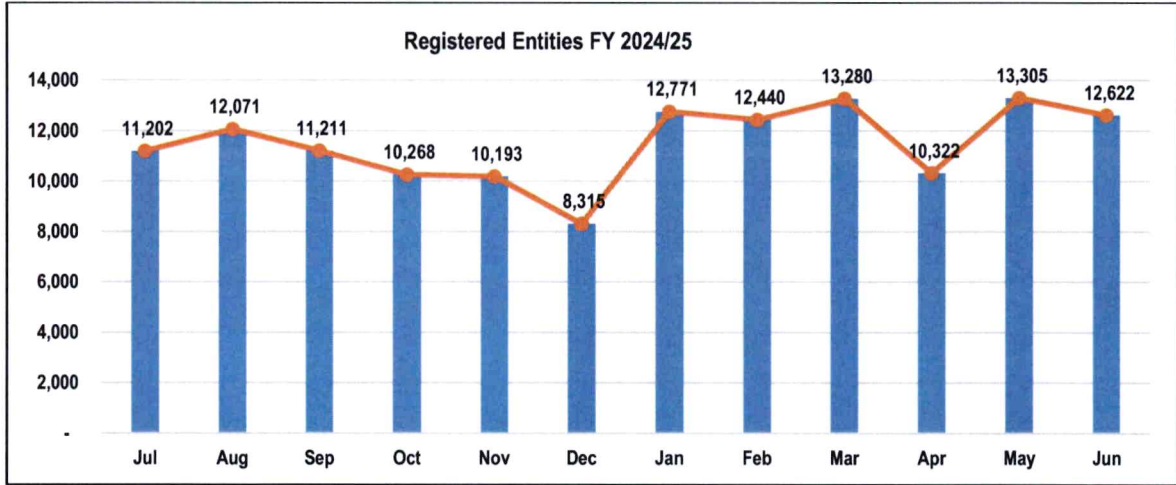


Figure 2:1 Number of Businesses Registered in FY 2024/25

A comparison with previous years shows that the number of businesses registered annually kept increasing over the years from FY 2020/21 to FY 2024/25. Although there was a drop in the number of businesses registered in the FY 2021/22 the overall trend for the last 5 years suggests a wavy trend in registrations.

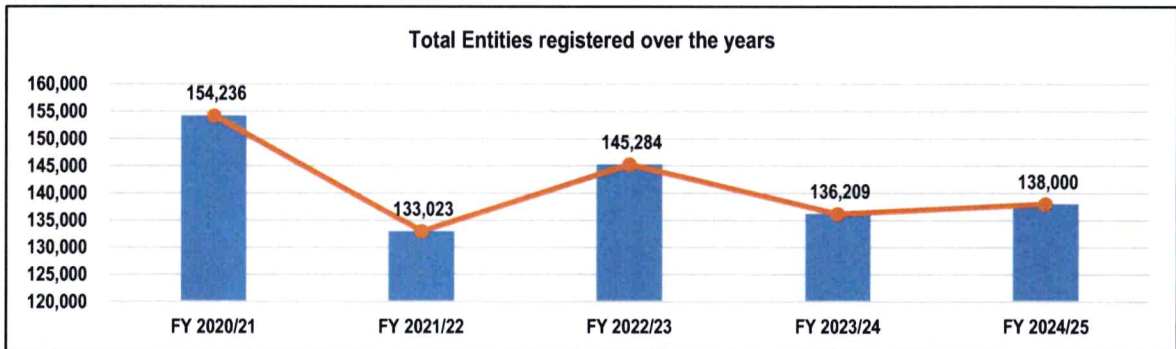


Figure 2:2 Number of Businesses Registered Over the Years

2.2.1.2 Total Number of Business Entities in the Register

Total business entities registered as of 30th June 2025 was 2,425,402 of which 64.64% (1,567,710) were business names followed by private companies accounting for 34.57% (838,355). The least type of business registered includes the (LLPs) (0.18%), Limited by Guarantee (CLGs) (0.18%) and the least being Limited Partnership (LPs) (66 entities) and Hire Purchase (22 entries).

Table 2:2 Total number of Business Entities in the Register FY 2024/25

Entity	FY 2024/25	Proportion%
Total to date-Business Names	1,567,710	64.64%
Total to date-Private companies	838,355	34.57%
Total to date-Foreign Companies	5,818	0.24%
Total to date-Public Companies	4,620	0.19%
Total to date-Limited Liability Partnerships (LLPs)	4,361	0.18%

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Total to date-Companies Limited by Guarantee (CLGs)	4,450	0.18%
Total to date-Limited Partnerships (LPs)	66	0.00%
Total to date-Hire Purchase	22	0.00%
Grand Total to date	2,425,402	100.00%

2.2.1.3 Number of Applications for Business Dissolutions

The Companies Registry received a total of 2,260 business applications for strike off from July 2024 to the end of June 2025. A comparison with previous years shows that the applications for strike-off has shown an overall decreasing trend. This suggests better economic conditions able to sustain existing businesses.

Tabular representation of Monthly Applications for Dissolutions

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Grand Total
Strike Off (Applications)	215	164	215	184	177	149	169	204	188	178	224	193	2,260

During this period, applications for dissolution over the years have gradually reduced from FY 2020/21 to FY 2023/24 before experiencing a slight increase in the current FY 2024/25 to 2260.

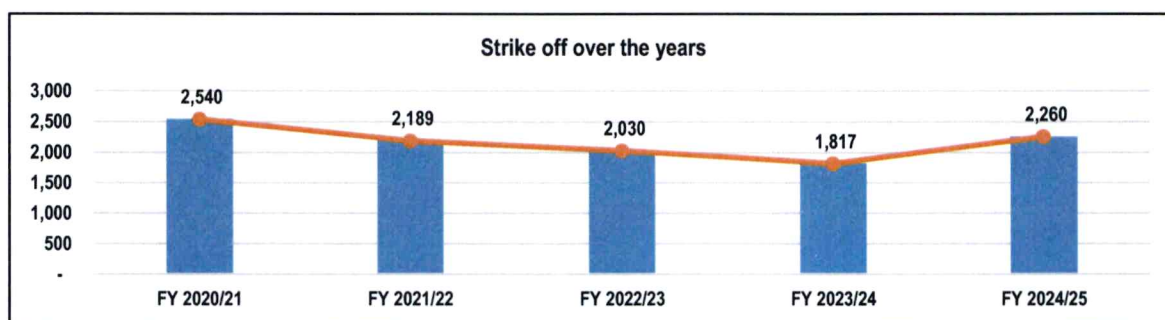


Figure 2:3 Graphical representation of Monthly Applications for Dissolutions up to June in FY 2024/25

2.2.1.4 Number of Applications vs Number of Registrations (Registration Efficiency)

During FY 2024/25, a total of 149,951 applications were made for registration of new businesses while the Service was able to register a total of 138,000 entities indicating an efficiency level of 92.03% thus indicating an improvement of 1.66% from the previous years' 90.37%. Further, the average number of applications made per month was 12,496 . Out of this , the service was able to register an average of 11,500. The service received 410.82 applications on average per day and was able to register 378.08. This indicates that the Service is not able to achieve a registration efficiency of 100%, which is the desired level. Notably, in the month of June 2025, we observe an efficiency level of 99.05%. To ensure an optimal efficiency level , the service needs to address the challenge revolving around staff capacity. In addition , full automation of the services from end to end to reduce human intervention, would improve the efficiency level. It is important to note that, compliance of the applications tend to vary, one of the reasons that could lead to the optimum efficiency level not been realized.

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Table 2:3 Monthly Registration Efficiency

Month	Total Applications	Total Entities Registered	Days per month	Av applications per day	Av registration per day	Registration efficiency
Jul	12,916	11,202	31	416.65	361.35	86.73%
Aug	12,387	12,071	31	399.58	389.39	97.45%
Sep	12,347	11,211	30	411.57	373.70	90.80%
Oct	11,127	10,268	31	358.94	331.23	92.28%
Nov	11,375	10,193	30	379.17	339.77	89.61%
Dec	8,948	8,315	31	288.65	268.23	92.93%
Jan	13,809	12,771	31	445.45	411.97	92.48%
Feb	13,801	12,440	28	492.89	444.29	90.14%
Mar	13,671	13,280	31	441.00	428.39	97.14%
Apr	12,502	10,322	30	416.73	344.07	82.56%
May	14,325	13,305	31	462.10	429.19	92.88%
Jun	12,743	12,622	30	424.77	420.73	99.05%
Total	149,951	138,000	365	410.82	378.08	92.03%

2.2.1.5 Beneficial Ownership Information

During the FY 2024/25, the proportion of companies declaring Beneficial Ownership information increased from 382,854 in July 2024 to 448,424 in June 2025 as shown in the table. This was an increase of 65,570 new companies that declared their BO information during the year. The rate of compliant companies with beneficial ownership grew from 48.96% to 53.49% during the reporting period, thus a growth rate of 4.53%.

Table 2:4 Tabular Representation of the BOI Compliance over the months

Month	Total to date-Private companies	Total BO Private	BO compliance
Jul	782,014	382,854	48.96%
Aug	787,344	388,962	49.40%
Sep	791,805	394,114	49.77%
Oct	796,131	399,198	50.14%
Nov	801,027	405,329	50.60%
Dec	805,575	410,779	50.99%
Jan	817,770	424,712	51.94%
Apr	828,790	435,743	52.58%
May	838,007	448,030	53.46%
Jun	838,355	448,424	53.49%

A graphical illustration showing the progression of the BO-compliant private companies from 48.96% to 53.49% recorded in FY 2024/25.

Graphical Representation of the BOI Compliance over the months

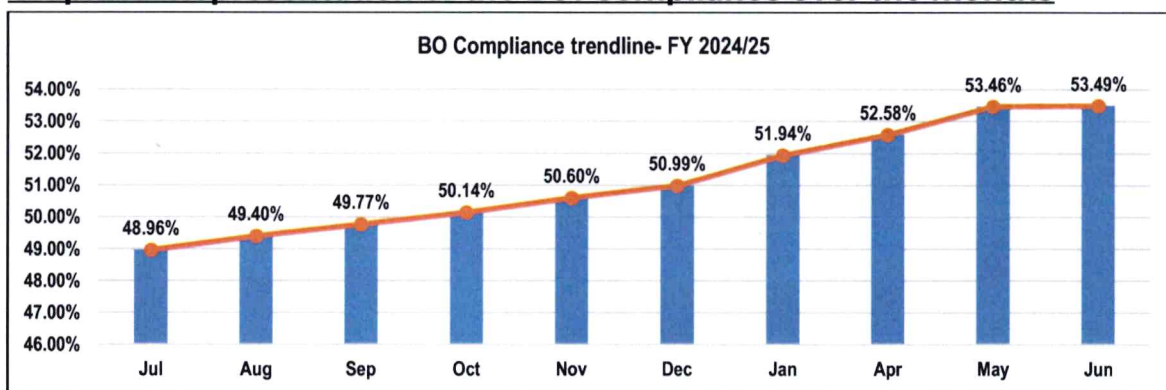


Figure 2:4 Graphical Representation of the BOI Compliance over the months

2.2.2 MPSR and Hire Purchase Registry

2.2.2.1 Registration of Security Interest Notices and Regulation of the Hire Purchase

The MPSR registry targeted to register 138,476 initial notices and 16,147 searches for the FY 2024/25. However, 127,298 initial notices were registered while 29,075 searches were conducted. This translates to an achievement of 91.93 % of the Notices while an over achievement of 180.06% of searches conducted.

Table 2:5 Registration of Security Interest Notices and Regulation of the Hire Purchase

	Actual	Target	Achievement
MPSR Initial Notices	127,298	138,476	91.93%
MPSR Searches	29,075	16,147	180.06%

2.2.2.2 Collateral Assets Used to Secure Credit

Since 2017, the Movable Property Security Rights has diversified types of collaterals used in securing credit . With diversification of up to 17 different types of collaterals used in securing credit, a total of 208,436 collaterals have been used to secure credit. An extract from the system indicated that during the period between July and June FY 2024/25, the most preferred type of movable collateral used to secure credit included motor vehicles (65,957), household items(49,737), livestock(23,686) and furniture (16,680).

Table 2:6 Tabular Representation of Collateral Assets Used to Secure Credit (July-June FY 2024/25)

Type of Collateral	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
Motor vehicle	5,084	5,579	5,413	4,207	4,601	4,222	5,980	5,952	5,949	6,331	6,759	5,880	65,957
Household items	4,061	3,900	3,516	3,621	4,194	3,883	4,291	5,379	4,731	4,125	4,247	3,789	49,737
Livestock	1,327	985	771	1,672	1,944	1,230	3,187	3,950	2,163	2,351	1,849	2,257	23,686
Furniture	1,693	1,108	869	1,347	1,554	977	1,520	2,028	1,899	1,379	1,139	1,167	16,680
Securities	498	471	490	727	1,754	935	2,668	2,229	1,292	909	668	1,604	14,245
Acquired property	873	869	887	773	893	765	847	937	415	808	261	351	8,679
Others	567	810	768	629	695	638	711	823	787	671	650	584	8,333
Equipment	600	434	462	569	550	442	688	1,231	904	689	580	745	7,894
Stock trade	618	797	697	693	707	529	646	641	654	593	619	501	7,695
Bank accounts	186	183	163	183	178	159	175	184	172	125	149	104	1,961
Immovable property	204	148	158	161	144	140	142	129	124	107	122	109	1,688
Inventory	129	23	12	183	92	25	56	47	37	19	19	29	671
Documents title	70	43	52	45	45	46	54	43	47	30	49	39	563
crops	25	11	19	24	20	16	42	34	37	44	46	29	347
Intellectual property	7	3	2	3	3	3	3	1		1	170	7	203
Consumer goods	5	4	4	4	4	3	1	3	1	1	11	22	63
Negotiable instruments		5	1	1	3	2	7	1		7	3	4	34
Grand Total	15,947	15,373	14,284	14,842	17,381	14,015	21,018	23,612	19,212	18,190	17,341	17,221	208,436

The figure shows that Motor vehicles, Household Items, Livestock and furniture were the most common movable properties used as collaterals to access credit.

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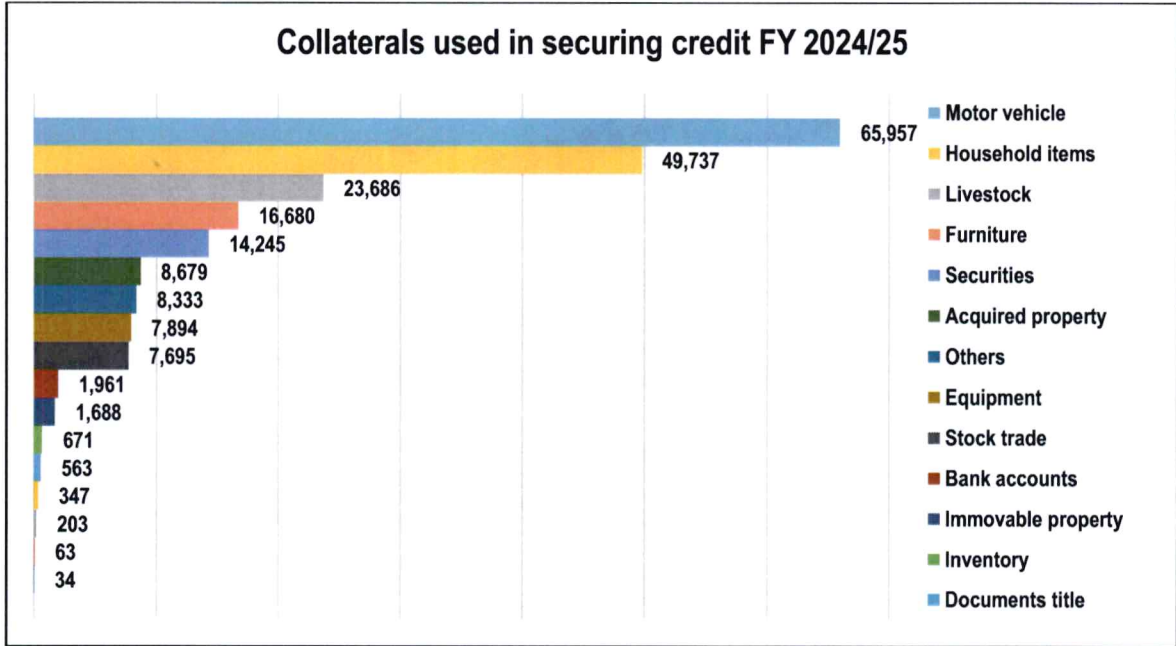


Figure 2:5 Graphical Representation of Collateral Assets Used to Secure Credit (July-June FY 2024/25)

2.2.2.3 Cumulative Credit Facilitated by MPSR to date in Kshs. Billions

During the FY 2024/25, the service facilitated credit approximately 6.501 trillion. This is based on amounts captured by the secured creditors on the MPSR system. The highest cumulative credit (approximately 1.8 trillion) was accessed in February

Table 2:7 Tabular Representation of Credit Facilitated by MPSR to Date in Kshs Billions

Month	Alien	Citizen	Foreign_comp any	Foreigner	Foreign_unincorporated	Local_comp any	Local_unincorporated	Grand Total
July	0.003	7.207	79.284	0.017	2.710	155.165	0.321	244.707
Aug	0.021	4.025	57.633	0.043	1.279	195.646	0.125	258.773
Sep	0.040	48.356	16.900	0.052	-	220.417	0.206	285.970
Oct	-	104.933	13.902	0.027	-	132.041	0.235	251.139
Nov	-	2,018.654	10.900	0.022	-	314.416	0.176	2,344.168
Dec	-	3.927	65.454	-	-	275.537	0.157	345.076
Jan	0.035	2.988	148.159	0.161	-	217.438	0.779	369.561
Feb	-	2.031	250.754	0.105	174.407	1,372.933	0.132	1,800.361
Mar	0.002	2.704	3.712	0.062	-	104.572	0.136	111.189
Apr	-	4.440	14.732	0.096	0.005	183.746	0.632	203.651
May	0.032	4.149	23.954	0.066	0.039	98.877	6.080	133.197
June	0.001	67.510	3.730	0.059	-	82.433	0.217	153.949
Grand Total	0.134	2,270.925	689.114	0.710	178.439	3,353.222	9.197	6,501.740

2.2.2.4 Number of Creditors who gave credit using Movable Property Collaterals

According to data from the secured creditors, Q3 had the majority number of secured creditors(40,071) while Q1 had the least number of secured creditors in the reporting period. The high number of secured creditors reported in Q1 correlates with the high number of establishments that are registered during that period. This could however match the assumption that credit access could be for use as start up capital as well as to sustain business operation.MPSR ensures continuous system enhancement and an optimum uptime to facilitate credit access in the Kenyan economy .

Table 2:8 Tabular Representation of Quarterly Number of Creditors who gave credit using Movable Property collaterals

Type of creditor	1st	2nd	3rd	4th	Grand Total
Allen	13		6	10	29
Citizen	865	791	663	1,250	3,569
Foreign company	40	29	37	23	129
Foreigner	438	180	1,244	753	2,615
Foreign unincorporated	3		1	2	6
Local company	25,686	26,087	37,547	31,783	121,103
Local unincorporated	832	922	573	545	2,872
Grand Total	27,877	28,009	40,071	34,366	130,323

2.2.3 The Trust Registry(new mandate)

2.2.3.1 Relocation of Trust Deed Files

Following the transfer of trust deed and perpetual succession records from Ministry of lands to BRS, The Companies Registry successfully completed the relocation trust deed files. The mandate so far includes: 1. Incorporation of Trusts; 2. Receiving and reviewing change of name of applications; 3. Receiving and reviewing change of trustees' applications; 4. Issuance of Certified copies of incorporated Trusts; and 5. Issuance of Searches for incorporated Trusts.

2.2.3.2 Performance of the Trust Registry (new mandate)

The FY 2024/25 began with BRS acquiring an additional registry, the Trust registry that was initially domiciled at the ministry of lands. Since its incorporation in July 2024, BRS has made concerted efforts to ensure streamlining of the Trust registry processes through the continuous system enhancements completely changing its initial registration process to a more efficient way.

Graphical presentation of monthly registration of trusts



Figure 2:6 Graphical Representation of Monthly registration of trusts

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As a result, BRS has registered a total of 388 trusts with a cumulative revenue collection of 5,132,950 arising from the diversified Trust services offered. In addition, the service continues to ensure all pre-existing physical files of the trust registry are fully digitized.

2.2.3.3 Quarterly comparison of trust registrations

Comparison of quarterly trust statistics indicate that Q3 recorded the highest number of registrations (128) followed by Q4(123). The trendline shows a gradual increase in registrations of trusts. The projection line suggests a positive increase in future trust registrations.

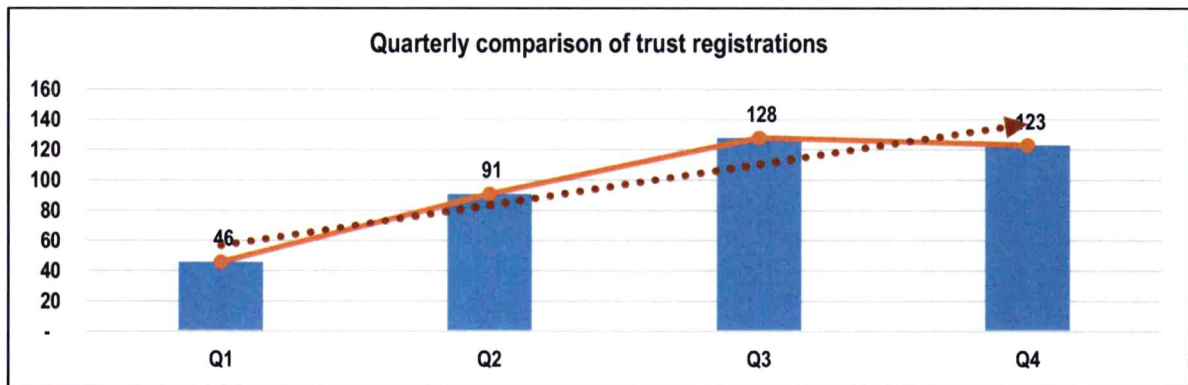


Figure 2:7 Graphical Representation of Quarterly comparison of trust registrations

2.2.3.4 Trust revenue

BRS has collected a total of Ksh.5,132,950 in the FY 2024/25, over the months. The highest amount of revenue was collected in the month of May (Ksh. 525,500). Further, Charitable Trust - Trust Incorporation yielded the highest revenue of Ksh. 2,210,000. Change of name of a Trust generated the least revenue at Ksh. 8,000.

Table 2:9: Monthly Performance of the Trust Registry

Service	Change of Trustees	Charitable Trust - Trust Incorporation	Copies - Trust Incorporation	Family Trust - Trust Incorporation	Non-Charitable Purpose Trust - Trust Incorporation	Search - Trust incorporation	Change of name of a Trust	Annual returns Trust	Grand Total
Jul	7,000	40,000	500	80,000	10,000	6,500			144,000
Aug	11,500	140,000	950	190,000	30,000	9,500			381,950
Sep	5,000	180,000	1,000	250,000	60,000	13,000	1,000		510,000
Oct	3,500	170,000	2,000	140,000	50,000	24,000			389,500
Nov	8,000	170,000	4,000	160,000	30,000	24,000	1,000		397,000
Dec	5,500	210,000	1,000	200,000	20,000	12,000	500		449,000
Jan	5,500	190,000	4,500	140,000	30,000	20,000	1,000		391,000
Feb	7,500	240,000	9,500	170,000	50,000	35,000	1,000	500	513,500
Mar	7,000	190,000	5,000	210,000	40,000	36,500	500	3,000	492,000
Apr	8,000	190,000	4,000	170,000	40,000	24,500		7,000	443,500
May	8,000	230,000	4,500	220,000	30,000	25,000	2,500	5,500	525,500
Jun	9,000	260,000	2,000	170,000	30,000	20,000	500	4,500	496,000
Grand Total	85,500	2,210,000	38,950	2,100,000	420,000	250,000	8,000	20,500	5,132,950

The Trust revenue streams however need to undergo a value chain analysis and the charges against the services be determined to commensurate the efforts by staff to the revenue stream service.

Graphical presentation of Trust Revenue

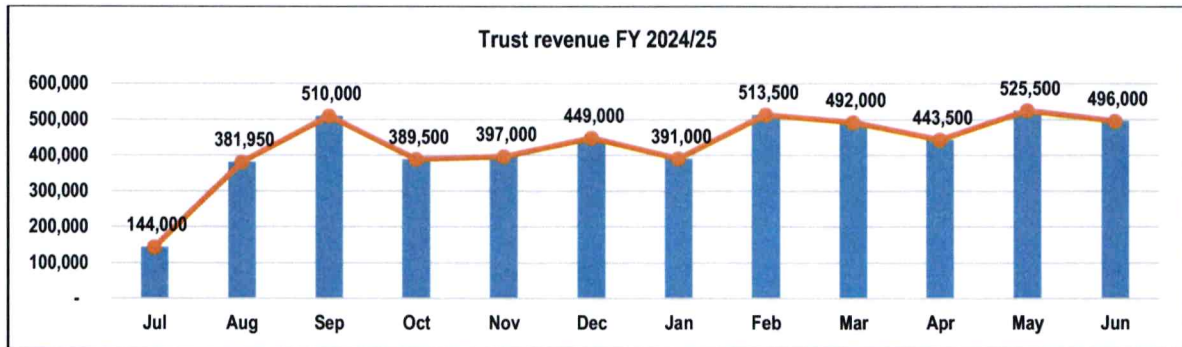


Figure 2:8 Graphical Representation of Trust revenue FY 2024/25

2.2.3.5 Quarterly comparison of Trust revenue

Trust revenue has consistently shown a positive trajectory with the peak revenue observed in the fourth quarter at 1,465,000

Graphical representation of quarterly trust revenue

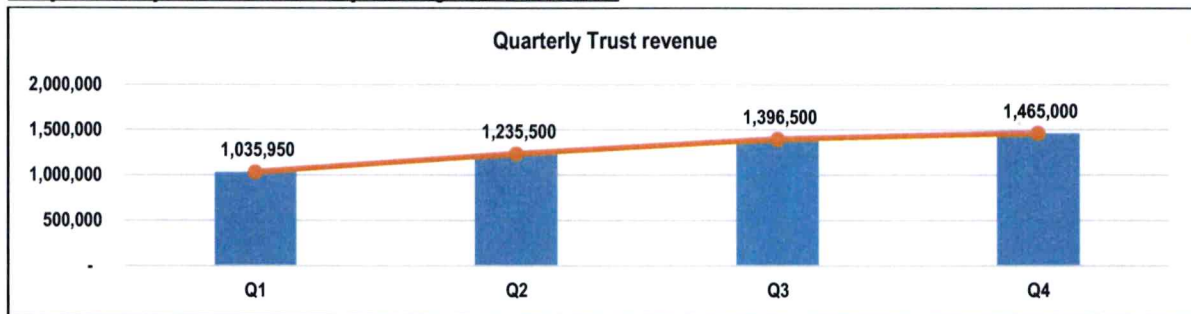


Figure 2:9 Graphical Representation of Quarterly Trust revenue FY 2024/25

2.2.3.6 Trust registration over the years

The trust registry initially domiciled within the ministry of lands. Over the years, the registration of trusts as per the records transferred to the Business Registration Service, indicates that the highest number of registrations have been conducted this FY 2024/25.

Graphical presentation of Trust registrations over the years

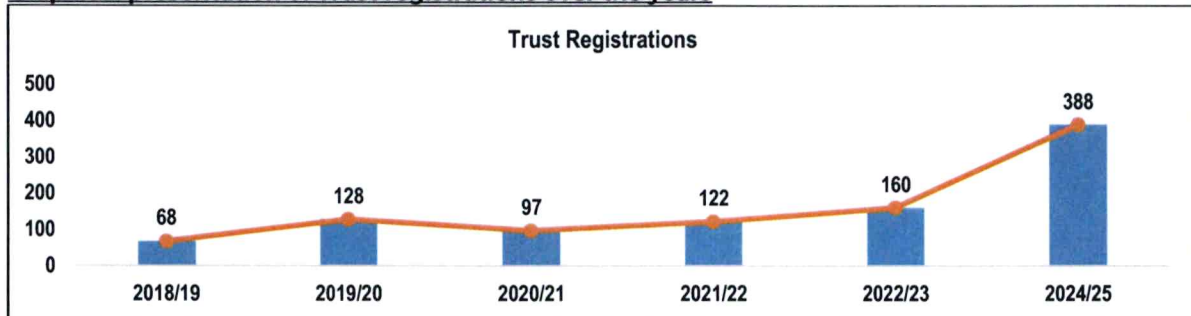


Figure 2:10 Graphical Representation of Trust Registrations over the years

2.2.4 Legal Services and Regulatory Reforms

2.2.4.1 Regulatory Reforms

During the year under review, the Service spearheaded the development of the Trust Bill to address the FATF action plan as well as reform the trust regime in Kenya by consolidating the fragmented pieces of legislation governing trusts in Kenya. BRS also developed two pieces of regulations, that is the Companies (Foreign Companies) Regulations and the Companies (Annotation and rectification) Regulations

The MPSR Regulations were reviewed on the 27th -30th August, 2024. Afterwards, the draft has been forwarded to the drafting department for consideration and to be sent back to BRS for feedback before execution by the AG for printing. The Service reviewed the document and sent to the AG for publication.

2.2.4.2 Safeguarding BRS Legal Interests

In FY 2024/25, the Department of Legal Compliance & Research represented BRS in court and closed 86 cases all in favor of BRS. The department has also streamlined and standardized the process of contract management by developing a contract management plan to ensure effective management of contracts throughout their lifecycle. During the year under review, the legal team was able to manage a total of 13 contracts.

2.2.5 Compliance & Risk Management

2.2.5.1 Compliance

The Constitution of Kenya (2010) lays down the fundamental principles for good governance which are the hallmark of an effective and efficient Public Service. The principles are further codified in different Statutes, Regulations, Codes and Policies providing an elaborate framework to guide decision-making and the management of public resources. The State Corporations Code of Governance "Mwongozo" (2015) is an additional reference point for State Corporations corporate governance practices. Chapter 8 of Mwongozo requires State Corporations to conduct their business affairs in full compliance with the applicable laws and regulations and in line with accepted national and international standards as well as the internal policies of the organization.

To ensure BRS adherence to the principles set out in the Constitution and further elaborated in "Mwongozo", BRS has an elaborate governance structure, with Compliance & Risk Committee of the Board providing oversight and the Compliance and risk department coordinating implementation of compliance controls, periodic compliance assessments and continuous improvement programmes. To ensure adherence to best practice standards, BRS Compliance Management Programme, which was established in 2021 adopted the compliance framework that is set out in the International Standard ISO 19600:2014 "Compliance Management Systems". The programme integrates other relevant policies including National Ethics and Anti-corruption Policy, Data protection framework, and continuous assessments and training to ensure alignment with evolving legal and ethical requirements. Our policy on compliance with legal and ethical standards is 100% compliance.

2.2.5.2 Compliance Monitoring & Continuous improvement

A compliance register, which serves as the backbone of BRS monitoring processes is maintained and reviewed quarterly to identify areas for continuous improvement and mitigate the risk of non-compliance. Over the reporting period, the compliance monitoring process revealed 3 broad areas requiring improvement as set out below.

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Table 2:10: Compliance status

Areas identified for improvement	Description	Action
Deferred independent audits	Governance audit and independent legal audits that had been postponed in the previous year could not be carried out	Audits scheduled for FY 2025/2026
Insufficient disability inclusion	Not met the 5% disability employment threshold (currently at 0.02%)	Collaborating with National Council for Persons with Disabilities (NCPD) to enrich our recruitment initiatives.
Gaps in implementing specific mandatory Occupational Safety & Health Act (OSHA) requirements	Delayed first aid and health and safety training and missed annual safety assessment	Remediation was started but will be completed in FY 2025/2026

While our policy mandates 100% compliance, the FY 2024/2025 presented unprecedented budgetary challenges for BRS after it suffered 30% budget cut due to austerity policies implemented by the National Treasury. All action points have been prioritized in the FY 2025/2026.

2.2.5.3 Risk management

BRS implements an enterprise-wide approach to risk management (ERM), aligned with the international standards set out in “ISO 31000: 2018 Risk Management _Guidelines”. BRS ERM framework, which was set up in 2020, ensures systematic identification, assessment, and mitigation of risks across all operations, enabling informed strategic decision-making. The risk landscape is regularly monitored with risk assessments carried out quarterly to identify emerging threats and ensure that progress is being made to mitigate identified risks. The Board reviews risk assessment reports and provides oversight through the Compliance & Risk Committee of the Board, ensuring prioritization of risks that are most consequential to BRS broad strategic, financial, compliance and operational objectives.

During the reporting period, there were 24 risks that were identified and being managed through the risk management process. Of the 24 risks tracked, 4 pose the most significant consequences to BRS objectives as shown below.

Table 2:11: Risk exposure

Risk	Description	Mitigation strategies
Legal risk	BRS faced increasing legal disputes due to its role in company registration, regulation and data maintenance. Over the reporting period, 97 disputes were registered against BRS. While the cumulative number of disputes with financial liability claims was relatively low (6), the total liability claim was significantly high (Kshs. 2.2B).	<ul style="list-style-type: none"> ◆ Process- review & enhance verification & due diligence protocols ◆ System- integrate AI tools to detect suspicious activity patterns ◆ Employee- mandatory due diligence training for registry officers ◆ Public/stakeholder- Awareness sensitization on due diligence, fraud prevention & reporting channels. Collaborate with LSK, ICS e.t.c on enforcement action ◆ Dispute management- Establish Quasi-judicial mechanisms to manage disputes before they reach court. ◆ Financial- maintain a contingency fund to cover potential liabilities
Data risk	Over the reporting period, BRS faced challenges associated with cyber threats that targeted information contained in some of its Systems. While the incidents were swiftly contained, they underscored the increasing cyber threat and reinforced the need for continuous improvement in data security practices.	<ul style="list-style-type: none"> ◆ Review ICT policy to enhance BRS cybersecurity governance structure ◆ Independent vulnerability assessment & penetration testing for BRS system ◆ Enhance encryption protocols aligned with best practice standards to ensure effective data protection throughout data life-cycle stages ◆ Enhance Key management practices ◆ Effective monitoring and oversight including access alert mechanisms & immutable audit trails ◆ Data minimization aligned with the requirements of Data Protection Act (Cap 411C) ◆ Establish data sharing agreements for 3rd parties who have integrated with BRS

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		<ul style="list-style-type: none"> ◆ system ◆ Cybersecurity training for ICT team and data protection awareness programme for employees ◆ Establish data protection policies and privacy notices
BRS System risk	Business Registration System upgrade, designed to enhance operational efficiency and enable scalability, was significantly delayed during the reporting period. Initiated in 2022, the project was at 76% completion, with the main reason for the delay being technical complexities. Robust mitigation measures were instituted to safeguard progress. A revised completion date was set for FY 2025/2026.	<ul style="list-style-type: none"> ◆ Revised the roll out strategy opting for a phased delivery and parallel operations- adopted a phased roll-out approach to deliver critical functionalities incrementally while retaining the legacy system as a fallback to ensure uninterrupted operations. ◆ Enhanced vendor oversight and accountability -strengthened project governance through regular steering committee reviews. ◆ Vendor Engagement - Enhanced dialogue with the vendor's senior management to fast-track issue resolution and align on revised timelines with shared accountability
Third party risk	There was a gap in the accountability mechanisms pertaining to 3 rd party vendors of a number of BRS systems. While BRS maintained close operational oversight of vendors through structured reviews, regular performance meetings, and documentation of agreed commitments, there was need for strengthening of these measures with contractual measures and this action was prioritized in the FY 2025/2026.	<ul style="list-style-type: none"> ◆ Establish comprehensive SLAs and contracts with all critical vendors.

2.2.6 Resolution of Insolvency Matters

2.2.6.1 Summary of Official Receiver Figures from July 2024 to June 2025

In the FY 2024/25, the Official Receiver received a total of 97 insolvency proceedings. Out of the total insolvency proceedings, the highest was petitions for liquidation of companies by court followed closely by bankruptcy order application (debtors' application). The applications made under the official receiver are classified in two broad areas: voluntary basis and involuntary basis. The Official receiver maps applications under involuntary as financially distressed companies. For the period under review, 85 out of 97 companies reported to be under financial distress translating to 87.63%.

Table 2:12 Summary of Official Receiver Figures from July 2024 to June 2025

OR Services	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Application & renewal for insolvency practitioners licence	3	5	2	3	1	2	2	4	2	2	3	0	29
Insolvency proceedings													
Bankruptcy order application (debtor's application)	3	0	4	3	1	0	1	1	2	0	5	1	21
Bankruptcy order application (creditors' petition)	0	2	0	1	1	1	0	0	0	0	0	1	6
Application for no asset procedure	1	1	0	0	0	0	1	0	0	2	0	1	6
Application for individual voluntary arrangements	0	0	0	0	0	0	0	0	1	0	0	0	1
Application for summary installment order	0	0	0	0	0	0	0	0	0	0	0	0	0
Petitions for liquidation of companies by court	5	2	4	1	0	1	4	3	3	0	2	2	27
Companies under voluntary liquidation	1	0	1	1	1	1	0	2	1	0	0	2	10
Application for company voluntary arrangements	0	0	0	0	0	0	0	0	0	0	0	1	1
Application for administration by court	0	0	0	0	0	0	0	0	0	0	0	0	0
Administration by Direct Appointment	5	0	1	0	1	1	0	3	2	1	3	1	18
Companies under administrative receivership	0	0	0	0	1	2	0	1	0	0	2	1	7
Total insolvency proceedings	15	5	10	6	5	6	6	10	9	3	12	10	97
Proof of debt	24	24	4	31	21	50	36	21	12	7	13	5	248
Closure of Dormant cases	2	1	0	2	1	0	0	3	1	1	1	1	13

2.2.6.2 Closure of Dormant Insolvency Files

The Official receiver closed a total of thirteen (13) insolvent matters(files) in the reporting period.

Table 2:13 Closure of dormant cases

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Grand Total
Closure of Dormant cases	2	1	0	2	1	0	0	3	1	1	1	1	13

2.3 Value of data

2.3.1 Data and Records Management

2.3.1.1 Records Verification Process (Business Linking Process)

During the FY 2024/25, the proportion of linked business entities rose from 46.84% in July to 49.92% in June 2025, at the end of the FY 2024/25 representing a 3.08% increase. Link-a-Business is a data clean-up process that is currently ongoing at the Business Registration Service (BRS) for unverified registered businesses (those registered before December 2016). This is a major milestone taking into account that the process is done at the discretion of the business owners. The service is continuously engaging the public through issuance of compliance notices as well as awareness on the social media platform to boost the uptake of the link a business process.

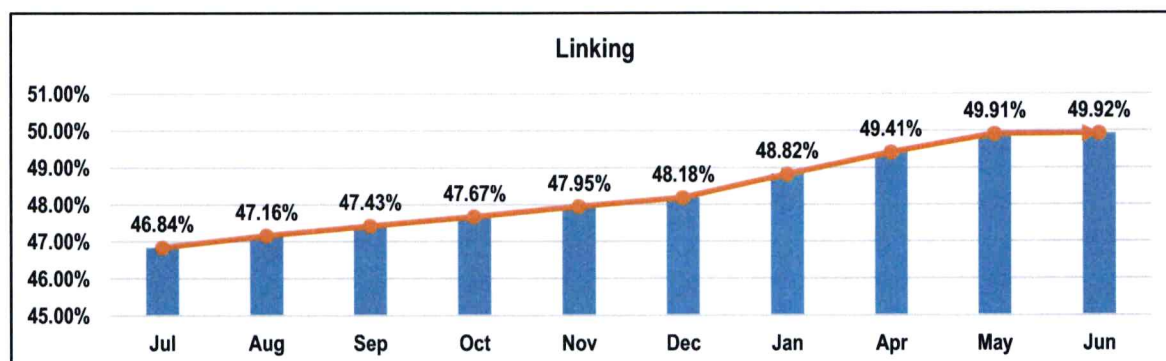


Figure 2:11 Graphical Representation of trend in linking of businesses.

A breakdown of the linking process among different business entities shows linking on Limited Partnerships and Hire Purchase tops the list at 100%. The entities linked at 100% are attributed to the requirement on any new registrations, made currently after the process was initiated to be linked during the registration process. This was closely followed by LLPs at 99.91% and CLGs at 96.31%. The least type of entity which was linked was Public Company at 32.27%.

Table 2:14 A Breakdown of the Linking Process Among Different Business Entities

Service	Total Verified	Grand Total	% Linked
Limited Partnership	66	66	100.0%
Hire Purchase	22	22	100.0%
limited_liability_partnership	4,357	4,361	99.91%
limited_by_guarantee	4,286	4,450	96.31%
private_limited	533,803	838,355	63.67%
business_name	664,783	1,567,710	42.40%
foreign	1,980	5,818	34.03%
public_limited	1,491	4,620	32.27%
Total	1,210,788	2,425,402	49.92%

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2.4 Service Delivery,

2.4.1 Customer Service – Call Center

2.4.2 Customers served FY 2024/25

In the FY 2024/25, a total of 54,766 customers were served. During this period, the service experienced the highest number of customers in February (5,609). The high number of customers was attributed to the increase is attributed to rise in customers seeking Change particular, perusal of records, Debentures and registration services.

Graphical presentation of customers served FY 2024/25

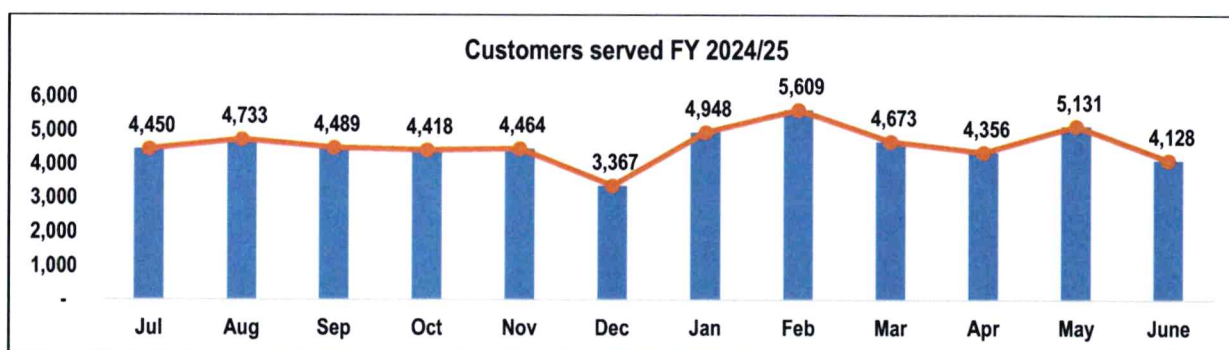


Figure 2:12 Graphical Representation of Customers served FY 2024/25

2.4.3 Inbound calls

A total of 141,664 inbound calls were received in the FY 2024/25. Out of this , 94,232 calls were answered through the call center. This indicated an average response rate of 66.52%. In october, the service achieved the highest response rate at 76.82%. The lowest response rate was experienced in 56.62%.

Table 2:15 Call Centre Report

	Answered	abandoned	Total	Responsiveness
Jul	8,229	5,258	13,487	61.01%
Aug	6,314	3,526	9,840	64.17%
Sep	7,000	2,217	9,217	75.95%
Oct	8,499	2,564	11,063	76.82%
Nov	8,306	3,077	11,383	72.97%
Dec	6,066	2,553	8,619	70.38%
Jan	9,598	5,289	14,887	64.47%
Feb	7,725	5,919	13,644	56.62%
Mar	7,749	4,311	12,060	64.25%
Apr	7,466	4,205	11,671	63.97%
May	9,760	3,092	12,852	75.94%
June	7,520	5,421	12,941	58.11%
Total	94,232	47,432	141,664	66.52%

2.4.4 Answered and abandoned calls

The trendline analysis shows that the service experienced high number of inbound calls in January 2025(14,887). Out of this, 9,598 calls were answered successfully while 5,289 calls were abandoned. This translated to a responsive rate of 64.47% for the month of January.

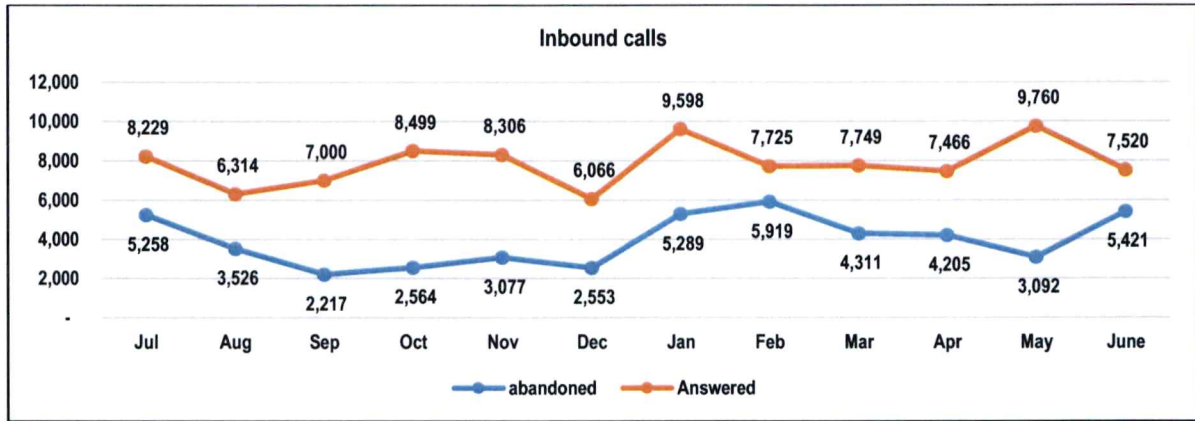


Figure 2:13 Graphical Representation of abandoned and answered calls

2.4.5 Trend in responsiveness

A high response rate was observed in the month of October (76.82%) while the least rate was observed in the month of June 2025 at 58.11%. This is however as a result of the reduced number of support staff at the call center.

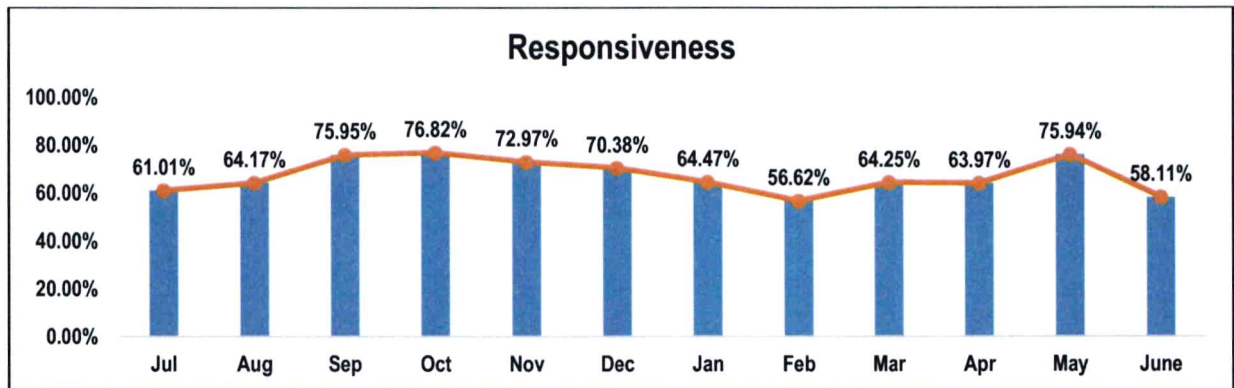


Figure 2:14 Graphical Representation of responsiveness of the call center

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2.4.6 Website impressions and clicks

During the FY 2024/25, the service received 6,092,790 website impressions and 409,902 website clicks from several continents. The highest number of website impressions was observed in May at 667,194 while most clicks were observed in January at 38,452.

Table 2:16 Website impression and clicks

	Impressions	clicks
Jul	404,624	31,690
Aug	371,577	31,088
Sep	496,543	36,351
Oct	449,861	37,834
Nov	471,611	34,959
Dec	421,898	23,659
Jan	581,512	38,452
Feb	534,239	38,010
Mar	544,881	34,943
Apr	533,590	31,179
May	667,194	35,832
June	615,260	35,905
Total	6,092,790	409,902

2.4.7 Website daily users per quarter

During FY 2024/25, on average, Q3 recorded the highest number of daily website users (1,238). This correlates with the number of customers served in that quarter.

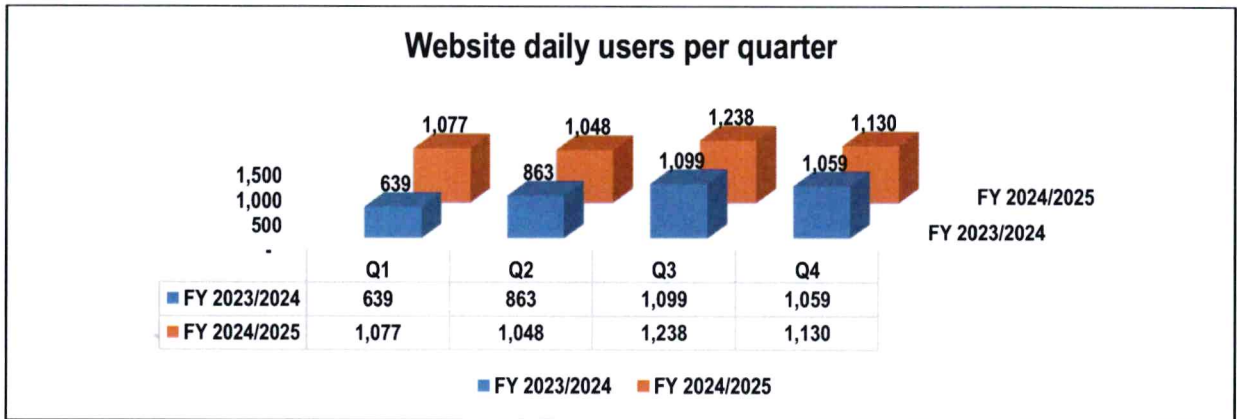


Figure 2:15 Graphical Representation of Website daily users per quarter

2.4.7.1 Customer Satisfaction Survey

To improve customer delivery, the Service undertook a second survey on customer satisfaction. The survey registered a satisfaction rate of 78.5% reflecting an improvement in customer satisfaction from the previous year's 74.16% by 4.34%. The awareness level of the BRS mandate hit at 59.7% from the previous years level of 52.8%. The survey documented among other things conclusions and key findings and recommendations on how to improve service delivery.

2.4.7.2 Resolution of Customer Complaints

During the FY 2024/25, the Service documented a total of 9,546 complaints out of which a total of 7,194 were resolved resulting in a resolution rate of 75.4%. The resolution rate of quarter 2 was very high at 87.5%. On average, the Service took 7.5 days to resolve a complaint for FY 2024/25.

Table 2:17 Resolution of Customer Complaints

	Numbers Received	Number of Complaints Resolved	Complaint Resolution Rate	Average days taken to resolve a complaint
Q1	1,021	2,021	67.1%	7
Q2	2,086	1,826	87.5%	7
Q3	1,925	1,644	85.4%	7
Q4	4,390	1,703	67.4%	8
Total	9,546	7,194	75.4%	

2.4.8 Corporate Visibility

2.4.8.1 Exhibition and Recognition at the e-citizen Anniversary Celebration

The Service exhibited at the e-citizen Anniversary Celebration that was held on 26th to 28th November 2024 at the KICC. The event provided the service undoubted corporate visibility and we interacted with the members of the public. We showcased the digital transformation journey over the years and the impact on service delivery. The Service also received an award for excellence in digitization & outstanding contribution towards digital innovation.

2.4.8.2 Exhibition at the Kenya Bankers Association Inua Biashara MSME 2024

BRS as a key stakeholder in the Small and Medium-sized Enterprises (MSMEs) sector, exhibited at the 2024 Kenya Bankers Association Inua Biashara Expo that took place at the KICC on 17th October 2024. The event provided the Service a platform to empower MSMEs with business registration support services, MPSR and Insolvency information.

2.4.8.3 ICT Team Excellence in the Africa Region Cybersecurity Symposium

The ICT Department participated Africa Region Cybersecurity Collaboration Symposium organized by the Communications Authority of Kenya (CA). Two officers from the ICT department successfully completed the cybersecurity training and hackathon, where one officer, Amos Wako achieved a significant milestone by attaining position 1 in the seven rigorous cyber security drills, thus BRS was ranked number 1 out of 40 other MCDAs in Kenya who participated.

2.4.8.4 Recognition at the FIRE Awards 2024 for Financial Reporting

The Service received a certificate of recognition award for attaining unqualified audit opinion at the FiRe Award 2024 Award Dinner held on 6th December 2024 in Nairobi. The Financial Reporting (FiRe) Award is the most prestigious and coveted Award in East Africa for financial reporting. The award follows our entry by the Finance and Accounts department.

2.4.8.5 Africa Round Table, Insol International

The Official Receiver participated in the Africa Round Table on Insolvency Reform 2024 forum that took place on 7-8 November 2024 in Gaborone, Botswana. This year's theme was, "Navigating a Changing Landscape: Opportunities and Challenges for African Insolvency Regimes"

The Africa Round Table serves as a platform for high-level discussions among private practitioners, policymakers, and international experts; with the objective of facilitating dialogue, sharing knowledge and advancing reform towards more effective insolvency and restructuring regimes.

2.4.8.6 Policyholders Compensation Fund

The Official Receiver participated in a capacity building workshop with the Policyholders Compensation Fund from 11th to 15th November 2024. The participants from both offices engaged in various discussions on best practice of Insurance Guaranteed Schemes, Insolvent Insurance Companies (causes, challenges), and discussed the draft

2.4.8.7 Business Registrations and Licensing Agency Benchmarking Tour

BRS hosted a delegation from the Business Registrations and Licensing Agency (BRELA) of Tanzania and Zanzibar for a knowledge exchange program in Nairobi with the support of GIZ from 18th to 20th December, 2024.

The benchmarking study tour aimed to promote regional cooperation and enhance compliance with international standards, key focus being the risk assessment of legal persons in line with Financial Action Task Force (FATF) Recommendation 24 that require countries to ensure that competent authorities have timely access to adequate, accurate and up-to-date Beneficial Ownership Information (BOI).

BRS also shared experience on the digitization and re-engineering of its processes, which have improved service delivery through end-to-end automation of business processes across the different registries, as well as enhanced efficiency and experience of our customers in their day-to-day interaction with our services. The delegation also visited the Huduma GPO Centre to have a first-hand experience of how Huduma Centers play a critical role in the provision of public services to the Kenyans under one roof, making services more accessible and promoting accountability.

2.4.8.8 BRS hosted Kenya Yearbook Editorial Board

The Service held a meeting with the Kenya Yearbook Editorial Board (KYEB) to explore partnership opportunities and to enhance public awareness on business listing and access to information. One area in which we are exploring collaboration with KYEB is to enhance awareness of business services offered by the Government among MSMEs and publishing of research findings in MyGov.

2.4.9 Stakeholder Engagement and Collaboration

During the FY 2024/25, the Service had several collaborative ventures and partnerships with different stakeholders as listed.

2.4.9.1 Stakeholder Engagements on Company Registration

(1) Open Government Partnership National Action Plan:

The Service participated in the launch of the 5th Open Government Partnership National Action Plan held on 12th September 2024 at Emara Ole Sereni. The event was presided over by the President, Dr. William Ruto. The Service plays a critical role being the cluster lead representing the government for the beneficial ownership cluster together with Transparency International who are the Cluster leads representing civil society

(2) Capacity Building of Huduma contact Centre & cybercafé Personnel

During the quarter, the Service virtually sensitized 110 Huduma Kenya Secretariat contact Centre and cybercafé personnel on May 8. The sensitization focused on BRS most popular services offered at Huduma Centres across the country. The purpose of the sensitization was to raise awareness of our procedures and solve cross-cutting concerns

(3) Beneficial Ownership Information:

On 13th May 2025, BRS through Capital Markets Authority (CMA) Invitation, were able to sensitize 116 Money Laundering Reporting Officers (MLRO) of institutions licensed by CMA on beneficial ownership information and access to information for due diligence. This aimed on improving the skills of officers in detection of any money laundering practices. Further, on 19th and 20th sensitized its staff on beneficial ownership information for companies and limited liability partnerships and the recently onboarded trust regime.

(4) Law Society of Kenya (LSK) and Institute of Certified Secretaries (ICS):

BRS engaged the LSK and ICS in several engagements On July 24th 2024, the service had in depth discussion with the stakeholders on beneficial ownership, change applications, service delivery, legal reforms (Trustees Perpetual Succession) and company register rectification regulations), as well as the implementation of the V2 system. During these engagements, BRS also undertook review of the practice notes.

(5) Practice Notes:

Through the Joint Liason Committee (JLC), BRS, LSK and ICS through the Technical Sub-Committee (TSC) deliberated on various aspects within the service. The TSC reviewed the Practice Notes. For instance, PN/01- Incorporation of companies, PN/04- Ongoing compliance requirements, PN/06- Voluntary Strike off, dissolution and restoration, and PN/07- Foreign Companies were reviewed in the FY 2024/25. In a meeting held on 14th March 2025 between OR, IPs and KRA Practice Notes were adopted and published on the BRS website.

2.4.9.2 Stakeholder Engagements on MPSR

(1) Stakeholder engagement on collateral registry:

BRS with support of the Financial Sector Deepening (FSD) convened a stakeholder engagement on the draft Bills on Movable Property Security Rights & Hire Purchase at a Nairobi Hotel during the quarter. Key issues deliberated include, tax incentives for HP businesses, proposed interest rates regulation by the Central Bank of Kenya (CBK) and integration of the MPSR registry & the National Transport and

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Safety Authority (NTSA) system. The engagement brought together representatives from the Central Bank of Kenya, Kenya Revenue Authority, NTSA, Competition Authority of Kenya, LSK Nairobi, the Leasing Association of Kenya, financial institutions, law firms, car manufacturers and Hire Purchase businesses.

(2) Institute Of Certified Secretaries Courtesy Call:

The Institute of Certified Secretaries led by the Chairman, FCS Joshua Wambua paid a courtesy call on the Director General. The meeting focused on key strategic areas of collaborations between the Institute & BRS, migration to the new system, amendment of the Companies Act, Cap 486, incorporation of Trusts, enforcement of compliance on dormant companies among many other areas of partnership.

2.4.9.3 Stakeholder Engagements on Official Receiver

(1) Technical Working Group on Insolvency

Following the development and implementation of the Taxpayer guidelines for Insolvency Practitioners in 2023; the Official Receiver convened a sensitization session to review the efficacy of the said guidelines. This was done on 14th March 2025 at Radisson Blu, Arboretum.

The stakeholders present were Insolvency Practitioners, officers from the Kenya Revenue Authority, Advocates and Accountants. There were various discussions held on navigating the tax regime, highlighting the guidelines for companies applying for dissolution. The Stakeholders also gave their recommendations to the challenges encountered during practice.

(2) Official Receivers Training on Ardhi Sasa:

The Official Receiver convened a stakeholder workshop for Insolvency Practitioners and members of the Technical Working Group on 1st August 2024 at our offices. Participants had discussions on the handling of immovable assets during Insolvency Assignments. Representatives from the Ministry of Lands conducted a demo session of the Ardhi Sasa system and took members through a training on leveraging the Ardhi Sasa Platform.

(3) Commercial Justice Court Users Committee (CJCUC):

The Commercial Justice Court Users Committee (CJCUC) is an initiative by the Judiciary that brings together various stakeholders in the private sector, trade organizations, public sector agencies, the business community and members of the Judiciary with an aim to understand, interact, contribute and improve Justice by the Courts.

The Official Receiver as a member participated in CJCUC meeting on held 19th December 2024 at the Mercure Hotel, Nairobi, where members discussed the Tax Laws (Amendment Act) 2024 and had the opportunity to bid farewell to the outgoing Presiding Judge – Justice A. Mabeya and welcome the new Presiding Judge – Justice F. Gikonyo

The Official Receiver as a member of the High Court Commercial Justice Court Users Committee participated in a meeting dubbed “Judiciary Dialogue Day” on 31st January 2025 at Milimani Law Courts, Nairobi. The committee members had a chance to engage in discussion to address and exchange valuable insight of the success stories and challenges in Service delivery of the Judiciary and to submit feedback.

(4) Official Receiver engagement with JICA on Insolvency matters

The Office of Official Receiver In Insolvency hosted representatives from JICA to explore areas of collaboration & partnerships. Management wish to inform the Committee that JICA is currently undertaking a survey on cooperation in business-related legal and judicial sectors and the deliberations centered on the insolvency regime in Kenya, nature of insolvency processes, implementation of the Insolvency Act, Regulation of insolvency practice in Kenya, among other issues, with a view of collaborating in developing & enhancing insolvency services in Kenya.

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(5) Law Society of Kenya - CPD Training

The Official Receiver conducted a Continuous Professional Development (CPD) training for lawyers on 3rd February 2025, dubbed "The Insolvency Law Practitioner in Kenya: Opportunities & Challenges". The training covered various topics such as individual and corporate Insolvency procedures and the roles of various players in Insolvency.

(6) Training of Law School Students

The Official Receiver conducted trainings for students from Mount Kenya University Law School on 13th February 2025 and Riara Law School on 25th February 2025. The purpose for the sessions was to offer the students a practical approach and understanding on Insolvency.

The topics covered during the session were: Bankruptcy & its Alternatives, Liquidation & its Alternatives, requirements for presenting petitions, history & legal regime governing insolvency, role of supervisory bodies (Courts & the Official Receiver), Insolvency practitioners & Creditors and processing of claims.

(7) Kitui County Local Investors' Sensitization Forum

The Official Receiver was invited to participate in the Local Investors' Sensitization Forum on 13th & 14th March 2025 at Kitui. The theme for the forum was "Unlocking Kitui's Investment Potential for Investors". The essence was to sensitize and build capacity to local investors and MSMEs on the role of the Official Receiver

(8) Africa Insurance Resolution Conference 2025

The Official Receiver participated in the Inaugural Africa Insurance Resolution Conference 2025, held at the College of Insurance, Nairobi, on 5th and 6th May 2025. The theme of the Conference was "Strengthening Insurance Sector Resilience Beyond Failure: Resolution, Policy & Practice." The event featured insightful discussions led by global leaders and practitioners in insurance resolution, with a strong emphasis on knowledge exchange and the adoption of international best practices to enhance the resilience of insurance systems. Key areas covered during the sessions included the statutory management process and related guidelines, risk monitoring and profiling, insolvency best practices, and challenges facing the sector.

(9) Bar Bench & Court Users Committee

The Official Receiver participated in a joint bar bench and Court Users Committee meeting held at the Sarova Stanley Hotel on 21st May 2025. The meeting was attended by Judges of the Milimani High Court, Commercial and Tax Division, members of the Law Society of Kenya, from the Kenya Revenue Authority, and practitioners ranging from lawyers and accountants who ordinarily practice tax dispute resolution either before the Tax Appeal Tribunal or the High Court.

The discussions underscored the importance of embracing alternative dispute resolution (ADR) mechanisms, such as court-annexed mediation, as a viable means of addressing these delays. In response, the Judiciary committed to enhancing awareness among litigants regarding the availability and benefits of ADR processes, with the goal of easing the growing backlog of tax cases within the judicial system

(10) Training of the Judges of the High Court

The Official Receiver participated in the training of Judges of the High Court on 22nd June to 27th June 2025 at Lake Naivasha Resort. The sessions covered a range of critical topics, including corporate restructuring of companies, the legal framework governing insolvency, management of insolvency petitions, the role of supervisory bodies such as the Courts and the Official Receiver, and practical issues arising in the adjudication of matters under the Insolvency Act. Joint activities involving the Tax Appeals Tribunal were also discussed.

2.4.9.4 Other Engagements

(1) State Law Office Inaugural Open Day

The Service participated in the inaugural Open Day of the Office of the Attorney General and Department of Justice that was held at Sheria House, Nairobi. The Open Day brought together all departments under AG's Office and Semi-Autonomous Government Agencies (SAGAs) who provided services, enlightened the public on the functions of the departments and SAGAs, as well as addressed queries and concerns.

(2) Commercial Justice Court Users Committee (CJCUC)

The Official Receiver as a member of the High Court Commercial Justice Court Users Committee participated in a meeting on 24th July 2024 at Milimani Law Courts, Nairobi. The Commercial Justice Court Users Committee (CJUC) is an initiative by the Judiciary that brings together members of the various stakeholders in the private sector, professional & trade organizations, public sector agencies, the business community and members of the Judiciary with an aim to understand, interact, contribute and improve Justice by the Courts.

(3) Brs Participation In The Nairobi International Trade Fair (NITF) 2024

The Service participated in the Nairobi International Trade Fair (NITF) 2024 at the Jamhuri Park Showground that was held on 23rd -29th September, 2024. Due to resource constraints, the Office of the Attorney General and Department Justice provided BRS exhibition space at their stand. Our officer addressed customer enquiries and complaints during the show period.

(4) Development Partners Meeting

During the quarter, the Service convened a breakfast meeting on 25th February with its development partners in Nairobi to showcase progress made and impact achieved over the years with the financial and technical support provided and also identified areas for partnerships in the future. Development partners present during the meeting included the International Finance Corporation, GIZ, Transparency International-Kenya, British High Commission, British Chambers of Commerce, World Bank and Mzalendo Trust

(5) Tree Planting at Kakamega Forest

As part of our Performance Contract for FY 2024/2025 commitment and in line with the National Tree Growing and Restoration Campaign to grow 15 billion trees for restoration of 10.6 million hectares by 2032, the Service participated at the annual Kakamega Forest tree planting event on 6th June 2025. The Service donated five thousand (5000) indigenous tree seedlings in an event that aimed at restoring indigenous forest cover, enhancing biodiversity, and combating climate change.

2.5 Institutional Capacity

2.5.1 Human Resource Management

2.5.1.1 Capacity Building and Training

During the FY 2024/25, a total of 12 staff members participated in several capacity-building initiatives organized by the office as shown below.

Table 2:18 Capacity Building and Training

NO	Number of staff	Training	Trainer
1	4	SLDP	KSG
2	1	Executive course on media relations and public communication	Media Council of Kenya
3	1	Customer Care	KSG
4	1	CISA Conference	CISA
5	5	ICPAK Conference	ICPAK
6	12		

2.5.1.2 Internship Programme

In 2015, the Public Service Commission (PSC) developed an internship policy in 2015 that establishes mechanisms for ensuring that the youth, especially those with relevant qualifications, are offered the opportunity to gain practical work experience in public institutions to improve their competitiveness in the job market. In line with this policy, BRS offered 43 opportunities to the youth consisting of 8 internship and 35 attachment opportunities. The cohort consisted of 27 female youths and 16 male youths representing 62.8% to 37.2% female male students, respectively.

The 8 internship opportunities were seconded by PSC to the Service and were attached to the ICT, Official Receiver, legal compliance and research, corporate planning and human resource and administration department. Further, the Service offered 35 attachment opportunities to students doing their degree courses. These were attached to the following departments.

Table 2:19 Internship & Attachment program

Department	No
Companies Registry	2
Corporate Communication	5
Corporate Planning	4
Corporate Communication	1
Finance and Accounts	4
HR & Administration Depart.	2
ICT	15
Legal Services Division	2
Total Attachment Opportunities	35
PSC seconded Interns	8
Total Youth Opportunities Offered	43

2.5.1.3 Employee Welfare

The Service continues to provide employee welfare schemes as per the approved human-reported policy. The welfare schemes approved include the Staff Medical Scheme, Group Personal Accidents (GPA) Cover, Group Life and a defined Retirement Benefit Scheme for employees who qualify as per the terms of employment. The Service pays gratuity for employees on contract as per their terms of employment.

2.5.1.4 Health and Safety in the Workplace

During the year, the OSHA committee has been on the forefront to spearhead safety in the workplace. BRS OSHA committee continues to operate with its membership drawn across the seven departments to support creating awareness and assist in times of any disaster at the workplace. We were able to renew our workplace DOSH certificate. During the year the hose reel and fire extinguishers were serviced to enhance preparedness to fire disaster.

2.5.1.5 Gender of the Staff

During the FY 2024/25, the Service had 103 staff in post comprising of 53.4%(N=55) female and 46.6%(N=48) male.

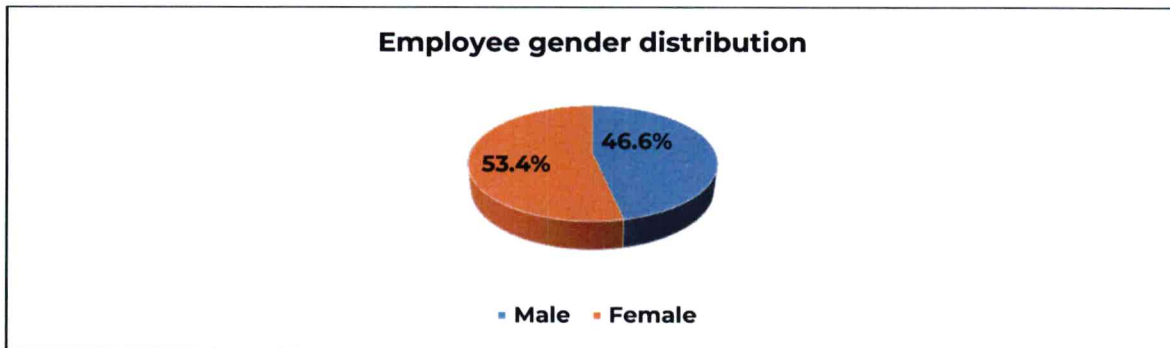


Figure 2:16 Gender of the staff

2.5.1.6 Ethnic Diversity

BRS had a total of 18 ethnic tribes represented within the Service during the FY 2024/25. The most populous ethnic groups included Kikuyu (27.18%), Luo (13.59%), Luhya (11.65%) Kisii (9.71%), and Kalenjin (8.74%). The least populous ethnic groups included Samburu, Maasai, Gerreh, Pokot, Burji and Bajuni as shown in the table.

Table 2:20 Ethnic Diversity

S/N	Ethnicity	N	Percentage
1	Kikuyu	28	27.18%
2	Luo	14	13.59%
3	Luhya	12	11.65%
4	Kisii	10	9.71%
5	Kalenjin	9	8.74%
6	Meru	7	6.80%
7	Kamba	5	4.85%
8	Taita	3	2.91%
9	Teso	3	2.91%
10	Mbeere	2	1.94%
11	Mijikenda	2	1.94%

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12	Embu	2	1.94%
13	Bajuni	1	0.97%
14	Burji	1	0.97%
15	Pokot	1	0.97%
16	Gerreh	1	0.97%
17	Maasai	1	0.97%
18	Samburu	1	0.97%
Grand Total		103	100%

2.5.2 Office Administration and Physical Infrastructure

The Service continues to provide other office maintenance services such as coordinating with building management for maintenance, repairs, and cleaning services to keep the office in good condition, handling correspondences, organizing, storing, and managing files, both physical and digital, monitoring employee attendance, and maintaining accurate records. Repairs were done on the biometric system to enhance access to the office, managing client inquiries and identifying opportunities to improve office procedures, reduce costs, and enhance efficiency.

2.5.3 Financial Resource Mobilization, Utilization and Revenue Collection

2.5.3.1 Reporting and Preparation of Financial Statements

During the FY 2024/25, the Service prepared quarterly reports to the National Treasury on budgetary expenditures as well as Annual Financial statements for the FY 2024/25. The Service prepared three financial statements: the Main BRS Statement, Revenue statements, and Official Receiver statements in line with Section 81 of the Public Finance Management Act, 2012 and Section 14 of the State Corporation Act which require the Board of Directors to prepare financial statements in respect of State Agencies they oversight. The reporting of the financial statement was shifted to accrual reporting basis.

2.5.3.1.1 MTEF Budget Process and Resource Bidding

During the year under review, BRS participated in the production of Program Performance Review (PPR), Program Based Budget (PBB) Report and the Sub-Sector Reports for the State Law Office. The Service participated in the sector budget preparation and was able to be allocated Ksh 471.447 million for the FY 2025/26 which is an increment from Kshs 403.745 million allocated for the FY 2024/25.

2.5.3.1.2 Revenue Collection

Section 4 (f) of the BRS Act 2015, mandates the Service to charge fees for services rendered. This in turn generates revenues for the National government. During FY 2024/25, the Service collected a total of Kshs 1.31 billion which was an increase of Kshs 130.8 million from Kshs 1.18 billion generated in FY 2023/24. This translated an increase by 11.09% in revenue collected by the service in the reporting period.

Table 2:21 Revenue Collection

Revenue Source	Q1	Q2	Q3	Q4	Grand Total
Company Registry	304,630,396	299,497,180	356,538,965	324,923,719	1,285,590,260
MPSR	3,325,000	3,012,000	3,084,000	3,360,000	12,781,000
Trusts	1,035,950	1,235,500	1,396,500	1,465,000	5,132,950
Official Receiver	659,576	655,800	727,700	2,192,748	4,235,824
Hire Purchase	450,000	1,150,000	1,100,000	450,000	3,150,000
Other Income-Payroll	32,994	32,225	32,993	32,065	130,276
Total BRS revenue	310,133,916	305,582,705	362,880,158	332,423,532	1,311,020,310

Graphical Representation of Monthly Revenue Collection in Millions

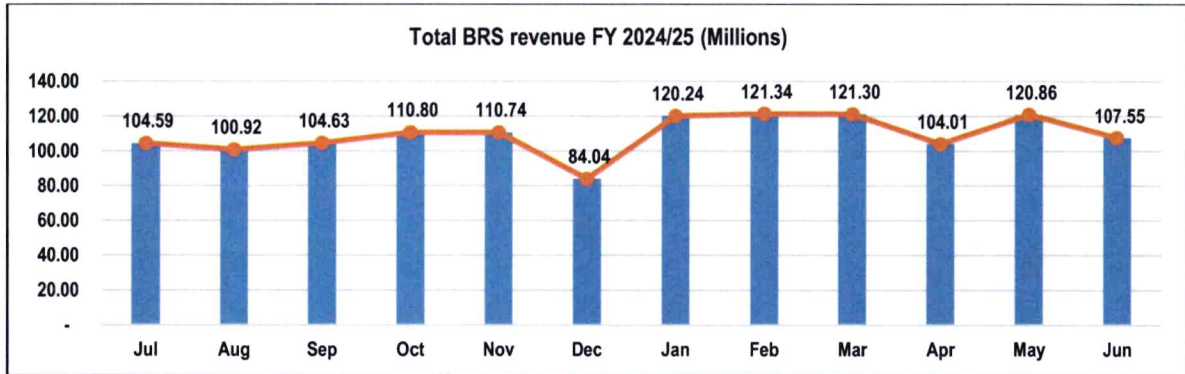


Figure 2:17 Total BRS Revenue

2.5.4 Supply Chain Management

2.5.4.1 Tenders Awarded

During the year under review, the supply chain unit awarded tenders to procure goods and services for BRS worth Ksh 34.15 million. Further, BRS complied with all provisions and asset disposal processes as outlined in the Public Procurement & Asset Disposal Act, 2015 (PPAD). The Service settled all contracts within the year under review and did not have any pending bill as of 30th June 2024.

2.5.4.2 AGPO

Access to Government Procurement Opportunities (AGPO) initiative for women, youth and persons living with disabilities was operationalized by the Public Procurement and Disposal Act 2005. The affirmative action program was launched on 16th October 2013 to facilitate the legal requirement for disadvantaged groups to access 30% of all public tenders. Since then, all public entities are required to adhere to its provisions. During the FY 2024/25, the Service awarded a total of Ksh 5,921,354 to AGPO group.

2.5.4.3 Promotion of Local Goods and Services (BKBK)

During FY 2024/25, the Service procured locally made goods and services worth Kshs 34.35 million in line with the presidential campaign on promotion of local industries, merchants, and enterprises. The Service continually reminded staff members to put on locally-made staff attire on Fridays.

2.5.4.4 Asset Management & Valuation

The Service continually updated all the assets available and at the end of FY 2024/25, the total value of assets was valued at Kshs 58.83 million slightly lower than the value of assets at the end of June of FY 2023/24 of Kshs 69.9 million. The Service did not dispose of any assets during the period under review.

2.5.5 Corporate Governance

2.5.5.1 Board Composition

The Business Registration Service Board is established pursuant to Section 5 of the Business Registration Service Act 2015. The Board comprises the Chairperson, four (4) independent Board members, the Solicitor General, Principal Secretaries to the National Treasury and the Ministry for the time responsible for matters relating to trade. The Director General is an ex-officio member of the Board. The Board brings together members from different professional backgrounds with diverse skills, and competencies. It complies broadly with the constitutional gender balance requirements as shown in Figure 2.1 below. During the FY 2024/25, the Board had 4 female directors and 4 male directors.

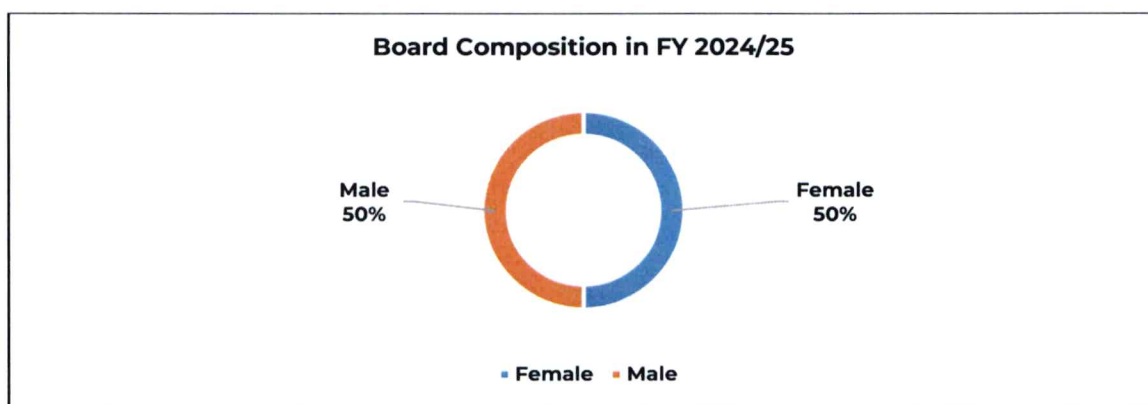


Figure 2:18 Board Composition in FY 2024/25

The Board is responsible for the overall strategic direction and oversight of the Service. The function of the Board includes:

- (i) Formulation and review of the policies of the Service;
- (ii) Ensuring that the Service performs its functions;
- (iii) Monitoring and evaluation of the performance of the Service;
- (iv) Appointment, training, disciplining and removal of members of staff of the Service;
- (v) Establishing departments within the Service and allocating responsibilities to such departments; and
- (vi) Performing such other functions as prescribed by this Act or any other written law.

2.5.5.2 Environmental, social, and corporate governance (ESG)

BRS participated in two tree-growing initiatives during the financial year, and the target to plant two hundred seedlings (No. 200) was achieved. The target was surpassed by four thousand, nine hundred and seventy (4970) seedlings, in accordance with our commitment in the Performance Contract to be a responsive and accountable organization that contributes to the well-being of communities and society through various environmental and social measures.

To fulfil the Presidential Directive and the Government's pledge to plant 5 billion trees within the next five years and an additional 10 billion trees by 2032, the Service collaborated with critical stakeholders to implement tree-growing initiatives. In accordance with the President's directive regarding the expedited six-month tree-growing initiative, which is being led by the Cabinet, the Ministry of Environment, Climate Change, and Forestry has tasked the State Law Office with conducting this activity on the second Monday of each month for the next six months during the period under review.

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The Service subsequently donated 5,000 indigenous tree seedlings to the Kakamega Forest annual tree planting initiative on June 6, 2025, as a demonstration of our commitment to the National Tree Growing Restoration Campaign.

The Country's objectives include the following: establishing nature-based enterprises in rural areas, restoring ecological integrity and ecosystem functioning, strengthening community resilience to climate change, supporting sustainable supply of environmental products and services (water and biodiversity), increasing access to climate finance through carbon trading, and increasing tree cover from 12% to 30% by 2032.



Figure 2:19 Tree Planting Exercise

2.5.6 Research, Planning and Monitoring & Evaluation

2.5.6.1 Strategic Plan Implementation.

The Business Registration Service (BRS) identified 2,059 activities to be implemented for the five (5) years. Under the leadership of the Board, Director general and management, the activities were mapped and spaced across the five years. The second year of implementation had the largest share of activities at 22.15%.

Table 2:22: Breakdown of SP 23-27 activities for the next 5 years

Activities-Planned	2023/24	2024/25	2025/26	2026/27	2027/28	Total
SG1: To promote business stability and growth	79	109	112	96	97	493
SG2: Optimize value of data	61	64	59	55	55	294
SG3: To improve service delivery	236	283	257	253	243	1,272
Grand Total	376	456	428	404	395	2,059
Proportion	18.26%	22.15%	20.79%	19.62%	19.18%	100%
Adopted levels per year	18	22	21	20	19	100%



Figure 2:20 Strategic Plan 23-27 activities

2.5.6.2 2nd Year Implementation of the Strategic Plan- FY 2024/25

At the end of the FY 2024/25, the Service had executed 13.507% against at target of 14.99%. This translated to an achievement rate of 90.118% for the planned activities for this FY. The activities which were mapped impossible to be executed this FY have since been pushed to the next FY 2025/26.

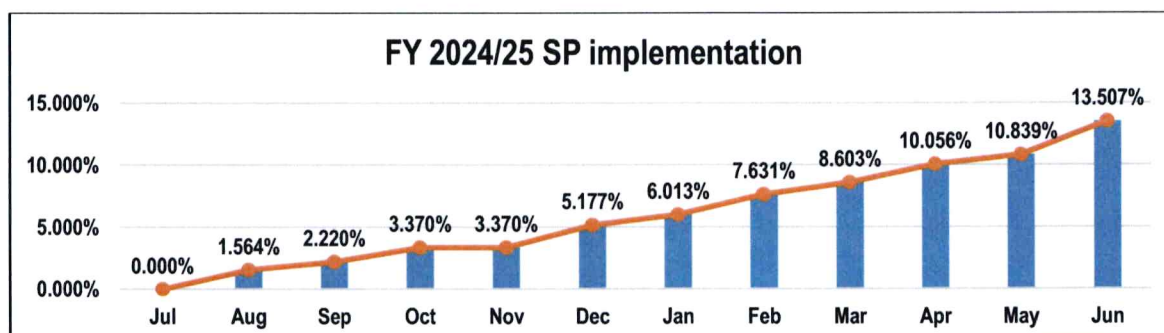


Figure 2:21 Implementation of Strategic Plan (Annual Workplan) in FY 2024/25

2.5.6.3 Strategic Plan 23-28 Implementation since inception

The recent approved strategic plan was first implemented in the FY 2023/24. Since then, the service has gradually executed strategic plan activities. At the end of the first year of implementation, the service was at an execution level of 18.26%. At the end of the second year of implementation, 31.77% of the strategic plan was executed. According to the approved strategic plan, the service ought to have implemented 33.25% of the strategic plan. This then translates to an achievement of 95.55% of the two years implemented.

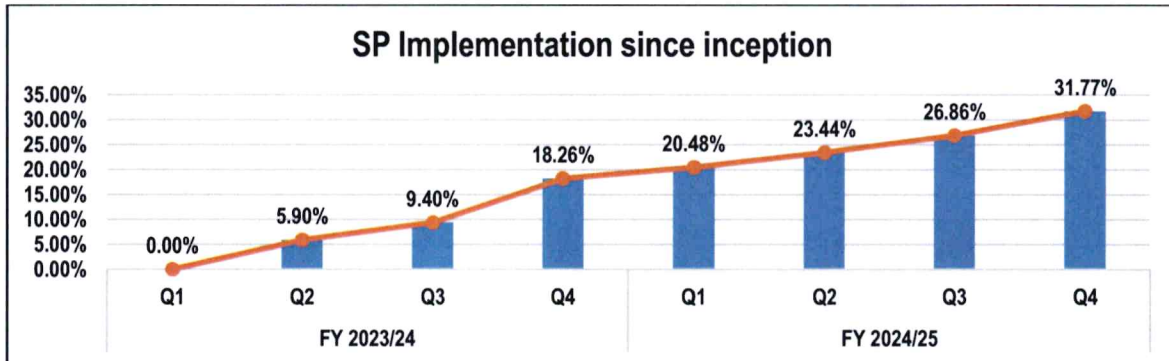


Figure 2:22 Strategic Plan 23-28 Implementation since inception

2.5.6.4 Provision of Statistical Support

During the FY 2024/25, the Service undertook 5 major surveys aimed at soliciting information from the staff members, stakeholders, and the public to enhance decision-making through evidence. The Service undertook various surveys such as medical survey of 2024, Customer Satisfaction survey, MPSR User journey Survey, and ICT user survey.

2.5.6.5 Implementation of Performance Contract

During the period under review, the Service implemented its 5th Performance Contract for the FY 2024/25 in line with the 21th cycle guidelines. Based on its self-assessment, Service had implemented a cumulative proportion of 98.044% of the commitments by the end of June 2025. The service is awaiting evaluation of the commitments undertaken by PSMU to be done later in the year 2025. The self-performance evaluation indicated that the Service had a composite score of 3.0824 (Good) compared to FY 2023/24 that had a score of 2.9999

2.5.7 Audit Function

During the FY 2024/25, the Internal Audit Function concluded 4 risk-based audit exercises namely; Financial Statement Review, Asset Verification and Review (Official Receiver), PAYROLL Management Audit and Revenue Collection Audit. The audit reports were shared with the Board for their oversight on the adequacy and effectiveness of governance, risk management and internal processes. The function also played a pivotal role in the preparation of governance policy and procedures manuals to ensure effective internal controls.

CHAPTER THREE

3 FINANCIAL STATEMENTS (UNAUDITED)

3.1 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE 2025

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from other governments entities	6	403,745,000	470,350,000
		403,745,000	470,350,000
Expenses			
Use of goods and services	7	91,190,327	151,751,494
Employee costs	8	304,644,098	289,823,272
Board Expenses	9	7,822,660	8,020,619
Depreciation and amortization expense	10	14,274,001	14,322,801
Repairs and maintenance	11	518,600	7,108,379
Grants and subsidies	12	200,000	1,164,650
Total expenses		418,649,686	472,191,215
Surplus/(deficit) for the period/year		(14,904,686)	(1,841,215)

The notes set out on pages 6-34 form an integral part of these Financial Statements

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

----- Kenneth Gathuma HSC	----- CPA Erastus Mbalu	----- Mr. Hamisi Mwaguya
Director General	Deputy Director Finance and Accounts	Chairperson
Date..... ...	Date..... ...	Date.....

3.2 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	13b	58,579,097	80,601,277
Inventories	14	2,289,621	3,175,002
Receivables from Exchange Transactions	15	8,419,319	11,881,068
Total Current Assets		69,288,037	95,657,347
Non-Current Assets			
Property, Plant and Equipment	16	54,920,211	64,906,100
Intangible Assets	17	1,534,681	5,001,953
Total Non- Current Assets		56,454,892	69,908,053
Total Assets (A)		125,742,929	165,565,400
Liabilities			
Current Liabilities			
Current Provision	18		1,560,523
Total Current Liabilities			1,560,523
Non-Current Liabilities			
Non-Current Employee Benefit Obligation	19	52,342,173	75,699,435
Total Non- Current Liabilities		52,342,173	75,699,435
Total Liabilities(B)		52,342,173	77,259,958
Net Assets (A-B)		73,400,756	88,305,442
Represented by			
Reserves	20	88,305,442	90,146,657
Accumulated Surplus/(Deficit)	21	(14,904,686)	(1,841,215)
Total Net Assets	20	73,400,756	88,305,442
Total Net Assets and Liabilities		128,083,633	165,565,400

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

Kenneth Gathuma HSC

Director General

Date.....

CPA Erastus Mbalu

**Deputy Director Finance and
Accounts**

Date.....

Mr. Hamisi Mwanguya

Chairperson

Date.....

3.3 STATEMENT OF CHANGES IN NET ASSETS FOR THE PERIOD ENDED JUNE 30TH, 2025

Description	Capital reserve	Retained earnings	Total
	Kshs	Kshs	Kshs
Balance as at July 1, 2024		90,146,657	90,146,657
Surplus/Deficit for the period	-	(1,841,215)	(1,841,215)
Transfer of excess depreciation on revaluation	-	-	-
As at June 30, 2024	-	88,305,442	88,305,442
Balance as at July 1, 2024	-	88,305,442	88,305,442
Surplus/Deficit for the period	-	(14,904,686)	(12,563,981)
Transfer of excess depreciation on revaluation	-	0	0
At June 30th, 2025	-	73,400,756	75,741,460

3.4 STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED JUNE 30TH ,2025

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other governments entities	6	403,745,000	470,350,000
Total receipts		403,745,000	470,350,000
Payments			
Use of goods and services	7	90,115,695	151,751,494
Employee costs	8	324,728,862	289,823,272
Board Expenses	9	7,822,660	8,020,619
Repairs and maintenance	11	2,079,123	7,108,379
Grants and subsidies	12	200,000	1,164,650
Total payments		424,946,340	457,868,414
Cash Flows from Operating Activities	21	(21,201,340)	12,481,586
Net Cash Flows from Operating Activities	21	21,201,340	20,674,909
Cash flows from investing activities			
Purchase of PPE and Intangible assets	17	(820,840)	(10,116,218)
Net cash flows from/ (used in) investing activities		(820,840)	(10,116,218)
Net increase/(decrease) in cash & Cash equivalents		(22,022,180)	10,558,691
Cash and cash equivalents at 1 July, 2024	13	80,601,277	70,042,586
Cash and cash equivalents at 30 June,2025	13	58,579,097	80,601,277

Business Registration Service has used the direct method of cash flow presentation as prescribed by PSASB in the current year

3.5 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED JUNE 30TH JUNE, 2025

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	C=(a+b)	d	e=(c-d)	f=d/c*100
Revenue	331,745,000	72,000,000	403,745,000	403,745,000	0	100%
Transfers from Other Governments entities				403,745,000	0	100%
Total Income	331,745,000	72,000,000	403,745,000			
Expenses						
Use of Goods and Services	18,853,684	72,000,000	91,193,684	91,190,327	(3,357)	100%
Employee costs	303,059,616		303,059,616	304,644,098	(1,584,482)	100%
Remuneration of Directors	7,900,000		7,900,000	7,822,660	77,340	99.7%
Repairs and Maintenance	530,700		530,700	518,600	12,100	99.7%
Grants and Subsidies	211,000		211,000	200,000	11,000	94.8%
Total Expenditure	330,895,000		402,895,000	404,375,685	(1,480,685)	100%
Surplus for the period				(630,685)		
Capital Expenditure	850,000	0	850,000	820,840	29,160	

Reconciliation of Budget Comparison and Actual Details	Amount (Kshs)
Surplus as per the Budget Comparison	630,685
Depreciation for the year	(14,322,801)
Surplus as per the financial performance	(1,841,215)

Annual Reports and Financial Statements

for the year ended June 30, 2025.

1. Notes to the Financial Statements

1. General Information

Business Registration Service is established by an Act of Parliament and derives its authority and accountability from the Business Registration Act, 2015. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The Business Registration Service principal activity is to administer policies, laws and other matters relating to the registration of Companies, partnerships and firms, and corporations carrying on business under a business name, bankruptcy, hire-purchase, and security rights (Section 4(1) of BRS Act, 2015). This role is critical in improving the ease of doing business in Kenya and economic growth at large.

This huge mandate bestowed on the Service requires that it operates in a strategic and focused manner. The Service Strategic Plan provides the roadmap for the implementation and coordination of the policies, laws and different players involved in ease of doing business.

In the FY 2023-2024, the Service was given an additional mandate to manage the Trustee (Perpetual Succession) Registry. This new responsibility further expands the Service's role in overseeing the registration and regulation of trusts, enhancing its governance and administrative functions.

2. Statement of Compliance and Basis of Preparation

The financial statements of the Business Registration Service have been prepared on a historical cost basis, with exceptions for the revaluation of certain items of property, plant, and equipment at fair value, the measurement of impaired assets at their estimated recoverable amounts, and actuarially determined liabilities at their present value.

The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Business Registration Service accounting policies.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Business Registration Service.

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

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

There were no new and amended standards issued in the financial year

- 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 cash flows 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> <p><i>The adoption of the new standard will have a significant impact on the Service's financial statements, as the Service is currently operating under a leasing agreement for its current premises.</i></p>
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>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> <p>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</p>
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</p>

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Standard	Effective date and impact:
	<p>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> <p>The Service will prepare its Financial statements in conformity with IPSAS 45</p>
<p>IPSAS 46 Measurement</p>	<p>Applicable 1st January 2025</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; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47- Revenue</p>	<p>Applicable 1st January 2026</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>Applicable 1st January 2026</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>
<p>IPSAS 49- Retirement Benefit Plans</p>	<p>Applicable 1st January 2026</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</p>

Business Registration Service

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for the year ended June 30, 2025.

Standard	Effective date and impact:
	the financial statements that should be presented by a retirement benefit plan.

iii. Early adoption of standards

Business Registration Service did not early – adopt any new or amended standards in year 2024/2025.

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to Business Registration Service and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

ii) Revenue from Exchange transactions

Rendering of services

Business Registration Service recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours.

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 Service

b) Budget information

The original budget for FY 2024-2025 was approved by the National Assembly in June 2024 and there were no Subsequent revisions and additional appropriations made to the approved budget.

The Business Registration Service budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

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for the year ended June 30, 2025.

A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actual as per the statement of financial performance has been presented under page 6 these financial statements.

c) Property, plant and equipment

The cost of an item of property, plant and equipment is recognized as an asset when;

It is probable that future economic benefits or service potential associated with the item will flow to the Authority; and

The cost can be measured reliably.

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Service recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

The useful lives of items property, plant and equipment have been assessed as follows:

Item	Depreciation Method	Average Useful Life
Furniture and fixtures	Reducing balance	8 Years
Motor Vehicles	Reducing balance	4 Years
Office equipment	Reducing balance	8 Years
IT equipment		
Computer equipment	Reducing balance	3 Years

The depreciable amount of an asset is allocated on a systematic basis over its useful life. The Service assesses at each reporting date whether there is any indication that the Service' expectation about the residual value and the

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Notes to the Financial Statements (Continued) Summary of Significant Accounting Policies (Continued)

useful life of an asset has changed since the preceding reporting date. If any such indication exists, the Service revises the expected useful life and/or residual value accordingly.

The change is accounted for as a change in an accounting estimate. The depreciation charge for each period is recognized in surplus or deficit. Items of property, plant and equipment are derecognized when disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

It is the policy of the Service that Depreciation charges shall commence in the beginning of the month in which the asset is first put to use and no depreciation shall be charged on the year of disposal

d) Intangible assets

An intangible asset is recognized as an asset when;

- It is probable that future economic benefits or service potential associated with the item will flow to the Business Registration Service; and
- The cost or fair value can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

The useful life of the intangible assets is assessed as either finite or indefinite. Reassessing the useful life of an intangible asset with finite useful life after it was classified as infinite is an indicator that the asset may have been impaired. As a result, the asset is tested for impairment and the remaining carrying amount is amortised over its useful life. Intangible assets are acquired. Amortisation is provided to write down the intangible assets, on a reducing balance basis, to their residual values as follows:

Item	Depreciation	Useful life
Software	Reducing Balance	3 years

e) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method
- ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

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for the year ended June 30, 2025.

Notes to the Financial Statements (Continued) **Summary of Significant Accounting Policies (Continued)**

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at No charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Service.

f) Provisions

Provisions are recognized when;

- Business Registration service has a present obligation as a result of a past event
- It is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation

The amount of the provision is the best estimate of the expenditure expected to be required to settle the obligation at the reporting date. Where the Service expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate and are reversed if it is no longer probable that an outflow of economic resources embodying economic benefits or service potential will be required to settle the obligations. The details of the provisions made in preparing these Financial Statements are disclosed in Note 19

g) Contingent liabilities

Business Registration Service does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

h) Contingent assets

The Service does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Notes to the Financial Statements (Continued) **Summary of Significant Accounting Policies (Continued)**

i) Changes in Accounting policies and estimates

The Service recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

j) Employee benefits

Retirement benefit plans

Business Registration Service provides retirement benefits for its permanent and pensionable employees. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

The contributions to fund obligations for the payment of retirement benefits is charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis.

Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

The contribution towards employee pension scheme and staff gratuity for employees on contract are recognized in the statement of financial performance in the year in which the employees rendered their services to the Service.

k) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

l) Related parties

Business Registration Service regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the Director General, Board of Directors, and senior managers.

m) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank balances held at Kenya Commercial Bank at the end of the financial year.

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

n) Comparative figures

Business Registration Service financial statements include comparison of figures of the previous year.

o) Subsequent events

Events after the reporting date are those events both favourable and unfavourable, that occur between the reporting date and date when financial statements are authorised for issue. Subsequent events can be classified into two types

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events)

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

5. Significant Judgments and Sources of Estimation Uncertainty

In preparing annual financial statements in conformity with IPSAS management is required to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. Significant judgements, estimates and assumptions include;

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Service based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual value

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- a) The condition of the asset based on the assessment of experts employed by the Service.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 19. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

Depreciation and Amortisation

The Business Registration Service management determines the estimated useful lives and related depreciation charges on the basis of industry norm and increases the depreciation charge where useful lives are less than earlier anticipated

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

6. Transfers from Ministries, Departments and Agencies

Name of the Entity sending the grant	Amount recognized to Statement of Financial Performance Kshs	Amount recognised in capital fund.	Total grant income during the period	2023-2024
		Kshs.	Kshs.	Kshs.
State Law Office and Department of Justice	403,745,000		403,745,000	470,350,000
Total	403,745,000		403,745,000	470,350,000

All transfers recorded and recognized in the statement of financial performance have been confirmed and reconciled with those recorded by the State Law Office.

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for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

7. Use of Goods and Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Water	285,327	418,261
Electricity	1,634,999	2,044,980
Subscriptions	431,877	635,081
Advertising	1,080,000	27,132,189
Conferences and delegations	3,935,500	5,079,481
Hospitality	51,920	1,856,654
Rent and Rates/Storage facilities	67,015,693	66,911,756
Fuel and oil	28,500	166,000
Postage	9,450	18,790
Consultancy fees	276,000	3,455,360
Contracted Guards and Cleaning Services	4,624,260	5,706,750
Printing and publishing	4,105,670	4,532,868
Telephone and mobile services	30,000	1,716,000
Licensing fees for communication	4,973,094	4,059,142
Training	493,360	25,028,748
Trade Shows and Exhibitions	0	463,000
Newspapers and periodicals	27,270	0
Internet Connections	1,575,450	1,503,360
Bank charges	391,700	586,697
Fumigation (Sanitary & cleaning services)	220,257	436,377
Total general expenses	91,190,327	151,751,494

- Membership fees and subscriptions to professional bodies have substantially declined following the austerity measures implemented by the National Treasury.
- During the reporting period, BRS significantly reduced advertising expenses due to budgetary constraints. In comparison, the Service conducted roadshow campaigns during the comparative period.

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

- Conference costs and hospitality expenses have significantly declined compared to the previous period, reflecting the impact of austerity measures implemented by the National Treasury. These financial constraints have necessitated a reduction in discretionary spending across various operational areas. Notably, the budget cuts have also affected Telephone expenses.
- Fuel costs during the review period have decreased because the usage of that budget line has declined. This is attributed to the fact that the vehicles used by the service are owned by the Official Receiver and are maintained by the department.
- The State Law Office directed BRS to find alternative storage facilities, prompting the procurement of relocation services to transfer the files. Consequently, an expense of Kshs 276,000 was incurred under Contracted Professional Services.
- The number of contracted security guards was reduced due to budget cuts, resulting in a corresponding decrease in that vote line.
- The Training expense significantly reduced due to austerity measures introduced by the National Treasury on that vote line.

7(b) Use of Goods and Services

DESCRIPTION	Period ended 30 th June,2025
	Kshs
Use of Goods and Goods	91,190,327
Add: Licences for communication prepayment as at 30 th June,2025	1,201,041
Less : Licences for communication prepayment as at 1st July,2024	(1,390,292)
Add: Inventory as at 30th June 2025	2,289,621
Less: Inventory as at 1st July,2024	(3,175,002)
Total amount to the cashflow	90,115,695

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

8. Employee Costs

	2024-2025	2023-2024
		Kshs
Salaries and wages	160,104,139	148,372,320
Travel, motor car, accommodation, subsistence and other allowances	21,793,488	19,065,390
Housing benefits and other allowances	50,137,936	47,602,859
Provision for Gratuity	23,500,066	22,950,029
Interns	0	2,460,000
Employer contribution to Staff Pension Schemes	16,592,110	14,795,530
Social Contributions NSSF	3,816,647	2,518,627
Employer Contribution to NITA	67,650	65,300
Employer contribution to health insurance	18,769,959	24,649,205
Other insurance costs (WIBA)	2,683,159	2,192,139
Group Life Insurance	4,235,000	2,823,333
Employers Contribution to Housing Levy	2,943,944	2,075,280
Acting Allowances	0	253,260
Employee costs	304,644,098	289,823,272

- The Salaries and Wages expense has increased due to the addition of new staff members who joined us in this financial year following the recruitment exercise.
- In the period ended June 2025, BRS did not engage employees on short term employment as compared to the comparative period.
- Social contributions increased due to the government's directives on increased contribution to the NSSF kitty.
- BRS has acquired group personal insurance for employees, which was not in place during the comparative period.
- There were no employees in acting capacity during the period under review hence the reduction in that expense.

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

8(b) Employee costs

DESCRIPTION	Period ended 30 th June,2025
	Kshs
Employee Compensation as at note 7	304,644,098
Add: Medical Insurance Prepayments as at 30 th June 2025	4,912,225
Less: Medical Insurance Prepayments as at 1 st July,2024	(8,184,723)
Add: WIBA prepayment as at 30 th June,2025	894,386
Less: WIBA prepayment as at 1 st July,2024	(894,386)
Add: Group Personal Insurance Prepayment as at 30 th June,2025	1,411,667
Less: Group Personal Insurance Prepayment as at 1 st July 2024	(1,411,667)
Add: Employment Benefit obligation as at 1 st July 2024	75,699,435
Less: Employment Benefit obligation as at 30 th June,2025	(52,342,173)
TOTAL	324,728,862

9. Remuneration of Directors

Description	2024-2025	2023-2024
		Kshs
Chairperson's Honoraria	694,194	960,000
Sitting Allowances	3,820,000	2,960,000
Travel and accommodation	1,787,194	1,286,231
Induction and Training	1,521,272	2,814,388
Total director emoluments	7,822,660	8,020,619

- The number of board trainings during the period ended 30 June 2025 declined compared to the same period last year, due to austerity measures introduced by the National Treasury.
- The Board has been engaged in various activities in the current period, such as resource mobilisations and attending regulatory agencies sessions spearheaded by the Head of Public Service

10. Depreciation and Amortization Expense

Description	2024-2025	2023-2024
		Kshs
Property, plant and equipment	10,459,889	10,799,066
Intangible Assets	3,814,112	3,523,735
Total depreciation and amortization	14,274,001	14,322,801

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

11. Repairs and Maintenance

Description	2024-2025	2023-2024
		Kshs
Furniture and fittings	157,900	83,950
Computers and accessories	360,700	694,011
Refurbishment of building	0	6,330,418
Total repairs and maintenance	518,600	7,108,379

- There was reduction in the refurbishment of Building exercise hence the significant reduction in that expense.

11b) Repairs and Maintenance

DESCRIPTION	Period ended 30 th June, 2025
	Kshs
Repairs and maintenance	518,600
Add: Provisions as at 1 st July 2024	1,560,523
Less: Current provisions as at 30 th June 2025	0
Total amount to the cashflow	2,079,123

12. Grants and Subsidies

Description	2024-2025	2023-2024
		KShs
Community development	200,000	1,164,650
Total grants and subsidies	200,000	1,164,650

13. Cash and Cash Equivalent

Description	2024-2025	2023-2024
		Kshs
Bank	58,579,095	80,601,277
Total cash and cash equivalents	58,579,095	80,601,277

13b) Detailed Analysis of the Cash and Cash Equivalent

Financial Institution	Bank Account number	2024-2025	2023-2024
		Kshs	Kshs
Current Account			
Kenya Commercial bank	1184110735	6,236,922	3,341,319
Kenya Commercial Bank	1300691360	52,342,173	77,259,958
Grand total		58,579,095	80,601,277

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

14. Inventories

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Consumable stores	2,289,621		3,175,002	
Total inventories at the lower of cost and net realizable value	2,289,621		3,175,002	

15. Receivables from Exchange Transactions

DESCRIPTION	2024-2025		2023-2024	
	Kshs		Kshs	
Medical Insurance	4,912,225		8,184,723	
Other Insurance Costs (WIBA)	894,386		894,386	
Group Life Insurance	1,411,667		1,411,667	
ICT Licences	1,201,041		1,390,292	
Total current receivables	8,419,319		11,881,068	

(b) Ageing Analysis for Receivables from Exchange Transactions

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	2024-2025	% of the total	2023-2024	% of the total
Less than 1 year	8,419,319	100%	11,881,068	100%
Between 1- 2 years		%		%
Between 2-3 years		%		%
Over 3 years		%		%
Total (a+b)	8,419,319	100%	11,881,068	100%

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

16. Property, Plant and Equipment

	Furniture and fittings	Computers	Office Equipment	Total
DEPRECIATION PERCENTAGE	12.5%	33.3%	12.5%	
Cost	Kshs	Kshs	Kshs	Kshs
At 1 st July 2023	61,546,157	22,609,308	17,218,372	101,373,837
Additions		5,921,080	1,995,138	7,916,218
Disposals	-	-	-	-
Transfers/adjustments	-	-	-	-
At 30th June 2024	61,546,157	28,530,388	19,213,510	109,290,055
Additions	75,000	399,000	-	474,000
Transfers/adjustments	-	-	-	-
At 30th June 2025	61,621,157	28,929,388	19,213,510	109,764,055
Depreciation and impairment				
At 1 July 2023	14,019,812	14,341,864	5,223,214	33,584,889
Depreciation	(5,955,793)	(3,313,095)	(1,530,178)	10,799,066
Impairment	-	-	-	-
At 30th June,2024	19,975,605	17,654,959	6,753,392	44,383,956
Depreciation	5,203,350	3,699,024	1,557,515	10,459,889
Transfer/adjustment	-	-	-	-
At 30th June,2025	25,178,955	21,353,983	8,310,907	54,843,845
Net book values				
At 30th June 2024	41,570,552	10,875,430	12,460,118	64,906,100
At 30th June ,2025	36,442,202	7,575,406	10,902,603	54,920,211

17. Intangible Assets

Description	2024-2025	2023-2024
	Kshs	Kshs
Cost		
At the beginning of the year	5,001,953	6,325,688
Additions:	346,840	2,200,000
At the end of the year	5,348,793	8,525,688
Amortization and impairment		
Amortization of the year	3,814,112	3,523,735
At the end of the year	3,814,112	3,523,735
Net Book Value	1,534,681	5,001,953

18. Current Provisions

Description	2024-2025	2023-2024
	Kshs	Kshs
Balance at 1st July 2023	0	1,560,523
Additional Provisions for the period	0	0
Provision utilized during the period	0	0
Change due to discount and time value for money		0
Transfers from non -current provisions	0	0
Total provisions as at 30th June,2025	0	1,560,523

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

19. Employee Benefit Obligation

The Business Registration Service contributes to the statutory National Social Security Fund (NSSF), a defined contribution scheme established under the National Social Security Act. Contributions to this scheme are capped at specific amounts set by legislation from time to time.

In addition to the NSSF, the Business Registration Service has a separate defined contribution scheme for all permanent and pensionable employees. Under this scheme, employees contribute 10% of their basic salary, while the Service contributes 20%. Employer contributions are recorded as expenses in the statement of financial performance in the period they are incurred.

Furthermore, the Business Registration Service provides gratuity for all contract employees, contributing 31% of each employee's basic monthly salary.

This gratuity is payable upon contract expiration or separation and is recognized as a final obligation in the statement of financial performance in the year the contribution is made.

Staff Gratuity

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Benefit Obligation		0
Non-current Benefit Obligation	75,699,435	65,651,608
Benefit Utilized	(46,857,328)	(12,902,202)
Benefit Obligation for the Year	23,500,066	22,950,029
Total provisions as at 30th June 2025	52,342,173	75,699,435

20. General Reserve

	Retained earnings
	Kshs
Balance as at July 1, 2023	90,146,657
Surplus/Deficit for the period	(1,801,215)
At June 30, 2024	88,305,442
Balance as at July 1, 2024	88,305,442
Surplus/Deficit for the period	(14,904,686)
At June 30, 2025	73,400,746

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Notes to the Financial Statements (Continued)

21. Cash Generated from Operations

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Surplus for the year before tax		(14,904,686)	(1,841,215)
Add Back Adjusted for:			
Depreciation for the year	10	14,274,001	14,322,801
Prior year depreciation/Adjustments			
Working Capital Adjustments			
Increase in Inventory	15	885,381	1,131,364
Decrease / Increase in Receivables	16	3,461,749	(2,985,868)
Increase in payables			
Decrease/ Increase in Provisions	19/20	(24,917,785)	10,047,827
Net cash flow from operating activities		(21,201,340)	20,674,909

22. Financial Risk Management

The Service has a policy framework on risk management. The strategic risk register is reviewed quarterly by management. Business Registration Service activities expose it to credit and liquidity risk

a) Credit Risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Service. Credit risk arises from bank balances, receivables and amounts due from related parties. Although this risk is unlikely to occur in the short term, it is mitigated as follows;

- Cash is placed with well-established financial institutions of high quality and credit standing and also approved by the National Treasury;
- The Service does not raise receivables in its ordinary course of business.

Credit risk with respect to accounts receivable is limited due to the nature of the entity's business and its reliance on government grant as the main source of funding.

Business Registration Service exposure to credit risk at the end of the financial year is best represented by

	2024-2025	2023-2024
	Kshs.	Kshs.
Cash at Bank	58,579,095	80,601,277
Prepaid Medical Insurance	4,912,225	8,184,723
Prepaid Other Insurance Costs (WIBA)	894,386	894,386
Group Life Insurance	1,411,667	1,411,667
ICT Licences	1,201,041	1,390,292
Total	66,998,414	92,482,345

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Notes to the Financial Statements (Continued)

b) Liquidity Risk Management

Business Registration Service Liquidity risk is as a result of funds availability to cover future commitments.

Ultimate responsibility for liquidity risk management rests with the Business Registration Service directors, who have built an appropriate liquidity risk management framework for the management of the service short, medium and long-term funding and liquidity management requirements. Business Registration Service manages liquidity risk through continuous monitoring of forecasts and actual cash flows

The amounts that best describes the Services exposure to liquidity risk at the end of the financial year is as follows;

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Provisions	0	0	0	0
Employee benefit obligation	0	0	52,342,173	52,342,173
Total	0	0	52,342,173	52,342,173
As at 30th June 2024				
Provisions	0	0	1,560,523	1,560,523
Employee benefit obligation	0	0	65,651,608	65,651,608
Total	0	0	67,212,131	67,212,131

23. Related Party Disclosures

Nature of related party relationships

Business Registration service-related party includes those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include the Government, Directors and key management personnel.

	2024-2025	2023-2024
	Kshs	Kshs
Transactions with related parties		
a) Grants from the Government		
Grants from National Govt		470,350,000
Total		470,350,000
	2024-2025	2023-2024
	Kshs	Kshs
b) Key management compensation		
Directors' emoluments		8,020,619
Compensation to key management		50,639,700
Total		58,660,319

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for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

24. Contingent Liabilities

Description	2024-2025	2023-2024
	Kshs	Kshs
Court Case against BRS: Court award		25,000,000
Total		25,000,000

Judgement was entered against the Registrar of Companies for a sum of Kshs. 25,000,000 in a case regarding falsification of records by third parties

25. Events after the Reporting Period

There were no material adjusting and non- adjusting events after the reporting period.

26. Ultimate and Holding Entity

The Business Registration Service is a Semi- Autonomous Government Agency under the State Law office and Department of Justice. Its ultimate parent is the Government of Kenya.

27. Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

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2. Appendices

Appendix 1: Implementation of Status of Auditor -General's Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

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)
REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES				
1	<p>Non- Compliance with the State Corporations Advisory Committee Requirements</p> <p>As reported previously, Audit review of records provided for audit revealed that the Business Registration Service did not submit compliance reports for approval to State Corporations Advisory Committee (SCAC) as guided by the Office of the President Circular Ref. OP/CAB.9/1A of 11th March 2020</p>	<p>Management acknowledges the oversight in failing to provide the reports during the audit process. However, this has since been rectified, and the reports have now been shared with the audit team for their review and consideration. .</p>	Not Resolved	To appear in Parliament
2	<p>Irregular Extension of Contract For Comprehensive Medical Care.</p> <p>Note 8 to the Financial Statement reflects Kshs. 289,599,272 in respect to employee costs. The expenditure includes Kshs. 24,649,205 in respect of employer contribution to health insurance. Review of records indicate that a contract for Corporate Medical Insurance cover with a commencement date of 1st Nov 2022 and expiring 31st December 2024 was signed at a cost of Kshs. 22,699,462. On expiry of the contract the service prepared an addendum to the contract to include renewal of the contract for one year at an enhanced cost of</p>	<p>Prior to the contract's expiry on 31st October 2023, BRS conducted a staff survey on CIC Insurance's performance, which supported a contract renewal. CIC proposed a 20% premium increase, citing a 7% inflation rate, increased loss ratio, and a rise in BRS beneficiaries. Management conducted a market survey, confirming CIC remained the most competitive. The Evaluation Committee reviewed the proposal on 26th October 2023 and forwarded its</p>	Not Resolved	To appear in Parliament

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for the year ended June 30, 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)
	<i>Kshs. 24,975,028. The increments of Kshs.2,275,566 was not explained or justified</i>	<p><i>recommendations to the Head of Procurement, who issued a professional opinion to the Accounting Officer. The Accounting Officer approved the contract variation.</i></p> <p><i>The contract sum increased by Kshs. 2,275,566—from Kshs. 22,699,462 to Kshs. 24,975,028—due to an increase in beneficiaries (from 379 to 393) and inflation. The variation complied with the 25% limit under Section 139(4)(b) of the Public Procurement and Asset Disposal Act.</i></p>		
Report on effectiveness of Internal Controls, Risk Management and Governance				
1	<p>Under Staffing of the Service Review of the staff establishment as at 30 June, 2024 revealed that, the Business Registration Services had 113 employees out of the recommended staff establishment of 162 resulting to an understaffing of 49 staff or (30%) of the approved establishments</p>	<p><i>BRS has not yet reached its full staffing capacity due to budgetary constraints. Recruitment is typically done in phases based on business needs. During the FY 2023-2024, BRS conducted a recruitment exercise, absorbing 13 new staff members. The organization is working towards achieving optimal staff establishment.</i></p>	Not Resolved	To appear in Parliament
2.	<p>Weak Controls over Imprest Management. Review of imprest register maintained by management revealed that register did not contain key information such as miscellaneous receipt (MR) number for cash surrenders, voucher numbers for bill</p>	<p><i>The imprest register initially provided to the auditors was an improvised version and lacked the necessary columns for proper record-keeping. However, this issue has since</i></p>	Resolved	To appear in parliament

Annual Reports and Financial Statements

for the year ended June 30, 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)
	surrenders, outstanding balances, records of recovery from salary and date of surrender. Further imprest warrants amounting to Kshs. 1,200,000 were not signed by the imprest holders and certified by the respective heads of departments	<i>been addressed, and the register has been updated to include all the required fields to ensure compliance with Accounting Standards.</i>		
3.	Failure to open County Offices; As previously reported, Audit Review of Business Registration Service (BRS) records on regional offices revealed that operational branches are only in Kisumu and Mombasa Counties. However, strategic plan for the period 2021-2026 did not consider opening of regional offices operations or opening in other Counties in Kenya which is contrary to Section (3) of Business Registration Service Act, 2015.	<i>This is due to budgetary limitations that have impacted the implementation of this requirement. However, BRS has on boarded all its services to the e-citizen enabling the Public to access all of the services online. The BRS draft strategic plan 2023-2027 incorporates the opening of regional offices in other counties</i>	Not Resolved	To appear in Parliament

Sign.....

Director General

Date.....

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Appendix II: Inter-Entity Transfers

BUSINESS REGISTRATION SERVICE				
Breakdown of Transfers from the State Law Office and Department of Justice				
FY 2024/2025				
a.	Recurrent Grants			
	Reference number	Bank Statement Date	Amount (Kshs)	Indicate the FY to which the amounts relate
	0020070899	06/08/2024	27,645,417.00	2024-2025
	0020071058	30/08/2024	27,645,417.00	2024-2025
	0020071290	02/10/2024	27,645,416.00	2024-2025
	KE/NAIROBI/KE/N	31/10/2024	27,645,417.00	2024-2025
	KE/NAIROBI/KE/N	29/11/2024	27,645,417.00	2024-2025
	KE/NAIROBI/KE/N	03/01/2025	27,645,416.00	2024-2025
	KE/NAIROBI/KE/N	07/02/2025	27,645,417.00	2024-2025
	KE/NAIROBI/KE/N	13/03/2025	27,645,416.00	2024-2025
	KE/NAIROBI/KE/N	08/04/2025	27,645,416.00	2024-2025
	KE/NAIROBI/KE/N	29/04/2025	27,645,417.00	2024-2025
	KE/NAIROBI/KE/N	05/05/2025	72,000,000.00	2024-2025
	KE/NAIROBI/KE/N	09/06/2025	27,645,417.00	2024-2025
	KE/NAIROBI/KE/N	27/06/2025	27,645,416.00	2024-2025
	Total		403,745,000.00	

BRS received a total of Kshs. 403,745,000 as Authority to Incur Expenditure (AIE) from the Office of the Attorney General and Department of Justice. Receipt of the money has been acknowledged and reconciliation done.

Business Registration Service

Annual Reports and Financial Statements

for the year ended June 30, 2025.

Deputy Director Finance &Accounts

Head of Accounting Unit

Business Registration Service

Office of the Attorney General

Sign.....

Sign.....

Date.....

Date.....

Appendix III: Transfers from Other Government Entities

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/Development/Others	Total Amount - KES	Statement of Financial Performance	Where Recorded/recognized				Total Transfers during the Year
					Capital Fund	Deferred Income	Receivables	Others - Grants	
Office of the Attorney General and DOJ	06/08/2024	Recurrent	27,645,417.00	27,645,417.00					27,645,417.00
	30/08/2024		27,645,417.00	27,645,417.00				27,645,417.00	
	02/10/2024		27,645,416.00	27,645,416.00				27,645,416.00	
	31/10/2024		27,645,417.00	27,645,417.00				27,645,417.00	
	29/11/2024		27,645,417.00	27,645,417.00				27,645,417.00	
	03/01/2025		27,645,416.00	27,645,416.00				27,645,416.00	
	07/02/2025		27,645,417.00	27,645,417.00				27,645,417.00	
	13/03/2025		27,645,416.00	27,645,416.00				27,645,416.00	
	08/04/2025		27,645,416.00	27,645,416.00				27,645,416.00	
	29/04/2025		27,645,417.00	27,645,417.00				27,645,417.00	
	05/05/2025		72,000,000.00	72,000,000.00				72,000,000.00	
	09/06/2025		27,645,417.00	27,645,417.00				27,645,417.00	
	27/06/2025	27,645,416.00	27,645,416.00		-		27,645,416.00		
Total			403,745,000.00	403,745,000.00		-	-	403,745,000.00	

CHAPTER FOUR

4 CHALLENGES AND RECOMMENDATIONS

4.1 Challenges

4.1.1 Inadequate Budgetary Allocation

During the reporting period, the Service faced challenges in executing planned activities due to budgetary limitations. Although BRS has made progress in automating its processes, certain procedures remain manual, leading to operational inefficiencies.

Inadequate ICT Infrastructure

The current ICT infrastructure is insufficient to effectively support digital service delivery, leading to inefficiencies. As a result, services are often slow, require more manual labor, are prone to human error, and involve time-consuming processes, among other challenges.

4.1.2 Inadequate Physical Infrastructure

The current desktops being used by staff in some sections are slow and old which hinders their effectiveness, especially in sections at the company registry.

4.1.3 Inherent Weakness in Legal Framework

BRS administers various Acts in discharging its mandate. Some of the laws implemented by the Service are inconsistent with other laws applied by the business community. Deficiencies and bottlenecks in the regulations. Some Acts have been amended but the regulations have not. The laws also need to be updated to accommodate emerging trends.

4.1.4 Sub-optimal Staffing Levels

The Service remains understaffed despite the growing demand for BRS services in the Official Receiver and Company Registry. This rising demand is driven by Kenya's improving economy and the introduction of supportive financial products, such as SME-focused offerings, which have further increased the need for efficient service delivery.

4.1.5 Centralized Service Points

Although BRS services are mainly online, the Service has a centralized main office at Nairobi and so all physical inquiries are done from the head office. This has been reported as a cause of strain for clients who wish to seek physical services from the office and therefore limits the delivery of services to the public.

4.1.6 Inadequate visibility and awareness of BRS mandate

4.1.7 Low level of compliance with the laws administered by BRS

4.2 Recommendations

4.2.1 Review of the Legal Framework administered by BRS:

The Service is continuously engaging the relevant stakeholders to review pieces of legislation to create a harmonious legal framework and enhance its administration as well as make the environment conducive for business to thrive.

4.2.2 Automation of BRS Processes to Improve Service Delivery

The Service has mapped some of the processes to be automated to improve service delivery. There is need to get resources needed to automate the processes mapped to enhance service delivery.

4.2.3 Invest in ICT Digital Infrastructure For Efficient Service Delivery

Due to technological advancement in the business environment. The needs to buy adequate ICT infrastructure and modern technologies to support service delivery which would in turn enhance the efficiency of service delivery.

4.2.4 Simplify Compliance Processes

The Service as a regular of business registration process and Insolvency practitioners, needs to make it easy to comply. This necessitates review of the compliance obligations of the registration process, a review of the relevant laws and regulations, creating strong linkage with other government actors to ensure a seamless process, withdrawal of unnecessary procure if any, and automation all the compliance processes for quick and convenient of the clients

4.2.5 Promote public awareness of compliance obligations

The Service is aware that majority of Business persons fail to comply due to a lack of knowledge of the compliance obligations such as filling Annual returns, linking processes, and declaring Beneficial Information. A robust sensation of the public is necessary to increase compliance with statutory obligations.

4.2.6 Decentralization of Service Points

To bring services close to the people we serve, BRS should to decentralize service points from the headquarters in Nairobi to other regions. This is expected to shorten the distance of the walk-in clients and ensure they can assess the services within their locality. Further, this initiative purposes to improve service delivery.

CHAPTER FIVE

5 CONCLUSION

The Business Registration Service (BRS) continues to play a pivotal role in advancing the Government's Bottom-Up Economic Transformation Agenda (BETA) by supporting MSMEs, enhancing business formalization, and strengthening revenue mobilization. Through the Movable Property Security Rights (MPSR) Registry, over Ksh 6.5 trillion in credit has been accessed using movable assets, enabling businesses to secure financing and expand operations. In FY 2024/25, BRS registered 138,000 new business entities, demonstrating efficiency gains, investor confidence, and expansion of the tax base. Over 85% of services are now digitized, aligning with the Government's Digital Superhighway priority while foreign company registrations continue to boost investment and foreign exchange earnings.

In facilitating economic transformation, BRS streamlined business registration, improved corporate governance, and ensured orderly exits through effective insolvency processes. Registration efficiency rose to 92.03%, while the MPSR registry recorded 138,476 notices and 16,147 collateral searches, affirming its value as a trusted platform for credit access. The Service also contributed to national priorities by strengthening beneficial ownership declarations, improving data integrity, and supporting anti-money laundering and counter-terrorism financing efforts through the national risk assessment process. These efforts reinforce transparency, compliance, and confidence in Kenya's investment climate.

BRS also prioritized customer engagement and outreach, achieving a 78.5% satisfaction rate and expanding its digital footprint with over six million website impressions. It served 54,766 walk-in clients and managed 141,664 calls, despite challenges of underfunding, ICT gaps, and staffing constraints. Participation in national forums such as the eCitizen Anniversary Celebration and the Inua Biashara Expo enhanced public awareness of its services. Looking ahead, the Service is focused on legal and system reforms, automation, decentralization of services, and public education—strategies that will strengthen institutional resilience, enhance compliance, and foster a more enabling environment for both local and international businesses.

