



*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
MEMBERS LAID  
**REPORT**  
DATE: 02 MAR 2021 DAY: TUESDAY  
TABLED BY: chief whip - Majority  
CLERK-AT-THE-TABLE: Moses Lemona

PARLIAMENT  
OF KENYA  
LIBRARY

**THE AUDITOR-GENERAL**

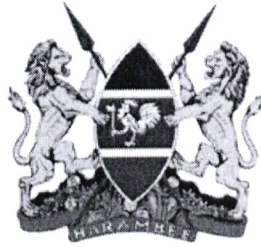
**ON**

**REVENUE STATEMENTS**

**FOR THE YEAR ENDED  
30 JUNE, 2019**

**BUSINESS REGISTRATION SERVICE**





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

REGISTRY

4 MAY 2020

RECEIVED

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**BUSINESS REGISTRATION SERVICE**

**REVENUE STATEMENT**

**FOR THE PERIOD ENDED  
30 JUNE, 2019**

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

THE NATIONAL ASSEMBLY PAPERS LAID	
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**I. KEY ENTITY INFORMATION AND MANAGEMENT**

**(a) Background information**

The Office of the Attorney General and Department of Justice is represented at the Cabinet level, by the Attorney General, who is responsible for the general policy and strategic direction of the Office. The Director General is the appointed as a receiver of revenue for the office for Business Registration Service.

**(b) Principal activities**

The Director General collects revenue from the following activities;

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

The revenue is collected and remitted to Central Bank of Kenya for onward transmission to exchequer.

**(c) Key Management**

Business Registration Service day-to-day management is under the following key organs:

- |                         |   |                                   |
|-------------------------|---|-----------------------------------|
| - Attorney General      | - | Justice (Rtd) Paul Kariuki Kihara |
| - Solicitor General     | - | Mr. Kennedy Ogeto, EBS            |
| - Board of Directors    | - | Business Registration Service     |
| - Ag. Director General  | - | Mr. Kenneth Gathuma, HSC          |
| - Ag. Official Receiver | - | Mr. Mark Gakuru, HSC              |
| - Principal Accountant  | - | Mr. Erastus Mbalu                 |

**(d) Entity Headquarters**

P.O. Box 40112  
Sheria House  
Harambee Avenue  
Nairobi, KENYA

**(e) Entity Contacts**

Telephone: (254) 020 2227461  
E-mail: [info.statelawoffice@kenya.go.ke](mailto:info.statelawoffice@kenya.go.ke)  
Website: [www.attorney-general.go.ke](http://www.attorney-general.go.ke)

**(f) Independent Auditors**

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

**(g) Principal Legal Adviser**

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

**(h) Bankers**

Central Bank of Kenya  
Haile Selassie Avenue  
P O Box 60000  
City Square 00200  
Nairobi Kenya  
Telephone: (254)202860000  
E-Mail: [comms@centralbank.go.ke](mailto:comms@centralbank.go.ke)

Kenya Commercial Bank LTD.  
Branch: KCB MOI AVENUE-4001  
Account No.: 1184110735  
Telephone: (254) 20244939  
FAX: 20244939  
Website: [www.kcb.go.ke](http://www.kcb.go.ke)

## II. STATEMENT OF DIRECTOR GENERAL 'S RESPONSIBILITIES

Section 82 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, Director General shall prepare an account of the revenue received and collected by that receiver during that financial year. Section 83 (2)(b) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time

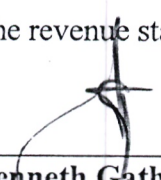
The Director General is responsible for the preparation and presentation of the receiver of revenue Report, which gives a true and fair view of the state of affairs of Business Registration service and as at the end of the financial year (period) ended on June 30, 2019. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the status of the revenue collected by the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the revenue report, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) Safeguarding the assets of the entity (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

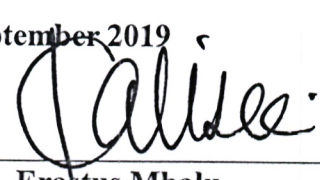
The Director General accepts responsibility for the Business Registration Service revenue statement, which has been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Director General is of the opinion that the Business Registration Service revenue report gives a true and fair view of the state of entity's revenue collection (performance) during the financial year ended June 30, 2019 and further confirms the completeness of the accounting records maintained for the service, which have been relied upon in the preparation of the revenue report as well as the adequacy of the systems of internal financial control.

The Director General confirms that Business Registration Service has complied fully with applicable Government Regulations revenue collected during the year under audit have been properly accounted for. Further the Service confirms that the revenue report has been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

### Approval of the Revenue Statements

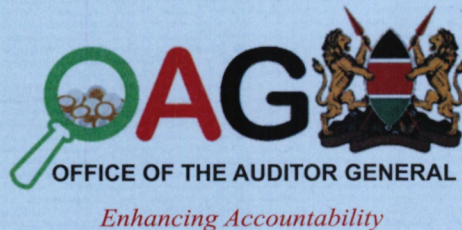
The revenue statements were approved and signed on 26<sup>th</sup> September 2019

  
\_\_\_\_\_  
Kenneth Gathuma, HSC  
Ag. Director General

  
\_\_\_\_\_  
Erastus Mbalu  
Principal Accountant

# REPUBLIC OF KENYA

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



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

## **REPORT OF THE AUDITOR-GENERAL ON REVENUE STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2019 - BUSINESS REGISTRATION SERVICE**

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### **REPORT ON THE REVENUE STATEMENTS**

#### **Opinion**

I have audited the accompanying revenue statements of Business Registration Service set out on pages 6 to 16, which comprise the statement of arrears of revenue as at 30 June, 2019, and the statement of revenues and transfers 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 revenue statements present fairly, in all material respects, the revenue performance of the Business Registration Service as at 30 June, 2019, in accordance with International Public Sector Accounting Standards (Cash 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 Business Registration Service 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.

## Other Matter

### 1. Revenue Performance

A review of budget versus actual collections revealed that the Business Registration Service had set low revenue collection targets and estimates. This resulted in reporting over-collection of the various components of the Business Registration Service revenue as shown below:

Sub-Item	Estimated Revenue Kshs.	Actual Revenue Collections Kshs.	Variance Kshs.	% Over Collection
Official Receiver	2,750,000	3,136,443	386,443	14%
Registration of Hire Purchase Agreements	3,250,000	4,340,754	1,090,754	34%
Registration of Companies	744,000,000	788,058,010	44,058,010	6%
<b>Total Revenue</b>	<b>750,000,000</b>	<b>795,535,207</b>	<b>45,535,207</b>	<b>6%</b>

### 2. Non-Provision of Service Providers Contracts

The Business Registration Service contracted service providers to collect revenue on their behalf. These service providers included; Safaricom, e-Citizen and the Huduma Centres. However, their contracts were not provided for audit review.

In the circumstance, it was not possible to establish the legality and performance of the service providers.

### 3. Failure to Avail the Collection Control Sheet

The Business Registration Service did not avail the collection control sheets, key accounting document in the preparation of books of accounts and daily collection of revenue for audit review.

In the circumstances, it was not possible to verify the accuracy of revenue disclosed in revenue statement

## 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, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

## **Basis for Conclusion**

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Failure to Avail the Strategic Plan**

The Business Registration Service did not prepare a strategic plan for its medium-term fiscal framework and the fiscal policy objectives in contravention of Section 68, 2(g) of the Public Financial Management Act, 2012. Under the circumstance, it was not possible to evaluate the performance of the Business Registration Service.

#### **2. Delays in Signing of Performance Contract**

Audit review revealed that there was a delay in counter signing of the performance contract for the period under review by the acting Director-General and the Parent Ministry. Signing of performance contracts was done on 3 September, 2018, two (2) months after the commencement of the financial year. However, Section 7(1) of the State Corporations (Performance Contracting) Regulations, 2004 requires the performance contracts for each financial year in order to become effective on the first month of the next financial year.

#### **3. Lack of Risk Policy**

The Business Registration Service has not developed and operationalised a risk assessment policy making it difficult for the Service to assess, detect and prevent risks when they occur. This contravenes Section 165 of the Public Financial Management Act, 2012 which requires that an Accounting Officer should ensure that a national government entity develops risk management strategies.

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

### **Responsibilities of Management and 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 (Cash 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 ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Service or 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 are in compliance 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 financial reporting process, reviewing the effectiveness of how the entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the revenue statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. 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 addition to the audit of the revenue statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the revenue statements are in compliance with the authorities that govern them, and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the revenue statements and audit of compliance, I consider internal control 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 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the revenue statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the revenue statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Service's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Service's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the revenue statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Service to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the revenue statements, including the disclosures, and whether the revenue statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Service to express an opinion on the revenue statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



**Nancy Gathungu**  
**AUDITOR-GENERAL**

**Nairobi**

**29 January, 2021**


III. STATEMENT OF REVENUES AND TRANSFERS FOR THE PERIOD ENDED  
 30<sup>TH</sup> JUNE, 2019

		2018/2019	2017/2018
Fees on use of Goods/Services	1	795,535,206.50	782,573,587
<b>TOTAL NON TAX RECEIPTS</b>		<b>795,535,206.50</b>	<b>782,573,587</b>
<b>TOTAL REVENUE COLLECTED</b>		<b>795,535,206.50</b>	<b>782,573,587</b>
TRANSFERS TO EXCHEQUER ACCOUNT	2	(779,093,401.50)	(740,174,287)
BALANCE BROUGHT FORWARD	3	42,399,400	0
<b>BALANCE CARRIED FORWARD</b>	<b>4</b>	<b>16,441,805</b>	<b>42,399,400</b>

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 26<sup>th</sup> September 2019 and signed by:



Kenneth Gathuma, HSC  
 Ag. Director General



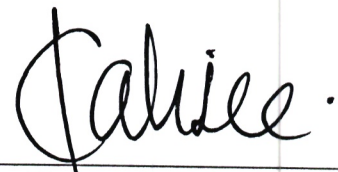
Erastus Mbalu  
 Principal Accountant

IV. STATEMENT OF ARREARS OF REVENUE AS AT 30 JUNE 2019

Classification of Revenue	Accumulated amount in arrears from prior periods to June 2017	Amount in arrears for the current year to June 30, 2018	Total arrears as at 30 June 2019	Measures taken to recover the arrears	Assessment to the recoverability of arrears
Fees on Use of Goods and services	NIL	NIL	NIL		
Total Arrears	NIL	NIL	NIL		



Kenneth Gathuma, HSC  
Ag. Director General



Erastus Mbalu  
Principal Accountant

## **SIGNIFICANT ACCOUNTING POLICIES**

The principle accounting policies adopted in the preparation of these revenue statements are set out below:

### **1. Statement of Compliance and Basis of Preparation**

The revenue statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and relevant legal framework of the Government of Kenya. The revenue statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

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

The revenue statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the entity.

### **2. Recognition of Revenue**

Business Registration Service recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the entity.

### **3. Budget**

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the 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 to these revenue statements.

### **4. 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.

**5. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the revenue statements for the year ended June 30, 2019

I. NOTES TO REVENUE STATEMENTS

I. FEE ON USE OF GOODS AND PERMISSION TO USE OF GOODS OR PERFORM SERVICES AND ACTIVITIES.

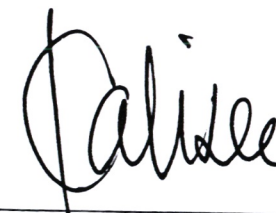
	2018/2019 Original Estimates	2018/2019 Revised Estimates	2018/2019 Actual	2017/2018 Actual	% Realized
Official Receiver	2,750,000	2,750,000	3,136,442.50	3,331,298	16%
Registration of companies	744,000,000	744,000,000	788,058,010	775,608,919	6%
Registration of Hire purchase Agreements	3,250,000	3,250,000	4,340,754	3,633,470	12%
Total Revenue	750,000,000	750,000,000	795,535,206.50	782,573,687	6%

NOTE

Refer to appendix I which analyses the over/under collection.



Kenneth Gathuma, HSC  
 Ag. Director General



Erastus Mbalu  
 Principal Accountant

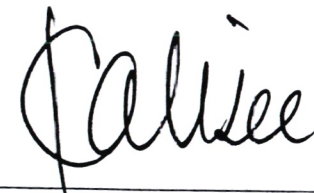
**NOTE 2: TRANSFER TO EXCHEQUER**

	<b>Kshs.</b>
Deposits Accounts	27,521,314.50
E-Citizen	751,572,060.00
<b>Total</b>	<b><u>779,093,401.50</u></b>



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



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**Erastus Mbalu**  
**Principal Accountant**

**NOTE 3: BALANCE BROUGHT FORWARD**

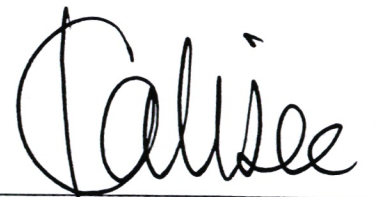
<u>DATE OF COLLECTION</u>	<u>SETTLED DATE</u>	<u>KSHS.</u>
11 <sup>th</sup> -13 <sup>th</sup> June, 2018	02 <sup>nd</sup> July 2018	9,400,700
14 <sup>th</sup> -17 <sup>th</sup> June, 2018	03 <sup>rd</sup> July 2018	4,020,300
18 <sup>th</sup> -20 <sup>th</sup> June, 2018	03 <sup>rd</sup> July 2018	8,589,800
11 <sup>th</sup> -13 <sup>th</sup> June, 2018	03 <sup>rd</sup> July 2018	6,429,400
11 <sup>th</sup> -13 <sup>th</sup> June, 2018	03 <sup>rd</sup> July 2018	8,255,500
11 <sup>th</sup> -13 <sup>th</sup> June, 2018	05 <sup>th</sup> July 2018	<u>5,703,700</u>
<b>TOTAL</b>		<b><u>42,399,400</u></b>

**NOTE 4 : BALANCE CARRIED FORWARD**

<u>E-CITIZEN</u> <u>DATE OF COLLECTION</u>	<u>SETTLED DATE</u>	<u>KSHS.</u>
24 <sup>th</sup> -27 <sup>th</sup> June, 2019	01 July 2019	11,073,900
28 <sup>th</sup> -30 <sup>th</sup> June, 2019	03 July 2019	4,165,900
<b>DEPOSITS</b>		
30 <sup>th</sup> June, 2019	01 July 2019	3,000
30 <sup>th</sup> June, 2019	02 July 2019	489,005
30 <sup>th</sup> June, 2019	25 Aug2019	<u>710,000</u>
<b>TOTAL</b>		<b><u>16,441,805</u></b>



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



**Erastus Mbalu**  
**Principal Accountant**

BUSINESS REGISTRATION SERVICE  
 REVENUE STATEMENTS FOR THE PERIOD  
 ENDED 30 JUNE, 2019

APPENDIX I: ANALYSIS OF OVER/UNDER COLLECTION:

ITEM		Original Estimates	Revised Estimates	Actual	OVER (Kshs.)	UNDER (Kshs.)	REASONS
1420208	Official Receiver's fees	2,750,000	2,750,000	3,136,442.50	376,442.50		More rescinded files closed hence over collection
1420209	Registration of Companies	744,000,000	744,000,000	788,508,010	45,058,010		Introduction of e-citizen platform hence ease of access.
1420214	Registration of Hire Purchase Agreement	3,250,000	3,250,000	4,340,754	540,754		More hire purchase agreements and licenses registered
	<b>TOTAL FEES</b>	<b>750,000,000</b>	<b>750,000,000</b>	<b>795,535,206.50</b>	<b>45,535,206.50</b>		
	Transfers to the Exchequer Account			779,093,401.50			
	Balance carried forward			16,441,805			



Kenneth Gathuma, HSC  
 Ag. Director General



Erastus Mbalu  
 Principal Accountant

**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATION**

The following is the summary of issues raised by the External Auditor and Management comments that were provided to the auditor. 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	Focal point person to resolve the issue (Name and Designation)	Status: (Resolved / Not Resolved)	Timeframe: ( Put a date when you expect the issue to be resolved)
1.1	Unsupported balance of kshs.42,399,400	New concern raised by the external auditor	Principal Accountant	Not Resolved	-
1 Other matter	Non-provision of contracts	E-citizen.go ke is wholly owned domain and portal of the government of Kenya.	Ag. Director General	Not Resolved	-

BUSINESS REGISTRATION SERVICE  
 REVENUE STATEMENTS FOR THE PERIOD  
 ENDED 30 JUNE, 2019

2	Budgetary Control	The management relied on the actual collection for the prior years hence gross underestimation of revenue.	Principal Accountant	Not Resolved	.
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The accounting policies and explanatory notes to these revenue statements form an integral part of the financial Statements. The entity revenue statements were approved on **26<sup>th</sup> September 2019** and signed by;



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



**Erastus Mbalu  
 Principal Accountant**

