

**THE KENYA OBSTETRICAL AND GYNAECOLOGICAL
SOCIETY**

Policy Name:	Fiscal and Income Sharing Policy
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	Name & Designation	Signature & Date
Reviewed by:		
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Definition of Terms

- **Books-** An informal term used to refer to the company's general ledger or accounting records.
- **Branches-** Outlets of a company or, more generally, an organization that – unlike a subsidiary – does not constitute a separate legal entity, while being physically separated from the organization's main office.
- **Fiscal year-** A one-year period that companies and governments use for financial reporting and budgeting. A fiscal year is mostly used for accounting purposes to prepare financial statements.
- **Main Office-** The principal office of an organization constituting the centre for administration and policymaking.
- **Revenue-** The total amount of income generated by the sale of goods or services related to the company's primary operations.
- **Ratify-** To sign or give formal consent to (contract, or agreement), making it officially valid.

1.0 Executive Summary

The Kenya Obstetrical and Gynaecological Society (KOGS) is a professional body for Obstetricians and Gynaecologists. The society exists to protect and improve Sexual, Reproductive Health and Rights through quality services and Advocacy and leadership in collaboration with key stakeholders.

KOGS is seeking to strengthen its organizational capacity as it grows as a leader of maternal and reproductive health in Kenya. This policy is a critical component of a strong financial management system. It will be used to establish KOGS' robust internal controls and to ensure compliance with set standards. This policy will also serve as an important tool for clarifying roles and responsibilities and ultimately for ensuring that KOGS' financial data is an accurate and reliable basis for the society's decision making in addition to spurring KOGS' growth.

2.0 Policy Objectives

The overall aims of this policy are designed to:

- Protect the assets of KOGS.
- Ensure the maintenance of accurate records of the organization's financial activities.
- Provide a framework for the society's financial decision making and sharing.
- Establish operating standards and behavioural expectations.
- Serve as a training resource for staff; and
- Ensure compliance with the legal and reporting requirements.

3.0 Policy Guidelines

3.1 Accounting procedures:

- This section is as covered in the KOGS financial and accounting policies and procedures manual. The accounting procedures used by KOGS shall conform to generally accepted accounting principles to ensure accuracy of information and compliance with external standards.
- Throughout the fiscal year, expenses shall be accrued into the month in which they are incurred. The books shall be closed no later than the 5th of the

following month. Invoices received after closing the books will be counted as a current-month expense.

- At the close of the fiscal year, this rule is not enforced. All expenses that shall be accrued into the prior fiscal year, are so accrued, to ensure that year-end financial statements reflect all expenses incurred during the fiscal year. Year-end books are closed no later than 60 days after the end of the fiscal year.
- Revenue is always recorded in the month in which it was earned or pledged.

3.2 Bank reconciliations

- All branches of KOGS bank accounts shall send in monthly bank statements for the CEO and the treasurer to ratify.
- All bank statements and cheques will be opened, reviewed, and initialled by the accountant and the CEO upon receipt.
- Once reviewed, bank statements are submitted to the treasurer for reconciliation.
- The President will review and approve reconciliation reports by signing and dating the report in the upper right-hand corner.

3.3 Financial planning and reporting

- Budgeting and auditing processes as captured in the financial manual

3.4 Revenue Sharing

3.4.1 Membership

KOGS main office shall share with active branches twenty percent (20%) of the revenue KOGS derives and receives from the membership in the ratio of members representation. KOGS agrees that revenues due from Active members shall be recapped and sent by the 60th day after the end of the scientific congress.

3.4.2 Scientific Congress Planning and Implementation

Where income is received from the organization of the Scientific Congress then KOGS shall in respect.

- Receive gross income due.
- Deduct and reimburse as appropriate all direct costs.
- Distribute remaining net income received in the following revenue shares- 80% KOGS main office and 20% to All the active branches

proportionately in respect to the number of members recorded to have attended the congress.

3.4.3 Branches to KOGS Main Office

KOGS shall be entitled to receive a payment of 20% as administration and development fees for any income generating activity from the branches.