

FAQs

Frequently Asked Questions

WHAT IS A BUSINESS NAME?

Business Name is the simplest business form under which one can operate a business. A Business Name is not a legal entity. It costs Kshs. 950 to register. For more information, visit <u>https://brs.go.ke/entities-registered/</u>

HOW DO I REGISTER A BUSINESS NAME?

- Log onto <u>https://brsv2.ecitizen.go.ke/</u>
- Select Companies Registry Services
- Click on Make Application
- Select Registration of a Business Name and click apply
- Key in a minimum of three or a maximum of five preferred business names in the order of priority for review and approval
- Proceed to fill the information required.
- You will be required to sign the auto-generated registration form, sign, scan and reupload on the system.
- Click submit, you will receive a prompt on your phone to pay Kshs. 950

HOW DO I REGISTER A PRIVATE LIMITED COMPANY?

- Log onto <u>https://brs.ecitizen.go.ke/</u>
- Select private limited company
- Key in a minimum of three or a maximum of five preferred business names in the order of priority for review and approval
- Fill in the general details of the company
- Fill details of directors and shareholders and upload recent colored passport photograph. Directors/shareholders have to be registered on the iTax platform.
- Fill shareholding details
- Download the auto generated forms, sign, scan and upload
- Verify the information provided before submission
- Make payment for the service of Kshs. 10,750
- For more information, watch this tutorial; <u>https://www.youtube.com/watch?</u>
 <u>v=TnlY5TTe2vc&t=100s</u>



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HOW DO I CHANGE MY COMPANY NAME?

- Log in to eCitizen <u>https://brsv2.ecitizen.go.ke/</u>; click on VIEW under the 'My Businesses' section of your dashboard and select the company you would like to change the name.
- Click on maintain a company
- Select change of name
- Key in preferred name in the order of priority
- Pay Kshs. 4,050 and submit
- Wait for name review
- A notification shall be sent via SMS for correction. You will be advised to upload CR15 & CR19 forms. Please note the forms are system generated once you follow the steps below.
- Click on edit application and provide information on the resolution passed.
- Select one or more director to authenticate that the resolution was passed in accordance with the law.
- The system will generate CR15 and CR 19.
- Download, sign, scan and upload the forms.
- Submit the application for review
- Once approved, the certificate for change of name would be among the downloads inside the application

HOW DO I CHANGE PARTICULARS FOR A COMPANY?

- Log onto <u>https://brs.ecitizen.go.ke/</u>
- On the business details of a company, click on Maintain Company link
- Choose your preferred drop down button to change any of the particulars e.g. Officials, Address etc.
- Once changes are made click on save & continue
- Make payment for the service



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- Click maintain Company, make application dropdown button and select Cessation to Convert option
- On the cessation form, select the business type to change to (partnership/private/limited). Save and continue
- Upload signed DN-6 form save and continue
- Confirm application details and proceed to make payment
- Once the cessation is approved, there will be an option to start conversion
- Fill in the details of the new company type, submit and make payment

HOW DO I FILE ANNUAL RETURNS?

- Click maintain a company
- Choose Annual Returns
- Choose submit returns
- Select last year of Returns
- Fill the return date
- Download system generated forms
- Fill then re-upload
- Submit and make payment
- · For more information, watch this tutorial; <u>https://www.youtube.com/watch?</u> <u>v=15oPCXu-MOk</u>



HOW DO I TRANSFER SHARES?

- Login eCitizen <u>https://brs.ecitizen.go.ke/</u>
- Click view under "My businesses" and select the business you intend to make changes
- Click maintain company
- Select the Director Shareholders option
- Choose change particulars
- Select change of officials
- Attach the duly assessed, Commissioned, Signed/witnessed & Stamped Share Transfer Form franked at Ministry of Lands, in Portable Document Format (PDF) with Stamp Duty payment receipts, Form D &/or Bank slip



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- Login eCitizen <u>https://brs.ecitizen.go.ke/</u>
- Select make application
- Choose Official Search ("Cr12") for Private Limited Companies
- Click "Apply Now"
- Key in the "Registration Name or Number" of the entity
- Select the Company and click next
- If the Company verification status is "Verified", you will be required to key in your postal address and code, email and phone number
- Click "Save and Continue"
- Confirm by clicking "I hereby confirm that I have provided all the information as required by the Registrar in regard to this application"
- Click finish to pay the applicable prerequisite fee of Ksh. 650
- Please note: Before you perform an OFFICIAL SEARCH ("CR12") it is important to note the following;
- The Official Search is a computer-generated certificate
- Only Verified companies will generate an automated official search
- The Official Search is addressed to the Individual or Business logged in and making the application.

• Login the directors, director-shareholder or appointed company secretaries account on https://brs.ecitizen.go.ke/ and enter the username and password.

- Select Business Registration Service and click "Link Business" where you will be prompted to enter the name or registration number of the business and click search.
- Select the business and click next, and you will see the Edit Details where you will be required to enter the business details, this includes Business Name, Registration Number, Registration Type and Registration Date. Click save and continue.
- Fill in details of the nature of business and enter the capacity.
- Fill in details of the registered office addresses and add all the information as required.
- Provide information on shares by adding the Share Category, number of shares and value of each share.
- Fill in details of all Directors/shareholders, personal details and the shares and Beneficial Ownership Information, then save and continue.
- Download the auto-generated Beneficial Ownership Information Form, sign, upload and submit the application for review.

WHO IS A BENEFICIAL OWNER?

- A beneficial owner of a Company is an individual who falls within any of these categories, whether individually or jointly;
- Has direct or indirect holding of at least 10% of the issued shares of the company
- Exercises at least 10% of the voting rights in the company
- Has rights to appoint or remove a director of the company; or
- Exercises "significant influence or control" over the company
- Any person who meets any one or more of the criteria above is a beneficial owner for the purposes of compliance.
 For more information;
 https://brs.go.ke/wp-content/uploads/2023/03/MPSR-HANDBOOK-1.pdf

WHAT IS LIQUIDATION OF COMPANIES?

Liquidation is the process of winding up a business following an event of insolvency. Insolvency is defined as the inability of a company to pay its debts of one hundred thousand shillings (Kshs. 100,000) or more. Once a company is in liquidation, a liquidator is appointed to realize the company's assets and make a distribution to creditors. On appointment of a liquidator, all the powers of directors cease and the affairs of the company as well as its assets are vested in the liquidator. The Court has the power to appoint or remove a liquidator.

Liquidation proceedings may be commenced either voluntarily or through Court. Within 7 days of commencement of these proceedings, a notice of appointment of a liquidator is lodged with both the Official Receiver and the Registrar of Companies. The liquidation

process commences when a Liquidation Order is made or a resolution for liquidation is passed. Liquidation proceedings operate in favour of all the creditors.

WHAT ARE THE TYPES OF LIQUIDATION?

- Members' Voluntary Liquidation (MVL) initiated by shareholders of the company when they pass a special resolution to liquidate the company and appoint a liquidator
- Creditors' Voluntary Liquidation (CVL) initiated by a resolution of the creditors of a company to appoint a liquidator, passed at a meeting convened by the company
- Liquidation by Court initiated by lodging a Liquidation Petition at the High Court for issuance of a Liquidation Order against a company.

