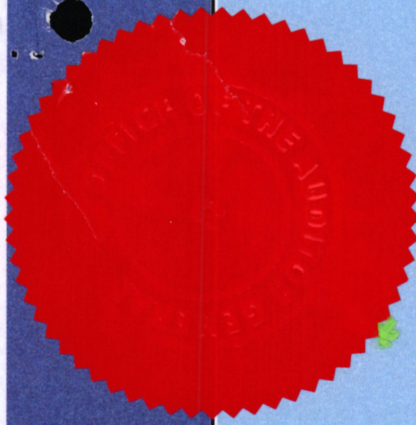



REPUBLIC OF KENYA



 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 03 DEC 2025	DAY: Wednesday
TABLED BY:	hon. Nasiri Abdirahman
CLERK-AT THE-TABLE:	Lebrude Chebet

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REPORT

OF

THE AUDITOR-GENERAL

ON

RECEIVER OF REVENUE STATEMENTS

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

**STATE DEPARTMENT FOR IMMIGRATION
AND CITIZEN SERVICES**



Revised 30th June 2025



STATE DEPARTMENT FOR IMMIGRATION AND CITIZEN SERVICES

NATIONAL GOVERNMENT

RECEIVER OF REVENUE ANNUAL REPORT AND FINANCIAL

STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2025

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

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

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Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

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Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

1. Acronyms and Glossary Terms

Acronyms and definitions of key terms for a better understanding of the financial statements.

NT	National Treasury
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
ROR	Receiver of Revenue
IPSAS	International Public Sector Accounting Standards
ID	Identity Card
NRB	National Registration Bureau
CRS	Civil Registration Services
NIIMS	National Integrated Identity Management System
IPRS	Integrated Population Registration Services
SDICS	State Department of Immigration and Citizen Services

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

2. Key State Department for Immigration and Citizen Services Information and Management

(a) Background information

The State Department for Immigration and Citizen Services operates under the Ministry of Interior and National Administration. At Cabinet level, it is represented by the Cabinet Secretary for the Ministry of Interior and National Administration, who oversees the overall policy and strategic direction of the department. The State Department for Immigration and Citizen Services was appointed as a Receiver on 15th August 2024 by the Cabinet Secretary, National Treasury, in accordance with Section 75 of the PFM Act, 2012.

(b) Principal activities

The receiver of revenue collects fees from the issuance of birth and death certificates, Electronic Travel Authorisation (eTA) and other Consular services, passport issuance, work permits, ID cards, other immigration services, and verification processes. All collected revenue is then transferred to the National Treasury's Exchequer Account.

(c) Key Management

The day-to-day management of the State Department for Immigration and Citizen Services falls under the Principal Secretary. The Principal Secretary oversees the daily operations of the department and also serves as the accounting officer. Additionally, the Principal Secretary is responsible for advising the Cabinet Secretary to improve efficiency and promote collective responsibility on matters of population registration and migration management.

The State Department for Immigration and Citizen Services is organised into seven Technical Directorates/Departments, each headed by a Director General, Directors, and Secretaries. Support Services are overseen by a Secretary for Administration.

The Directorates and Departments are as follows:

- National Registration Bureau (NRB)

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

- Civil Registration Services (CRS)
- Directorate of Immigration
- Department of Refugee Affairs
- National Integrated Identity Management System (NIIMS)
- Directorate of eCitizen Services
- Integrated Population Registration Services (IPRS)
- General Administration and Planning

The key management personnel who held office during the financial year ended 30th June 2025 and who had direct fiduciary responsibility were;

No.	Designation	Name
1	Cabinet Secretary	Hon. Onesimus Kipchumba Murkomen
2	Accounting Officer	Belio Kipsang, CBS
3	Secretary, National Registration Bureau	Christopher Kinyua Wanjau
4	Secretary Civil Registration Services	Paul Dume Mwangemi
5	Director General, Directorate of Immigration	Evelyn Cheluget OGW 'ndc' (k)
6	Commissioner, Department of Refugee Services	John Burugu
7	National Integrated Identity Management System (NIIMS)	Philip Kang'ethe Kahoro Lemarasia, OGW,
8	Director General, eCitizen Services	Amb. Isaac Ochieng MBS/ndc (k)
9	Integrated Population Registration Services (IPRS)	Leornard Nang'ole
10	Secretary Administration	James Kianda

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

No.	Designation	Name
11	Director HRM&D	Nahashon K.N.Thiong'o
12	Director – Head of Planning	Joseph Mwangi
13	Senior Chief Finance Officer, Head of Finance Unit	Joseph K Muraga
14	Assistant Director, Supply Chain, Head of Supply Chain Management Unit	Julias Ngari.
15	Senior Deputy Accountant General, Head of Accounting Unit	Loise N. Kibicho
16	Principal State Counsel	Joyce Chepng'etich

(d) State Department of Immigration and Citizen Services Headquarters

P.O. Box 30395-00100
Nyayo House
Kenyatta Avenue/ Uhuru Highway
Nairobi, KENYA

(e) State Department of Immigration and Citizen Services Contacts

Telephone: (254) 020 - 2222022
E-mail: ps@immigration.go.ke
Website: www.immigration.go.ke

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

(f) Independent Auditors

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

(g) Principal Legal Adviser

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

(h) Banker

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
NAIROBI, KENYA

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

3. Statement by Receiver of Revenue

During the Financial Year ended June 30th, 2025 the entity collected a total of **Kshs. 25,531,901,193.10** out of which **Kshs. 15,896,286,330.45** was revenue and **Kshs. 9,635,614,862.65** was received as AIA. The budgeted target for the year was **Kshs. 28,300,877,084.00**. Comparison of the total collections with the budget represents a performance rate of approximately **90%**, indicating a shortfall of **Kshs. 2,768,975,890.90**. On the other hand, comparison of the amount received as revenue to the budget, the state department represents a performance rate of **56%** which is an underperformance of **Kshs. 13,355,030,590.60**.

This financial report, reports only the amount deposited through its revenue bank statement and leaves out the collections channelled to Recurrent and Development bank accounts for use as AIA. However, a reconciliation and analysis of the overall collections and amounts disbursed to either revenue, recurrent and development bank accounts have been attached for ease of reference.

The underperformance/ impediments to achieving the targets can be attributed to several factors observed during the 2024 /2025 financial year. Key among them were: -

- The AIA granted to the state department was to be realized from the normal revenue generated operations. There was need to review downwards the budgeted revenue with the equivalent amounts awarded as AIA. This was not done and the targets remained as provided in the original budget.
- There were increase in the charges to key services such as registration of persons (ID issuance, birth and death certificates), passports, work permits and other statutory fees. In some cases, these adjustments encountered public resistance or low uptake, reducing revenue generated from these streams.

Disbursements to the exchequer from the state departments revenue account were made on a daily basis in line with government priorities and fiscal policy directions, with timely releases to support essential public services and development projects.

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

Looking ahead, the state department remains committed to delivering on its mandate effectively, leveraging emerging opportunities within the local business environment such as digitization of revenue collection on the eCitizen platform, and adapting swiftly to any macroeconomic shifts. Out of the total revenue collected 99% was done through the digital platform.

Approval of the Revenue Statement

The revenue statements were approved and signed on*28/08/2025*..... by:

Sign:

Dr. Belio Kipsang, CBS

Principal Secretary

State Department for Immigration & Citizen Services

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

4. Management Discussion and Analysis

The operationalisation of the revenue functions through budget allocation and the appointment of the receiver of revenue was carried out in the 2024/2025 financial year. Prior to the 2023/2024 financial year, functions and revenue reporting by the departments under the State Department for Immigration and Citizen Services were managed by the State Department of Interior. Therefore, the comparison figures provided are for the previous financial year only. This is the second year that the State Department for Immigration and Citizen Services has reported on revenue. In summary, during the 2024/2025 financial year, the State Department collected a total of **Kshs. 14,945,846,493.40** and a further **Kshs. 950,439,837.05** for **2023/2024** was received in July 2024 making the total amount received in 2025 to be **Kshs. 15,896,286,330.45** compared to **Kshs. 15,218,968,944** collected in the 2023/2024 financial year.

Table 1.1: Revenue collected, FY 2023/24

Description	FY 2023/24
	Kshs
Registration of Births and Deaths	265,033,024
Immigration Visas and Other Consular Fees	5,670,823,901
Passport Fees	3,124,076,195
Work Permit Fees	5,857,460,450
Identity Card Fees	143,972,100
Verification Fees	157,603,274
TOTALS	15,218,968,944

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

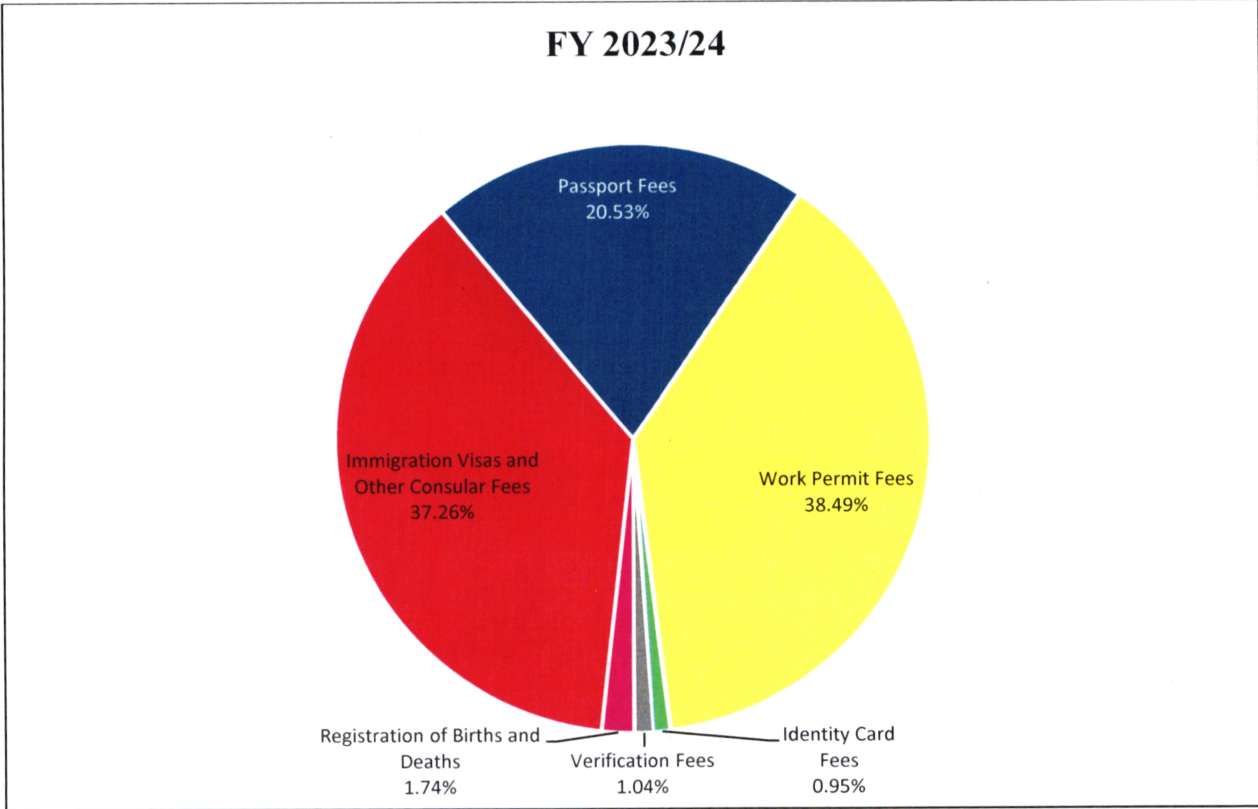


Figure 1.1: Percentage of revenue collected, FY 2023/24

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

Table 1.2: Revenue collected, FY 2024/25

Description	FY 2024/25
	Kshs
Registration of Births and Deaths	410,561,933.05
Immigration Visas and Other Consular Fees	6,647,166,526.65
Passport Fees	2,959,188,100.00
Work Permit Fees	2,612,937,634.80
Identity Card Fees	590,490,200.00
Other Immigration Fees	2,357,783,678.95
Verification Fees	318,158,257.00
Total Revenue	15,896,286,330.45

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

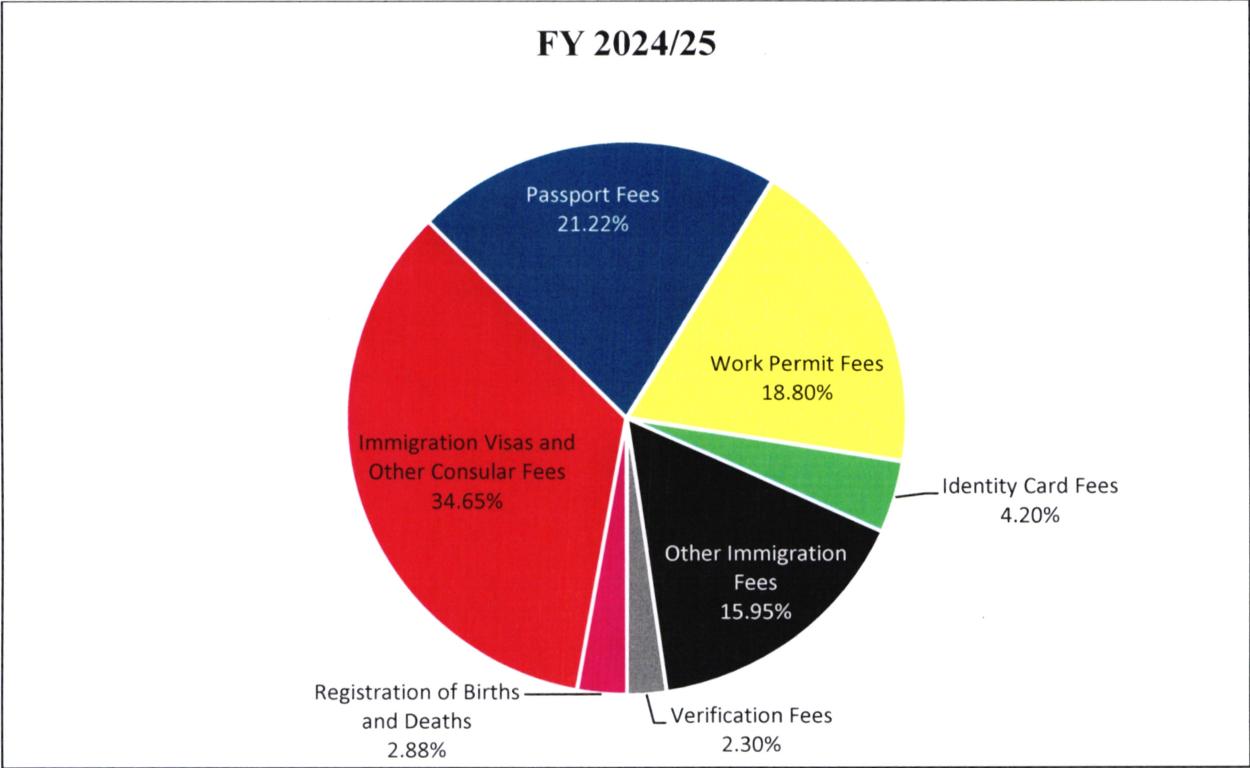


Figure 1.2: Percentage of revenue collected, FY 2024/25

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

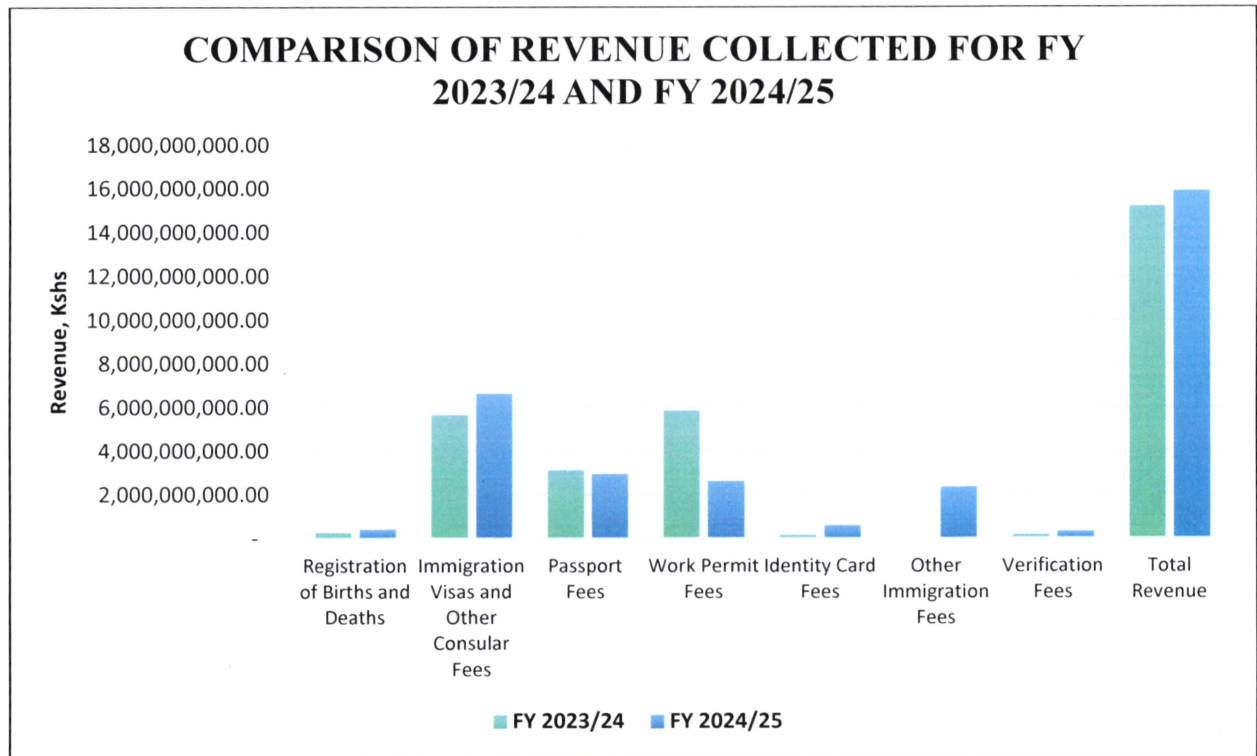


Figure 1.3: Comparison of revenue collected for FY 2023/24 and FY 2024/25

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

5. Statement of Receiver of Revenue's Responsibilities

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

The Principal Secretary, the designated receiver of revenue in charge of the State Department for Immigration and Citizen Services, is responsible for preparing and presenting the department's revenue statement. The responsibilities includes: (i) maintaining sufficient financial management arrangements and ensuring they remain effective throughout the reporting period; (ii) keeping proper accounting records that accurately reflect the financial position of the entity at any time; (iii) designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the department's assets; (v) selecting and applying appropriate accounting policies; and (vi) making reasonable accounting estimates based on the circumstances.

The Receiver of Revenue in charge of the State Department for Immigration and Citizen Services accepts responsibility for the 2024/2025 financial statements, which have been prepared under IPSAS 33 (First-Time Adoption) to Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with IPSAS. The State Department for Immigration and Citizen Services has adopted a three -year phased transitional exemption approach to IPSAS Accrual as disclosed in these financial statements. The Receiver of Revenue is of the opinion that, in line with transitional exemptions, the 2024/2025 revenue account present the revenue transactions during the financial year ended 30th June, 2025, and of the revenue position as at that date. The Receiver of Revenue in charge of the State Department for Immigration and Citizen Services further confirms the completeness of the accounting records maintained for the year 2024/2025, which have been relied upon in the preparation of the 2024/2025 financial statements as well as the adequacy of internal financial controls in place.

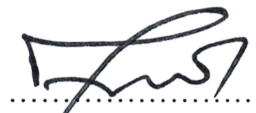
Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

The Principal Secretary in charge of the State Department for Immigration and Citizen Services confirms that the State Department has complied fully with applicable Government Regulations and that the State Department's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further, the Principal Secretary confirms that the state departments' revenue accounts have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the Revenue Statement

The revenue statements were approved and signed on28/08/2025..... by:

Sign: 

Dr. Belio Kipsang, CBS

Principal Secretary

State Department for Immigration & Citizen Services

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON RECEIVER OF REVENUE STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025 - STATE DEPARTMENT FOR IMMIGRATION AND CITIZEN SERVICES

PREAMBLE

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

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

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

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

REPORT ON THE REVENUE STATEMENTS

Opinion

I have audited the accompanying Receiver of Revenue Statements - State Department for Immigration and Citizen Services set out on pages 1 to 15, which comprise the statement of financial position as at 30 June, 2025, and the statement of financial

performance, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the receiver of revenue statements present fairly, in all material respect, the revenue position of the State Department for Immigration and Citizen Services as at 30 June, 2025, and the revenue performance for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the State Department for Immigration and Citizen Services Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of revenue statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my Opinion.

Key Audit Matters

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison budget and actual amounts reflects final revenue budget and actual on comparison basis of Kshs.28,300,877,084 and Kshs.15,896,286,330 resulting in an underperformance of Kshs.12,404,590,754 representing 44% of the budget. Management has attributed the underperformance to The National Treasury's decision to designate some of the revenue streams to Appropriations-In- Aid during the financial year without adjusting the budget estimates.

In the circumstances, the underperformance may have negatively affected funding of planned government activities.

My opinion is not modified in respect of this matter.

Other Information

The Management is responsible for the Other Information set out on pages iv to xvi which comprise of Key Entity Information and Management, Statement by Receiver of Revenue, Management Discussion and Analysis, and Statement of Receiver of Revenue's

Responsibilities. The Other Information does not include the revenue statements and my audit report thereon.

In connection with my audit on the State Department's receiver of revenue statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the revenue statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Long Outstanding Unremitted Revenue

The statement of financial position reflects receivables from exchange transactions of Kshs.1,304,938,156 which includes Kshs.927,489,739 or USD 7,221,830 relating to Electronic Travel Authorization (eTA) collections made between January, 2025 and 9 March, 2025. Available Information indicates that a Memorandum of Understanding (MoU) was entered into between the Government of Kenya (GoK) and a Swiss-founded company to collect the eTA fees for an initial period of three months, later extended by two months to 31 May, 2024. A contract was then signed in August, 2024 for a further six months running from 1 June to 31 December, 2024. However, the company continued collecting the fees between January, 2025 and March, 2025 without a valid contract. As at the time of the audit, the amounts collected had not been remitted to the Revenue Account at the CBK and ultimately to the Exchequer Account as per the terms of the MoU.

Further, no evidence of the Accounting Officer's effort to collect the amounts was provided. This is contrary to Regulation 64(1)(a) and (b) of the Public Finance Management (National Government) Regulations, 2015 which requires an accounting officer and a receiver of revenue be personally responsible for ensuring that adequate safeguards exist and are applied for the prompt collection and proper accounting for, all national government revenue and other public moneys relating to their Ministries, Departments or Agencies and adequate measures, including legal action where appropriate, are taken to obtain payment. Although Management has explained that the State Department had convened several meetings to resolve the dispute, no evidence was provided, and the amount remained outstanding.

In the circumstances, Management was in breach of the law, and there is a risk of loss of the unremitted amounts.

Basis for Conclusion

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

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matters described in the Basis for Conclusion on Effectiveness in Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Manual Receipting of Revenue

Review of records maintained at the Civil Registration Services (CRS) Department revealed that the Department collected a total revenue of Kshs.410,561,933 which included an amount of Kshs.389,303,243 collected in cash from the various regional offices. The Service continued to use manual system in the collection and accounting of revenue although the E-citizen provides a digital platform for collection of revenue. Further, there was no evidence of reconciliation between reported revenue from regional offices and the Kenya Commercial Bank (KCB) revenue collection bank account making it difficult to confirm whether all cash collections were banked.

In the circumstances, the effectiveness of internal controls on revenue collection could not be confirmed.

2. Failure to Maintain Records of Verification Fees

Audit of revenue from verification fees revealed that the Department of Integrated Population Registration Services (IPRS) had contracted the Kenya Commercial Bank to open a float account for clients to deposit funds charged for every verification service by IPRS. The float account is debited with transfers to the revenue account and transaction commissions. However, the Department did not maintain a record of deposits and utilization per client to track account balances over time. It was therefore not possible to confirm the status of each client's ledger.

In the circumstances, the effectiveness of controls in place regarding the clients' records could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the revenue statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the revenue statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these revenue statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

11 November, 2025


Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025


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

Description	Notes	Period Ended
		30 TH June 2025
		Kshs
Revenue from exchange transactions		
Sale of Goods and Services	1	15,896,286,330.45
Total revenue		15,896,286,330.45
Expenses		
Disbursements to Exchequer Account	2	(14,591,348,174.45)
Total expenses		(14,591,348,174.45)
Other gains/(losses)		
Gain/Loss on foreign exchange transactions		
Balance Due for Disbursements		1,304,938,156.00

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 28/08/2025 and signed by:

Sign 

Dr. Belio Kipsang, CBS
Principal Secretary

Sign 

Loise N. Kibicho
Senior Deputy Accountant General
ICPAK No. 14061

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

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

Description	Note	Period Ended 30th June 2025	Opening Statement 1st July 2024
		Kshs	Kshs
Current Assets			
Cash and Cash Equivalents		-	-
Receivables from non-Exchange transactions		-	-
Receivables from Exchange transactions	3	1,304,938,156.00	-
Total Current Assets		1,304,938,156.00	-
Total Assets		1,304,938,156.00	-
Current Liabilities			
Payables-Due to Exchequer	4	1,304,938,156.00	-
Revenue received in Advance		-	-
Total Financial Liabilities		1,304,938,156.00	-

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 28/08/2025 and signed by:

Sign

Dr. Belio Kipsang, CBS
Principal Secretary

Sign

Loise N. Kibicho
Senior Deputy Accountant General
ICPAK No. 14061

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

9. Statement of Cash Flows for the Year ended 30th June 2025

Description	Note	Period Ended
		30 th JUNE 2025
		Kshs
Operating Activities		
Receipts		
Sale of Goods and Services		14,591,348,174
Total Receipts		14,591,348,174
Payments		
Disbursements To Exchequer Account		(14,591,348,174)
Total Payments		(14,591,348,174)
Net Cash from operating Activities		0.00
Cash and Cash Equivalent as at Period Start		0.00
Cash and Cash Equivalent as at Period End		0.00

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

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

Description	Original Targets	Adjustments	Final Targets	Actual	%
	Kshs	Kshs	Kshs	Kshs	Realized
Revenue from exchange transactions					
Registration of Births and Deaths	1,286,185,895.00	-	1,286,185,895.00	410,561,933.05	32%
Immigration Visas and Other Consular Fees	13,036,459,224.00	-	13,036,459,224.00	6,647,166,526.65	51%
Passport Fees	3,395,210,336.00	-	3,395,210,336.00	2,959,188,100.00	87%
Work Permit Fees	8,472,150,000.00	-	8,472,150,000.00	2,612,937,634.80	59%
Other Immigration Fees				2,357,783,678.95	
Identity Card Fees	1,646,821,444.00	-	1,646,821,444.00	590,490,200.00	36%
Verification Fees	464,050,185.00	-	464,050,185.00	318,158,257.00	69%
Sub Total	28,300,877,084.00	-	28,300,877,084.00	15,896,286,330.45	56%
Total revenue	28,300,877,084.00	-	28,300,877,084.00	15,896,286,330.45	56%

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Budget Notes:

- The budget targets were set with the implementation of the finance bill in mind, which aimed to increase the fees chargeable on various services. However, due to public demand, the fee increases were not implemented as initially planned.
- The increase in work permits and other foreign service fees had a negative impact because demand for work permits and related certificates drastically decreased.
- The budget for work permits and other immigration fees was combined, but the two revenue streams were separated in September 2025. Since no revisions were made during the year, the target for other immigration fees remained at zero, while the target for work permits stayed high.
- The initial targets did not take into account for the fact that the AIA granted to the state department was to be financed by the same revenue. The National Treasury was to revise the targets downward to accommodate the 9.37 billion.

Receiver of Revenue - State Department for Immigration and Citizen Services

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11. Notes to the Financial Statements

1) General information

FY 2024/25 Receiver of Revenue was appointed by the Cabinet Secretary, National Treasury in accordance with section 75 of the PFM Act. The State Department's principal activity is issuance of identification documents to citizens and foreigners as outlined in the appointment letter and section 75 of the PFM Act.

2) Statement of Compliance and Basis of Preparation

These revenue statements have been prepared in accordance with the provisions of the Public Finance Management Act, 2012, and the applicable International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) of Kenya. The revenue statements have been prepared under IPSAS 33 (First-Time Adoption to IPSAS Accrual) using a three-year phased Transitional relief approach as per the Transition table here-in. Year 2024/2025 being Year 1 of transition.

For the purpose of these revenue statements, the State Department for Immigration and Citizen Services has been categorized as a Schedule 1 National Government Entity, in accordance with Section 4 of the Public Finance Management Act, 2012 read together with Regulation 211 (2) of the Public Finance Management (National Government) Regulations, 2015. Schedule 1 national government entities include Ministries, Departments, Agencies, constitutional institutions and independent offices.

The use of public resources by State Department for Immigration and Citizen Services is primarily governed by Chapter 12 of the Constitution, the relevant Appropriation Act, the Public Finance Management Act, of 2012, and the Public Procurement and Asset Disposal Act, of 2015.

These revenue statements were authorized for issue by the Accounting Officer of the State Department for Immigration and Citizen Services.

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

Transitional Exemption Table

Below is the State Department's Transition to Accrual Table:

IPSAS Standard/Area	Transactions / Services	Status on first adoption	Expectation of the Standard	Timeline for full compliance
IPSAS 9 – Revenue from exchange of goods and services	Payment for issuance of <ul style="list-style-type: none">• Passports• ID cards• Birth & Death Certificates• Work Permits• Passes• Permanent Residence	Revenue recognized when cash is received	<ul style="list-style-type: none">• Revenue should be recognized based on the stage of completion of the service.• Revenue received in advance to be reported as a liability	Year 3

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

The Revenue Statements have been prepared on the Accrual Basis of accounting.

These Revenue Statements were authorised for issue by the Receiver of Revenue on 30th August 2025

3) Adoption of New and Revised Standards.

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

Not Applicable

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

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

Standard	Effective date and impact:
IPSAS 47- Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>

iii) Early adoption of standards

The State Department of Immigration and Citizen Services has adopted the amended standards while submitting the 2024/2025 financial report.

4) Significant Accounting Policies

a) Revenue

i) Revenue from non-exchange Transactions

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

ii) Revenue from exchange Transactions

Rendering of services

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

Sale of goods

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

b) Budget

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

c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya.

d) Disbursements to the Exchequer

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

e) Comparative Figures

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

f) Subsequent Events

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

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

Revenue Statements for the year ended 30th June 2025

Notes to the Financial Statements

1. Sale of Goods and Services

Description	Period Ended
	30 th , June 2025
	Kshs
Registration of Births and Deaths	410,561,933.05
Immigration Visas and Other Consular Fees	6,647,166,526.65
Passport Fees	2,959,188,100.00
Work Permit Fees	2,612,937,634.80
Identity Card Fees	590,490,200.00
Other Immigration Fees	2,357,783,678.95
Verification Fees	318,158,257.00
Total Revenue	15,896,286,330.45

NOTE: Not included in the above is the revenue deposited to the Ministry of Interior & National Administration by CRS - Kshs. 1,500.00 & NRB KSHS. 3,910,485.08

2. Disbursement to Exchequer Account

Descriptions	Period Ended
	30, Jun 2025
	Kshs
Disbursement to Exchequer Account	14,591,348,174.45
Total	14,591,348,174.45

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

3. Receivables from exchange transactions

4. Description	Period Ended	Opening Statement 1st July 2024
	30 th , June 2025	
	Kshs	Kshs
Fees on Use of Goods & Services	-	-
Property Income	-	-
Sale of Goods and Services	1,304,938,156.00	-
Social Security Benefits	-	-
Total	1,304,938,156.00	-

4. Payables Due to Exchequer

Description	Period Ended
	30 th , June 2025
	Kshs
Amounts billed	15,896,286,330.45
Amounts disbursed to Exchequer	(14,591,348,174.45)
Balance c/d at the end of the year	1,304,938,156.00

Receiver of Revenue - State Department for Immigration and Citizen Services

Revenue Statements for the year ended 30th June 2025

5. Cash and Cash Equivalents

Name of Bank, Account No. & currency	Amount in bank account (local currency)	Exc. rate (if in foreign currency)	Insert Current FY	Opening Bal as at 1 st Jul 2024
			Kshs	Kshs
<i>Central Bank of Kenya REV-STATE DEPT IMMIGRATION CITIZEN-KES Account number : 1000695102</i>	-	-	-	-
Total			-	-

12. Appendices

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
2	Manual collection of receipts at the Civil Registration Services	Lack of internet access in remote areas previously had made it difficult for citizens to access eCitizen services and the subsequent electronic payments. However, towards the end of the financial year about 95 % of the stations and customers were able to get both application and payments digitally.	Not yet	30 th June 2026

Guidance Notes:

- i) Use the exact reference numbers as contained in the external audit report.
- ii) Obtain the “Issue/Observation” and “management comments” required above from the final external audit report that Management signs.
- iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for the implementation of each issue.
- iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to the National Treasury.

Sign

Dr. Beho Kipsang, CBS
Principal Secretary

Sign

Loise N. Kibicho
Senior Deputy Accountant General
ICPAK No. 14061

Revenue Statements for the year ended 30th June 2025

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

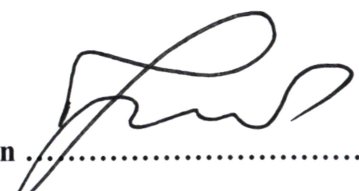
Classification of Revenue	Balance as at 1 st July 2024 (<i>current FY</i>)	Arrears received during the year	Additions in arrears for the current year to 30 th June 2025	Total arrears as at 30 th June 2025	Measures taken to recover the arrears	Assessment to the recoverability of arrears
	Kshs	Kshs	Kshs	Kshs		
Arrears of Revenue from Non-Exchange Transactions						
Taxes on Income, Profits and Capital Gains						
Taxes on Property						
Other Taxes (<i>specify</i>)						
Proceeds from Foreign Grants						
Fines, Penalties and Forfeitures						
Miscellaneous Receipts						
Sub Total						



Revenue Statements for the year ended 30th June 2025

Arrears of Revenue from exchange transactions						
Fees on Use of Goods & Services						
Sale of Goods and Services	-	-	-	-		
Social Security Benefits						
Sub Total	-	-	-	-		
Total Arrears	-	-	-	-		

These arrears are disclosed as required under the PFM Act section 82 (2) of 2012


 Sign
Dr. Belio Kipsang, CBS
Principal Secretary

Appendix 3: Reports Generated from IFMIS

IFMIS financial reports to be presented upon request.