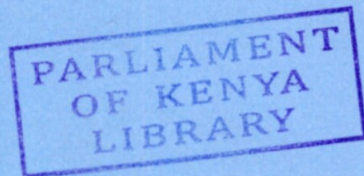


REPUBLIC OF KENYA



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REPORT

OF

THE AUDITOR-GENERAL

ON

THE CLINICAL OFFICERS COUNCIL

FOR THE YEAR ENDED

30 JUNE, 2025

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 05 MAR 2026

DAY.

TABLED
BY:

Thursday
Hon Owen Baya MP
Deputy Leader of Majority Party
A. Shibusko

CLERK-AT
TABLE:



CLINICAL OFFICERS COUNCIL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2025

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

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Clinical Officers Council
Annual Report and Financial Statements
for the year ended June 30, 2025.

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1. Acronyms, Abbreviations and Glossary of Terms

A: Acronyms and Abbreviations

CEO	Chief Executive Officer
DG	Director General
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
MD	Managing Director
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
WB	World Bank
COC	Clinical Officers Council
GOK	Government of Kenya

B: Glossary of Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of the financial resources of the organisation

Comparative Year- Means the prior period.

Clinical Officers Council
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2. Key Entity Information and Management

(a) Background information

The Clinical Officers Council is a body corporate established under an Act of Parliament, Act No. 20 of 2017, Laws of Kenya. In accordance with this Act, the **Clinical Officers Council's** mandate is to regulate the training, registration, licensing and practice of all Clinical officers. COC ensures that the Clinical Officers are trained to address Kenyans' health needs and deliver high-quality health services. While the training of Clinical Officers started in 1928 with hospital-based certificate programs, today Clinical Officers are trained at Diploma and Degree levels in over 71 (seventy-one) institutions across Kenya. To date, the COC has registered over 28,000 Clinical Officers with staff establishment of 12.

(b) Principal Activities

The core functions of the office of the Clinical Officers Council include Training, Registration and Licensing of Clinical Officers in Kenya.

Vision

Competent and responsive Clinical Officers

Mission

To ensure standardized training, registration and licensing of Clinical Officers for quality healthcare service delivery.

Mandate

The core mandate of COC is to regulate the training, registration, licensing and practice of clinical Officers as per Clinical Officers Council (Training, Registration & Licensing) Act, No. 20 of 2017.

Core Values

The Clinical Officers Council and its staff are committed to providing a high-quality service.

In our dealings the Clinical Officers Council commits to be guided by the following values deeply rooted in the DNA of the council:

- Integrity
- Customer-focused
- Accountability
- Respect
- Ethical

**Clinical Officers Council
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(c) Key Management

The Council's day-to-day management is under the following key organs:

- Council Board
- Registrar/Chief Executive Officer
- Deputy Registrar –Training and Examinations
- Senior Management Team
- :

(d) Fiduciary Management

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.	CEO/Registrar	Ibrahim Boru Wako
2.	Deputy Registrar/Head of Training & Examinations	Eunice Muthoni Kuria
3.	Head of Finance	Henry Mwinya Wandera
4.	Head of Registration & Licensing	James Proso Akudian
5.	Head Of Indexing	Jacinta Kamene Waa

**Clinical Officers Council
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Key Entity Information and Management (continued)

(e) Fiduciary Oversight Arrangements

The primary organ responsible for fiduciary oversight arrangements is the Council members. Other Government bodies and agencies also provide oversight. COC exercises this oversight through its committees. The key function of the Council is to guide and control the performance and management of the affairs of the council. The committees were Finance Committee, Risk and Audit, Training and Education Committee, Disciplinary Committee and Licensing and Registration Committee.

Finance Committee

The primary responsibility of the Finance Committee is to oversee the Financial, human resource, legal and ICT advancement of the Council. It makes recommendations to the council on ways raising and utilizing funds and established systems and procedures for efficient financial management. It further advises the Council on Human Resource, ICT, Legal and Supply Chain policies and guidelines.

Training & Examinations and Registration, and Licensing Committees

These committees set the criteria, and oversee the implementation of regulations governing the enrolment, registration and licensing of Clinical Offices in Kenya. These Committees are also in charge on the registers, rolls and records required to be kept under the Clinical Officers (Training, Registration and Licensing) Act, 2017. These Committees are also involved in the development of performance evaluation study guidelines, training and research guidelines.

Disciplinary Committee

The Disciplinary Committee is responsible for the establishment, improvement and control of conditions, standards and quality of Clinical Officers' education and practice within the ambit of the Clinical Officers (Training, Registration and Licensing) Act, 2017. It is also responsible for determining issues against persons or institutions brought before the Council.

Clinical Officers Council
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Risk and Audit Committee

The scope of this committee includes risk management, compliance with regulatory requirements. It broadly oversees the council standards of integrity and behaviour, reporting of financial information and internal control systems.

(f) Entity Headquarters

P.O. Box 19757-K.N.H.
Blue Violet Plaza, Suite 203,
Kindaruma Road, Off Ngong Road,
Nairobi, KENYA

(g) Entity Contacts

Telephone: (254) 725 705 144
E-mail: onfo@clinicalofficerscouncil.org
Website: www.clinicalofficerscouncil.org

(h) Entity Bankers

1. Absa Bank Kenya Ltd
Moi Avenue Branch
P.O. Box 30011-00100
Nairobi, Kenya
2. Cooperative Bank of Kenya Ltd
Nairobi Business Centre Branch
P.O. Box 48231-00100
Nairobi, Kenya
3. Kenya Commercial Bank Ltd
Village Market Branch
P.O. Box 48400-00100
Nairobi, Kenya

Clinical Officers Council
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for the year ended June 30, 2025.

Key Entity Information and Management (continued)

(i) Independent Auditor

Auditor-General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

(j) Principal Legal Adviser

The Attorney General

State Law Office and Department of Justice

Harambee Avenue

P.O. Box 40112

City Square 00200

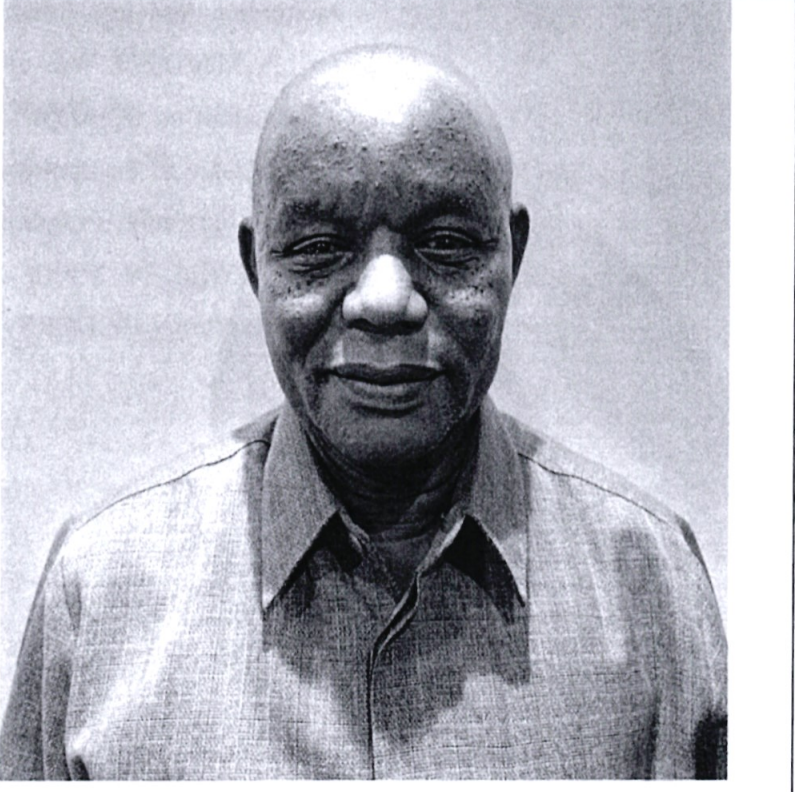
Nairobi, Kenya

**Clinical Officers Council
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3. The Council Members

Ref	Directors	Details
1.		Prof. Simon Kangethe Independent Council Member and Chairman, Clinical Officers Council. Prof. Simon Kangethe, born on 03rd June 1953, was appointed to the Council on 28th July 2022. He holds DCM, (Ophth)B Ved, M. Ed, ED. D, CAS (Harvard)
2.		Dr. Joseph Kiprop Choge Independent Council Member Dr Joseph Kiprop Choge was born on 7th September 1964. Was appointed for another term on 13th July 2022, He hold PhD in Parasitology, M.Phil. (Parasitology); BSc. (Hons): Biological Sciences; HND (Paediatrics); Diploma Clinical Medicine. He is currently Senior Lecturer at the University of Kabana

**Clinical Officers Council
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3.		Saleh Abdullahi Bardad Independent Council Member Sale A. Bardad was born on December 1972. Was appointed on January 2025, He hold Ph.D. Business Administration and Management (Strategic Organizational Leadership and Management) – MKU (2023) . He is currently the Head of Clinical Services -MoH
4.		Philip Musyimi Mwololo Independent Council Member Philip Mwololo was born on 13th May 1958. Was appointed for another term on 13th July 2022. He is the Chairperson of Planning, Research and Development Committee. Private Practitioner Clinical Officer. He Holds Higher Diploma –Management Healthcare Business Program, Diploma in Clinical Medicine and surgery.

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5.		Felix Mwendwa Mutua Independent Council Member Felix Mwendwa Mutua was born on 3rd June 1974. Was appointed for another term on 13th July 2022. He is the Chairperson of Training, Registration, Licensing and Compliance Committee. He holds Masters in Public Health
6.		Jacqueline Anyango Ressa Independent Council Member Jacqueline Anyango Ressa was born on 11th May 1974. Was appointed to the Council on 5th August 2022, She hold Master of Psychology (Health). She is currently Program manager under Covid 19 health emergency response Project (CHERP) MoH

**Clinical Officers Council
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7.		Harriet Wakiuru Njiru Independent Council Member Harriet Wakiuru Njiru was born on 30th March 1982. Was appointed to the Council on 13th July 2022, she holds Bachelor of Science in Human Nutrition and Dietetics. She is currently the lead minister at the Dunamis Christian Network, Secretary General Nutrition Association of Kenya.
8.		Albert Wangurah Taiti Independent Council Member Albert Wangurah Taiti was born on 9th June 1968. Was appointed for another term on 13th July 2022. He holds a Master's degree in Community Health and Development, Postgraduate Diploma –Dermatology, Venereology and Tropical Medicine from the University of Dares Salaam (UDOM) He is the current chairman of Kenya Clinical Officers Association (KCOA)

**Clinical Officers Council
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9.		FCPA Edwin Nyabuga Makori Independent Council Member Edwin Nyabuga Makori was born on 4th November 1975. Was appointed for to the Council on 13th July 2022, He hold Masters, MBA Finance, B-com Finance, CPA(K), CISA, Data and Business analytics. Chairperson of Audit and Risk Committee
10.		Dr Hashim Osman Warfa Independent Council Member Dr. Hashim Osman Warfa was born on 10th May 1971. Was appointed to the Council on 2nd August,2023. Chairperson Finance, Human Resource and Administration Committee. He holds Bachelor of Medicine & Bachelor of Surgery- MBChB (MOI University), Master of Medicine-Pediatrics & Child health (University of Nairobi-UON) Master of Public Health in Women & Reproductive Health, Johns Hopkins University, Bloomberg School of Public Health, Baltimore, Maryland, USA. He is currently

**Clinical Officers Council
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		Director/Liaison Officer, MoH-Africa CDC
11.		Ibrahim Boru Wako, Registrar/CEO, Secretary to the board. Ibrahim Wako was born on 20th December 1965; he is currently the CEO/Registrar of Clinical Officers Council. He holds Masters-Public Health, Masters –Health Systems Management

4. Key Management Team

	Management	Details
1.		Ibrahim Boru Wako, Registrar/CEO, Masters-Public Health Masters –Health Systems Management
2.		Eunice Muthoni Kuria, Principal Clinical Officer, Deputy Registrar and Head of Training/Education and Examination Department Masters - Health Professional Education

Clinical Officers Council
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3.		Henry Mwinya Wandera Head of Finance and Accounting ICPAK, Masters - Science Financial Economics.
4.		James Proso Akudian, Principal Clinical Officer, Head of Registration and Licensing Masters - Public Health
5.		Jacinta Kamene Waa, Clinical Officer, Head Training and Indexing Higher Diploma –Family Health

5. Chairman's Statement

On behalf of the Council, I have the pleasure of presenting the Annual Report and Financial Statements for the financial year ended 30 June 2025. Established under the Clinical Officers (Training, Registration and Licensing) Act, 2017, the Council is mandated to regulate Clinical Officers' education and practice in Kenya, through making provisions for training, registration, enrolment and licensing of nurses and midwives. The Council also regulates their conduct to ensure maximum participation in the health care of the community and related purposes.

I am pleased to report that the Council was able to achieve most of the targets set for the financial year 2024-2025. We have continued to work within our mandate as stipulated in the Clinical Officers Act. To enhance service delivery, the Council has digitized most of its services, including a payment platform, retention and registration of Clinical Officers. In addition, the Council now administers its exams online.

The Council is committed to ensuring its prosperity by collectively directing its affairs, whilst meeting the diverse interests of stakeholders. The Council Policies guide the operations of the Council, as well as defining the roles and responsibilities of the Council members and Management. We strive to observe the highest standards of corporate governance and corporate ethics in providing overall policy and strategic direction.

The Council acknowledges the unique contribution that clinical officers play in the healthcare system. We are very proud of the clinical officer's professionals at the frontline in response to the health issues. We also continue to Implement our five-year Strategic Plan 2021- 2025 under four key strategic pillars namely:

1. Education & Accreditation
2. Registration & Licensing
3. Financial Sustainability
4. Institutional Capacity Strengthening

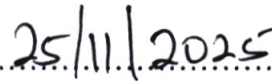
**Clinical Officers Council
Annual Report and Financial Statements
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The plan is aligned to the national aspirations as envisioned in the Kenya Vision 2030, the Medium-Term Plan and the Constitution of Kenya 2010.

Lastly, I wish to express my sincere appreciation to my fellow Council members, management and staff for their dedication in improving the operations of the Council. In addition, I wish to thank our clients and all other stakeholders for their continued patronage and support of our activities. Finally, I would like to thank the Government for the continued support, guidance and good



.....
Dr. Joseph Choge
Chairman



.....
Date
Nairobi



**Clinical Officers Council
Annual Report and Financial Statements
for the year ended June 30, 2025.**

6. Report of the Chief Executive Officer

I am pleased to present the annual report and financial statements for the year ended 30th June 2025.

The Clinical Officers Council is a body corporate under an Act of Parliament, Act No. 20 of 2017 Laws of Kenya. In accordance to this Act, COC mandate is to regulate training, registration, licencing and practice of all Clinical officers. The Council was first established in 1988 through an Act of parliament Cap 260 Laws of Kenya which was repealed in 2017. The Strategic Plan of the Council is designed to ensure 100% compliance with the requirements under the Clinical Officers Act and other relevant laws and regulations.

The core business of the Council is to make provision for training, registration, enrolment and licensing of Clinical Officers: to regulate their conduct and to ensure their maximum participation in the health care of the community and for connected purposes. This is in line with the mission and vision statement of the Council as nurtured by our core values.

During the financial year under review, the Council reported an increase in revenue reported from Kshs.184.9 million FY 2023-2024 to Kshs. 238.37 million FY 2024-2025. There was an increase in accumulated surplus from Kshs. 134.7 million to Kshs 158.4 million as a result of utilization of the previous years' surplus to fund current operations, GoK grant and general increase in revenue collection throughout the year occasioned by upward reviews of fees. The Council achieved most of its intended plans, programs and activities as set out in the annual work plan and procurement plan.

The Council continued to successfully administered Online exams. Other notable achievement was the deployment of policies, on boarding council activities to the E-citizen platform and the filling of key personnel positions. SHA empanelment and pre-authorization of clinical officers was also a huge success.

The Council considers its customers experience an integral part of measure of success of operations. Therefore, the Council continually strives to remain customer centric in its service delivery. We are aware that in order to be successful, we need to continually change and adapt to the customers' ever-changing needs and wants. In this regard, processes have been designed and re-engineered to ensure that customer get the best service in the Council.

I appreciate the support and guidance received from the Council and the devotion of Council staff members.



Ibrahim B. Wako
Registrar/CEO

25/11/2025

Date
Nairobi

Clinical Officers Council
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7. Statement of Performance against Predetermined Objectives for FY 2024-2025

Clinical Officers Council has four strategic themes and objectives within the current Strategic Plan for the FY 2021 -2025. These strategic themes are as follows:

- Theme 1: Education and Accreditation
- Theme 2: Registration and Licensing
- Theme 3: Financial Sustainability
- Theme 4: Institutional Capacity Strengthening

The Council develop its annual work plans based on the above 4 Themes.

Assessment of the Board's performance against its annual work plan is done every quarter. The Council achieved its performance targets set for the FY 2024 period for its 4 strategic pillars, as indicated in the strategic model table below:

Strategic Model 1: Training	
i)	Publishing of four (4) policy documents – training & accreditation standards; examination policy; internship policy; and indexing policy. Exceed the set target (200 copies) by 100 copies.
ii)	Dissemination of the four (4) policy documents to the set target 135 training institutions/hospitals.
iii)	12 training institutions inspected pa (240 in 5years).
iv)	9988 students indexed from the set target of 12500 in 5 years.
v)	Accreditation of 40 new training institutions.
vi)	3500 candidates examined annually (set target of 3500 candidates).
Strategic Model 2: Registration	
i)	10 annual sensitization meetings held from a set target of 16 to enhance clinical officers' registration and retention.
ii)	Developed an online application system and put in place a dedicated server to enhance digitization.
iii)	90% penalty reinforcement for late registration and retention.
iv)	100% developed registration and licensing guideline for COC.
Strategic Model 3: Licensing	
i)	100% developed Licensure, scope and fitness to practice policies for Clinical Officers with ongoing sensitization to COs on the policy guideline.
ii)	10 counties sensitized from the set 16 annually to enhance licensure requirement from the CO's and employers.

Clinical Officers Council
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- iii) 80% achievement on an online renewal system with required ongoing sensitization to our clients.
- iv) 80% practice license renewed resulting from a developed system for Linking COD to practice licensing renewal with ongoing sensitization to clients on the significance of CPD compliance.
- v) 100% review of the Inspection checklist to optimize licensing of Clinical Officers.

Strategic Model 4: Internal Systems and Processes

- i) Extra office space purchased to enhance the working environment.
- ii) 6 laptops purchased from a set target of 6.
- iii) 1 dual purpose shredder acquired.
- iv) 3 benchmarking areas identified.
- v) 100% reviewed compliance with legal requirements.

Strategic Model 5: Human Resource Development

- i) Reviewed organizational structure achieved.
- ii) 100% of the JD's and Job Specification done awaiting categorization by SCAC

Strategic Model 6: Leadership and Governance

- i) RRI and SCAC Trainings done to build strong relations with existing and potential partners from the set target of 2.
- ii) A reviewed organogram in place to create a high-performance, sustainable Council.
- iii) Developed online platforms for licensure and CPDs, Private Practice registration and Examination procedures.

Strategic Model 7: Resource Mobilization and Financial Management

- i) Audit Report undertaken for prudent financial management.
- ii) Cash flow Report & Evaluation report done to streamline Cash Flow Management.
- iii) Partnership with Liverpool School of Tropical Medicine (LSTM) as an output for developing and maintaining strategic partnerships.

**Clinical Officers Council
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8. Corporate Governance Statement

The Management of Clinical officers Council of Kenya is responsible for the overall management of the organization and is accountable to its stakeholders for ensuring that the organization complies with the law and the highest standards of best practices in corporate governance and quality service delivery. The Council is committed to integrity in accordance with the generally accepted corporate governance practices and endorses the principles of good corporate governance.

Composition of the Council:

The Council is made up of Ten members and who consist of a chairperson and nine members appointed by the Cabinet Secretary in the Ministry of Health to represent major stakeholders. A representative from the office Director General Medical services, and Office of Chief Clinical Officer included and the Registrar / Chief Executive Officer of the Council who is ex-officio members of the Council.

The Council exercises leadership, enterprise, integrity and judgement in managing the Council. The Council members are provided with full, appropriate and timely information that enables them to maintain full and effective control over strategic, financial, operational and compliance issues.

The day-to-day running of the operations of the Council is delegated to the Registrar / Chief Executive Officer but the Management is responsible for establishing and maintaining the Council's system of internal controls for the realization of the Council's mandate.

Council Committees:

The Council is assisted in its work by Council Committees attending to specific matters. The Committees report to and remain accountable to the Council for all their activities. The Council Committees' main function is to reinforce the wholeness of the Council's responsibility.

The Council has four standing committees which meet at least once per quarter and work under the terms of reference set by the Council. The Council co-opt members to enhance its performance in specific areas where there is need of expertise.

**Clinical Officers Council
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Members who served in the in the committees during the financial year are as follows;

Finance, Human Resource and Administration Committee

- a) Dr Hashim Warfa Osman (Chairperson)
- b) Manasseh Bucha
- c) FCPA Edwin Makori
- e) Mrs Jacqueline Anyango Mbala

Audit and Risk Committee

- a) FCPA Edwin Makori (Chairperson)
- b) Mr. Ibrahim Wako
- c) Dr. Joseph Choge
- d) Mr. Felix Mutua
- e) Mrs Jacqueline Anyango Mbala

Strategy and Development Committee

- a) Mr. Philip Mwololo (Chairperson)
- b) Mr. Albert Taiti
- c) Dr. Hashim Osman Warfa
- d) Mrs. Harriett Njiru
- e) Mrs Jacqueline Anyango Mbala

Training, Registration, Licencing and Compliance Committee

- a) Mr. Felix Mutua (Chairperson)
- b) Dr Joseph Choge
- c) Mr. Manasseh Bocha
- d) Mr. Philip Mwololo

**Clinical Officers Council
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Council Meetings:

The Council meets quarterly or more often, in accordance with the requirements of the business. The Council work plan and calendar are prepared at the beginning of the year and adequate notice is given for all meetings. The agenda and Council papers are circulated within the stipulated timelines.

The table below is a summary of Council members' attendance to council meetings held in the period under review:

Council Member	Committee Meetings	Full Council	Special Meetings	Total Meetings
Pro. Simon Kangethe	4	4	4	12
Dr Hashim Osman Warfa	4	4	3	11
Saleh Abdullahi Barded	2	2	2	6
Dr. Joseph Kiprop Choge	4	4	4	12
Jacqueline Anyango Ressa	4	4	4	12
Felix 'Mwendwa Mutua	4	4	4	12
Philip Musyimi Mwololo	4	4	4	12
Edwin Nyabuga Makori	4	4	4	12
Harriet Wakiuru Njiru	1	3	3	9
Albert Wangurah Taiti	1	3	3	9

**Clinical Officers Council
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The Role of the Council

As guided by Clinical Officers Act, the State Corporations Act, Cap 446, and other relevant laws of Kenya, the Council's role is to provide effective leadership and control, in terms of approving Council's strategy and ensuring best practice of corporate governance.

The Council retains full and effective control over the Council by monitoring the implementation of Council plans and strategies, review of management accounts and major capital expenditure. It reviews processes for the identification and management of risks as well as those concerning compliance with key regulatory and legal areas.

The Council also reviews succession plans for the management team and endorses senior executive appointments, organisational changes and remuneration matters. It is concerned with key elements of the governance processes which sustain the operations of the Council, performance reporting processes as well as other disclosure requirements.

Council effectiveness

The independence of the Council from the COC's corporate management is ensured by the separation of the functions of the Chairperson and Registrar / CEO, and a clear definition of their responsibilities.

The Chairperson is a non-executive Council member and is primarily responsible for providing leadership to the Council while the Registrar / CEO is responsible for the day-to-day management of the Council. This achieves an appropriate balance of power, increased accountability and improved capacity for decision making.

The Council has a Charter to facilitate its governance system. Each Council member has signed the Charter.

**Clinical Officers Council
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Director's remuneration

In accordance with guidelines provided in the State Corporations Act, the Council members are paid taxable sitting allowance for every meeting attended, as well as travel and accommodation allowance while on the Council's duty. The Chairperson is also paid a monthly honorarium.

Statement of Compliance

The Council Member's participation and attendance confirms that Clinical Officers Council has throughout the 2024/2025 financial year complied with the entire Statutory and Regulatory requirement and that the Council is committed to the principles of good corporate governance as stipulated by Mwongozo: The Code of Governance for State Corporations.

Internal control and risk management:

Internal Control

The Council Members are responsible for reviewing the effectiveness of the Council's system of internal control which is designed to provide reasonable, but not absolute, assurance regarding the safeguarding of the assets against unauthorized use or disposition and the maintenance of proper accounting records and the reliability of financial information used within the business or for publication. These controls are designed to manage rather than eliminate the risk of failure to achieve business objectives due to circumstances which may reasonably be foreseen and can only provide reasonable and not absolute assurance against material misstatement or loss.

Standing Instructions

The Council is developing a Code of Ethics and a Service Charter that is applicable to all employees. These two are standing Instructions to employees of the Council designed to enhance internal control. The Council is also designing other set of standing instructions to be followed in the management of various functions in the organization.

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Organization Structure

A clear organizational structure exists, detailing lines of authority and control responsibilities. The professionalism and competence of staff is maintained both through rigorous recruitment policies and a performance appraisal system which establishes targets, reinforces accountability and awareness of controls, and identifies appropriate training requirements. Training plans are prepared and implemented to ensure that staff develop and maintain the required skills to fulfil their responsibilities, and that the Council can meet its future management requirements.

Strategic Plan

The business of the Council is determined by the Strategic Plan. It sets out the objectives of the Council, and the annual targets to be met to attain those objectives. The Strategic Plan is evaluated annually to assess the achievement of those objectives. The Council on an annual basis, approves the work plan supported by the financial plan for the year. Progress against the plan is monitored on a quarterly basis.

Internal Control Framework

The Council continues to review its internal control framework to ensure it maintains a strong and effective internal control environment. Business processes and controls are reviewed on an on-going basis. A risk-based audit plan, which provides assurance over key business processes and operational and financial risks facing the Council, is approved by the Audit Committee.

The Audit Committee considers significant control matters raised by management and both the internal and external auditors and reports its findings to the Council. Where weaknesses are identified, the Audit Committee ensures that management takes appropriate action. No significant failings or weaknesses were identified during 2024/2025.

Clinical Officers Council
Annual Report and Financial Statements
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Risk Management

The Council has a structure and process to help identify, assess and manage risks. The process was in place for the period up to the time this report was approved. This team reviews all the risks in the Council and updates the risk register and ensures that all new and emerging risks are appropriately evaluated and any further actions identified. The identified risks are reported to the Audit Committee to assist the Council in the management of risk.

Management Team

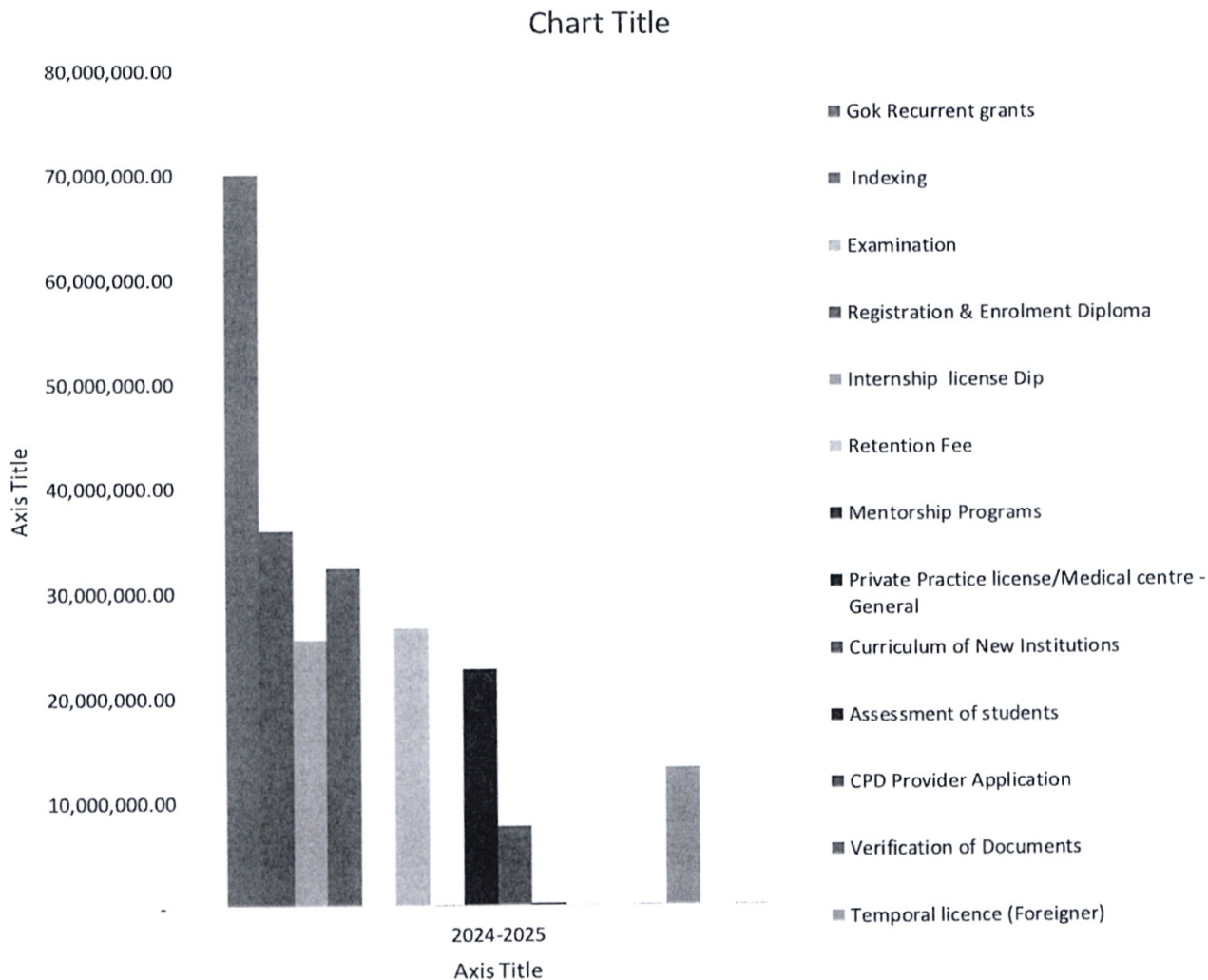
The management team headed by the Registrar / CEO implements the Council decisions and policies through action plans. The team meets regularly to review these action plans to ensure that the Council's objectives are achieved effectively and efficiently. Such policies developed include the financial management policy, internal audit policy, procurement policy, education policy, examination policy, among others.

9. Management Discussion and Analysis

Revenue Performance

Total Revenue generated recorded an improvement in FY 2024-2025, recording Kshs. 238,369,145 against the previous year’s figure of Kshs. 184,922,780. This reflected an increase of 29%. The performance was close to the budget figure of Kshs. 239M. However, due to government efforts to reduce borrowing, there was reduced funding from the exchequer. An increase in revenue collections was due to a review of fees payable.

The chart below shows revenue received by categorisation

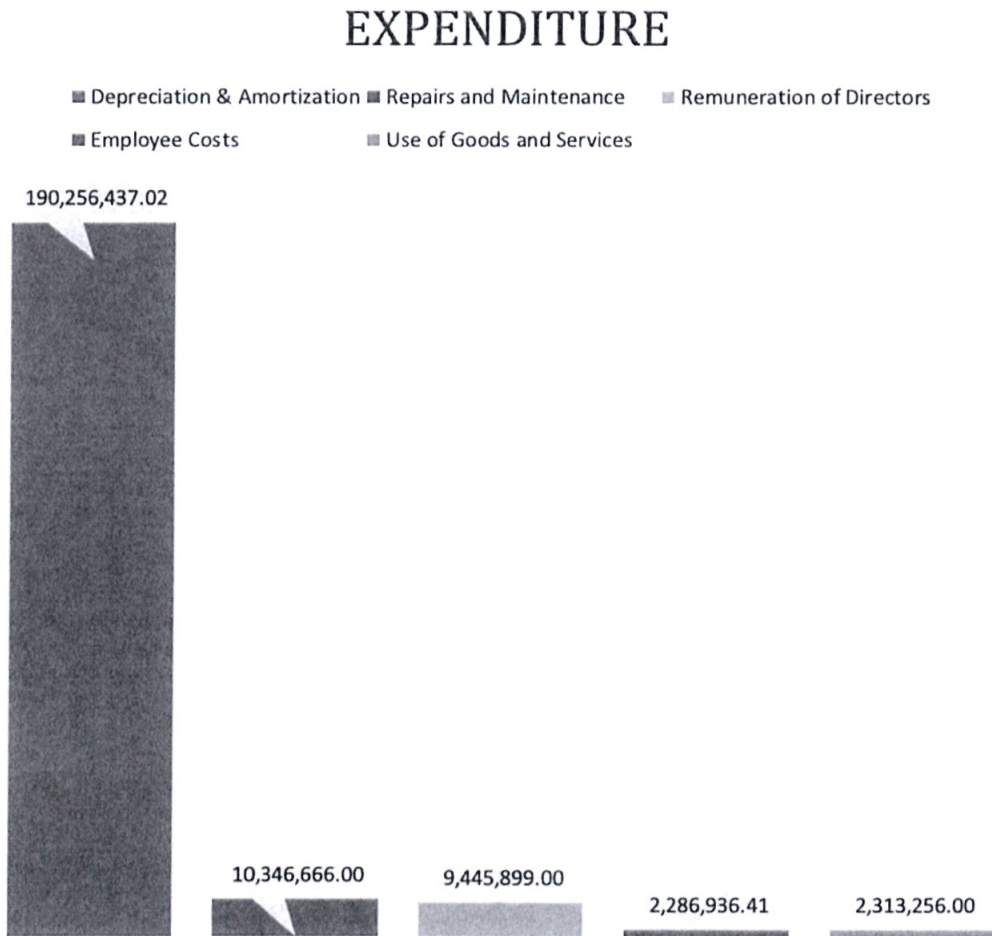


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Expenditure Performance

Total expenditure in the period under review increased by 59% to Kshs. 214,649,194 from Kshs. 181,195,634. This was however, below the budgeted figure of Kshs. 239M. This was mainly on account of increased operating costs attributed to increased compliance visits and inspections, acquisition of retention cards to cater for increased numbers of clinical officers renewing their licenses and costs of exam execution. There was a notable increase in repairs and maintenance costs whose huge component was driven by repairs and maintenance of the Council’s motor vehicle infrastructure.

The chart below shows expenditure incurred during the period by categorisation;



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Total Assets

The Council's total assets moved from Kshs. 138,736,905 FY 2023-2024 to Kshs. 203,184,378 FY 2024-2025, representing a 46% increase. This is attributed to the increase in GOK grant revenue.

Current Assets

The Current assets stood at Kshs. 148,508,785 up from Kshs. 82,302,775, the previous FY 2023-2024, which was a decrease of 80%. The increase was mainly on account of growth in Cash and cash equivalents over the same period.

Liabilities

The Council's balance of liabilities as at 30 June 2025 was Kshs 44,740,770 compared to the previous financial year's balance of Kshs. 4,613,244 representing a decrease of 189%. This was due to the transfer of differed income in the year 2024-2025 from the revenue account.

10. Environmental and Sustainability Reporting

i) Sustainability strategy and profile

The Council strive to become an ever more sustainable organization by maximizing the positive impact we have on all our stakeholder groups while minimizing our negative impact throughout the value chain. We seek to be characterized by our passion, integrity, entrepreneurialism and innovative spirit, as we fulfil our vision.

Our activities are designed to create value for and through our main stakeholders, which includes the governments, customers, suppliers and the citizen community

Many members of our leadership team have participated in our operations and understands how sustainability may be best combined with day-to-day Council operations.

We analyse our performance using different techniques, so not to only driven by positive financial growth but also positive impact on the community.

The Council sets examples to encourage and enable our customers to make better choices and leads a more productive and sustainable life

Year-round engagement with diverse stakeholders informs our sustainability reporting and overarching sustainability strategy. We publicly report on topics that are priorities for both our business and our key stakeholders.

We closely monitor and respond to market and society needs and prefer to address those needs prior to them surfacing at a large scale if possible

ii) Environmental performance

With our increase in revenue, the council has been able to allocate more funding to environmental causes for example, tree planting exercise. This is due to government effort towards climate change and the policy of tree planting. The Council has increased its activities in tree planting exercises. All new hired staff and members are now required to participate in eco initiatives and have been introduced to this during them on boarding.



CEO Ibrahim Wako(*left*), Chairman Professor Kangethe(*centre*) and Council Member Mrs Mbala during Tree Planting Day

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iii) Employee welfare

By building an inclusive workplace environment, we seek to leverage the talent, insights and ideas of our employees. Our aspiration is not only to mirror, at every level of leadership, the diversity of the communities we operate, but also to exceed industry norms. We share diversity and inclusion metrics across our workforce with our Council members and senior leaders on a quarterly basis, highlighting progress and driving accountability

As a Council, our ability to understand, embrace and operate in a diverse world—both in the marketplace and in the workplace—is critical to our long-term sustainability and to doing business the right way.

As was the case in the previous years, we ensure all employees are respected and feel safe at work

iv) Corporate Social Responsibility / Community Engagements

Clinical Officer's Council plays an important role in the provision for training, registration, enrolment and licensing of Clinical Officers in Kenya and regulates their conduct to ensure their maximum participation in the health care of the Community and for connected purposes. Corporate Social Responsibility (CSR) is increasingly becoming an integral part of business today as it influences the long-term success of any organisation. In the process of carrying out our activities as the Council, we are keen to work closely with communities and other stakeholders around us, to empower, create value and better their lives.

The Council recognizes its obligations to act responsibly, ethically and with integrity in its dealings with staff, customers, stakeholders and the environment as a whole.

In striving to fulfil the corporate social responsibility in the financial year, the Council embarked on the following activities;

- i. Community engagement and support with Clinical Officers through the county clinical officers
- ii. Participation and supporting in the Tree Planting
- iii. Support of activities/events organized by Clinical Officer's Associations

The Council has been an active participant in **Tree Planting campaigns**. The main objective of the drive is to increase Kenya's forest cover to at least 30 percent by 2050

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The Clinical Officers fraternity has vibrant associations which have been established to champion their various needs and initiatives. On yearly basis the associations do organize events with particular thematic areas for sensitization of their members. For the year under review, the Council supported the 24th Annual National Scientific Conference for Kenya Clinical Officers Association (KCOA).



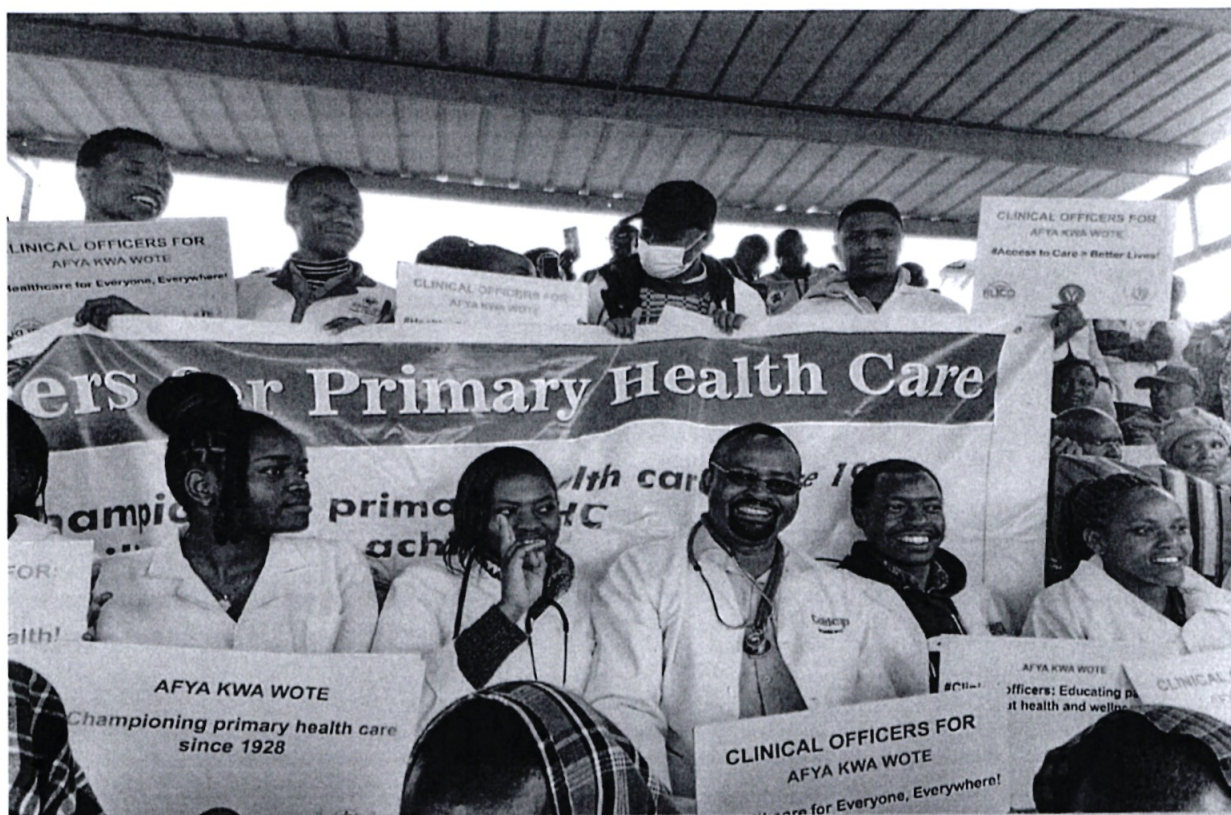
KCOA Conference 2024

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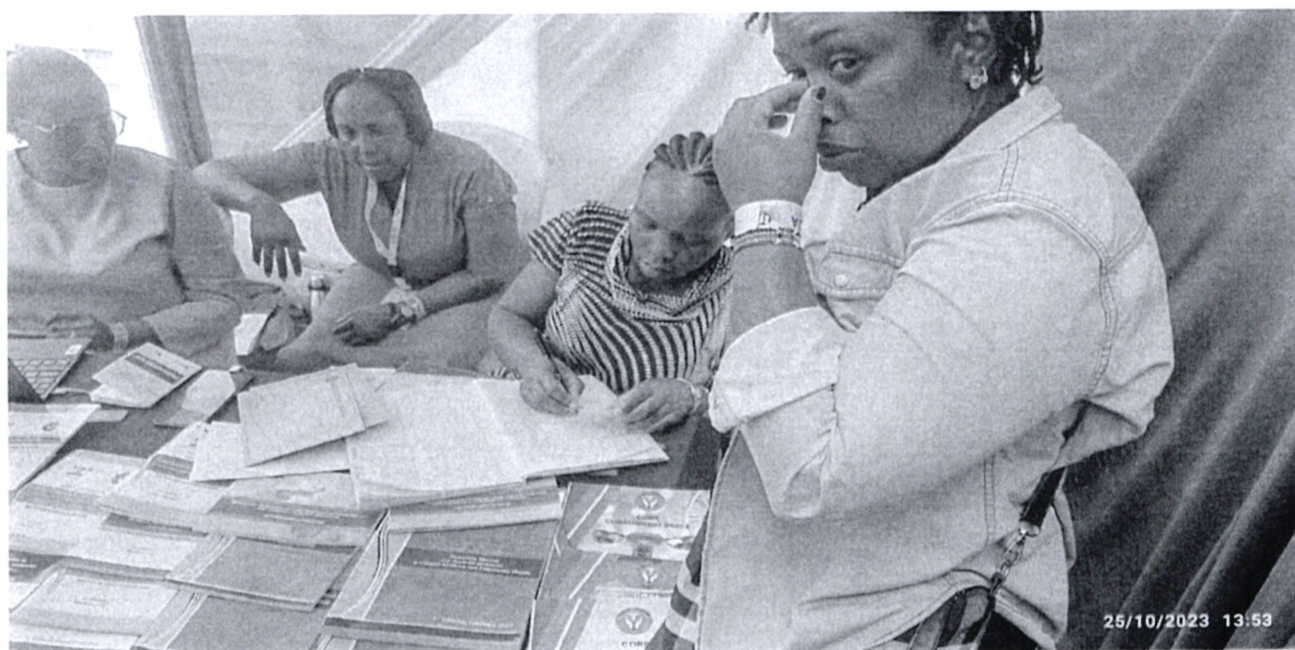


KUCO Field Activity 2024

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Members Championing for Primary Healthcare



Council Staff at the KCOA Conference

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11. Report of the Directors

The Directors submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the Clinical Officers Council's affairs.

i) Principal activities

The core functions of the office of the Clinical Officers Council include Training, Registration and Licensing of Clinical Officers in Kenya.

ii) Results

The results of the Entity for the year ended June 30, 2025, are set out on page 1

iii) Council Members

The Council Members who served during the year are shown on page ix to xiv.

iv) Auditors

The Auditor-General is responsible for the statutory audit of the Clinical Officers Council in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board

.....

Ibrahim Boru Wako
Secretary to the Board

.....25/11/2025.....

Date.
Nairobi

12. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act, and the Clinical Officers Act no.20 of 2017 require the CEO/Registrar to prepare financial statements in respect of the Council, which give a true and fair view of the state of affairs of the council at the end of the financial year/period and the operating results of the Clinical Officers Council for that year/period. The council members are also required to ensure that the council keeps proper accounting records which disclose with reasonable accuracy the financial position of the Council. The council members are also responsible for safeguarding the assets of the council.

The Council Members are responsible for the preparation and presentation of the Council's financial statements, which give a true and fair view of the state of affairs of the Council for and as at the end of the financial year ended on June 30, 2025. 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 financial position of the Entity; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the Council; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Council Members accept responsibility for the council's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act 2012, the State Corporations Act and the Clinical Officers Act. The Council Members are of the opinion that the Council's financial statements give a true and fair view of the state of Council's transactions during the financial year ended June 30, 2025, and of the Council's financial position as at that date. The Council Members further confirms the completeness of the accounting records maintained for the Council, which have been relied upon in the preparation of the Council's financial statements as well as the adequacy of the systems of internal financial control.

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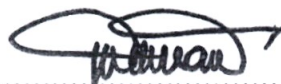
Nothing has come to the attention of the Council Members to indicate that the Council will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Council's financial statements were approved by the Board on 25/11/ 2025 and signed on its behalf by:



.....
Dr. Joseph Choge
Chairperson of the Council



.....
Ibrahim B. Wako
Registrar/CEO

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 THE CLINICAL OFFICERS COUNCIL FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

- A. Report on 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 the 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 and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- 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, risk management environment and 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 Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management, and Governance.

The three parts of the report 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 FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of The Clinical Officers' Council set out on pages 1 to 33, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of net changes in

equity, statement of cash flows and the 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 financial statements present fairly, in all material respects, the financial position of The Clinical Officers Council as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with, the Clinical Officers (Training, Registration and Licensing) Act, 2017 and 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 Clinical Officers Council Management in accordance with ISSAI 130 on the 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 financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final budget amount of Kshs.239,810,000 and actual on comparable basis of Kshs.239,198,250 resulting to underfunding of Kshs.611,750. Similarly, the Council spent an amount of Kshs.214,649,194 against actual receipts of Kshs.239,198,250 resulting to under absorption of Kshs.24,549,056 or 10%.

The underfunding and the under absorption of the funds allocated to the Council may have affected the planned activities and may have impacted negatively on service delivery to the clinical officers.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, 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

Unresolved Prior Year Matters

In the prior year audit report, two (2) issues were raised under the Report on Effectiveness of Internal Controls, Risk Management and Governance. These include under staffing and failure to establish key departments and weak controls on revenue management.

Review of the status during audit of the Council in 2024/2025 revealed that the matters remained unresolved

Other Information

The Council is responsible for the Other Information set out on page iv to xli which comprise of Key Entity Information and Management, The Council Members, Key Management Team, Chairman's Statement, Report of the Chief Executive Officer, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors and Statement of Directors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Council's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial 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 THE 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.

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 financial 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 and based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on the 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 governance were not effective.

Basis for Conclusion

1. Failure to Appoint Board of Survey

The statement of financial position and Note 17 to the financial statement reflects cash and cash equivalents balance of Kshs.147,444,118. However, there was no evidence that the Accounting Officer appointed a Board of survey to examine and verify the cash and cash equivalent and other assets at closure of the financial year.

In the circumstances, the effectiveness of internal controls on end year closing procedures could not be confirmed.

2. Failure to Maintain Imprest Register

Management did not maintain an imprest register. This was contrary to Regulation 93(4)(c) of the Public Finance Management (National Government) Regulations, 2015 which provides that before issuing temporary imprests under paragraph (2), the Accounting Officer shall ensure that the applicant has been recorded in the imprest register including the amount applied for.

In the circumstances, the effectiveness of internal controls on management of imprest 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 the Management and Council Members

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

In preparing the financial statements, Management is responsible for assessing the Council'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 financial 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 financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements

comply with the authorities which govern them and that public resources are applied in an effective way.

The Council members are responsible for overseeing the Council's financial 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 financial 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 financial 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 financial 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 financial 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

26 November, 2025

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14. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 Kshs	2024 Kshs
Revenue from exchange transactions			
Rendering Of Services	7	169,198,250	144,922,780
GOK recurrent grants from MOH	6	70,000,000	40,000,000
Total revenue		239,198,250	184,922,780
Expenditure			
Use of Goods and Services	8	190,256,437	158,222,797
Employee Costs	9	10,346,666	8,524,903
Board Expenses	10	9,445,899	9,210,428
Depreciation and Amortization Expense	11	2,286,936	2,886,695
Repairs and Maintenance	12	2,313,256	2,350,812
Total Expenditure		214,649,194	181,195,634
Surplus (Deficit) for the period		24,549,055	3,727,145

The notes set out on pages 8 to 32 form an integral part of these Financial Statements.

The Financial Statements set out on page 1 to 6 were signed on behalf of the Members of the Council by:



Ibrahim B. Wako
Registrar/CEO

Date 25/11/2025



Henry M. Wandera
Head of Finance

ICPAK M/No:18745
Date 24/11/2025



Dr. Joseph Choge
Chairperson

Date 25/11/2025

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15. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Notes	2025 Kshs	2024 Kshs
ASSETS			
Current assets			
Cash and cash at bank	13	147,444,118	81,228,255
Receivables and Deposits	14	2,762,000	1,074,520
		<u>150,206,118</u>	<u>82,302,775</u>
Non-current assets			
Property, plant and equipment	15	54,338,919	55,931,630
Intangible Assets	16	336,675	502,500
		<u>54,675,594</u>	<u>56,434,130</u>
Total assets		<u>204,881,711</u>	<u>138,736,905</u>
LIABILITIES			
Current liabilities			
Payables, Provisions and accruals	17	45,608,998	4,613,244
		<u>45,608,998</u>	<u>4,613,244</u>
Total liabilities		<u>45,608,998</u>	<u>4,613,244</u>
Net assets		<u>159,272,714</u>	<u>134,123,661</u>
Equity			
Accumulated surplus		159,272,714	134,723,659
		<u>159,272,714</u>	<u>134,723,659</u>
Total equity		<u>159,272,714</u>	<u>134,723,659</u>
Total net asset and liabilities		<u>204,881,711</u>	<u>138,736,905</u>

The financial statements set out on pages 1 to 5 were signed on behalf of the Members of the Council by:



 Ibrahim B. Wako
 Registrar/CEO

Ibrahim B. Wako
 Registrar/CEO

Date 25/11/2025



 Henry M. Wandera
 Head of Finance

Henry M. Wandera
 Head of Finance

ICPAK M/No:18745

Date 24/11/2025



 Dr. Joseph Choge
 Chairperson

Dr. Joseph Choge
 Chairperson

Date 25/11/2025

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16. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2025

	Accumulated Surplus Kshs	Total Kshs
At 1st July 2023	130,996,514	130,996,514
Surplus for the year	3,727,145	3,727,145
At 30th June 2024	<u>134,723,659</u>	<u>134,723,659</u>
At 1st July 2024	134,723,659	134,723,659
Surplus for the year	24,549,055	24,549,055
At 30th June 2025	<u>159,272,714</u>	<u>159,272,714</u>

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STATEMENT OF CASHFLOW AS AT 30 JUNE 2025

	Notes	2025 Kshs	2024 Kshs
Cash flows from operating activities:			
Receipts			
GoK Recurrent grants	6	70,000,000	40,000,000
Indexing		36,851,347	18,604,400
Examination		25,567,764	19,960,100
Registration & Enrolment Diploma		32,418,904	2,216,400
Internship license Dip		3,184,610	4,224,600
Internship license Bsc.		-	147,000
Retention		26,743,955	52,710,220
Internship license Bsc.		19,000	-
Private Practice license/Medical centre - General		22,708,050	22,869,150
Curriculum of New Institutions		7,721,328	1,900,000
Checklist of new institutions		-	528,000
Assessment of students		240,000	92,500
CPD Provider Appliation		-	30,000
CPD Provider Certification		90,000	-
Verification of Documents		32,350	-
Temporal licence (Foreigner)		200000	-
Re-Inspection of Institutions		13,200,000	4,885,000
CPD Diary		82,750	15,533,100
CODE of Professional Conduct		-	1,186,310
Supplementary attachment Logbook		138,192	36,000
Total Receipts		239,198,250	184,922,780
Payments			
Use of Goods and Services		190,256,437	158,222,797
Employee Costs		10,346,666	8,524,903
Remuneration of Directors		9,445,899	9,210,428
Repairs and Maintenance		2,313,256	2,350,812
Total Payments		212,362,258	178,308,939
Net cash from operating activities		26,835,992	6,613,840
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(528,400)	(1,774,000)
Net Change in Receivable, Payables & accruals		39,908,269	(10,050,571)
Net cash used in investing activities		39,379,869	(11,824,571)
Net cash used in financing activities		-	-
Net increase (decrease) in cash and cash equivalents		66,215,861	(5,210,759)
Cash and cash equivalents at 1st July	13	81,228,256	86,439,014
Cash and cash equivalents at 30 June	17	147,444,118	81,228,256

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STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2025

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	a	b	c=(a+b)	d	e=(c-d)	f=d/c
	Kshs	Kshs	Kshs	Kshs	Kshs	%
Internally Generated Income	169,810,000	-	169,810,000	169,198,250	(611,750)	100%
GOK recurrent Grant		70,000,000	70,000,000	70,000,000	-	100%
Total income	169,810,000	70,000,000.00	239,810,000	239,198,250	-611,750	
Expenditure						
Use of Goods and Services	121,483,939	70,000,000	191,483,939	190,256,437	1,227,502	99%
Employee Costs	18,179,781	-	18,179,781	10,346,666	7,833,115	57%
Remuneration of Directors	10,990,000	-	10,990,000	9,445,899	1,544,101	86%
Depreciation and Amortization Expense	11,306,280	-	11,306,280	2,286,936	9,019,344	20%
Repairs and Maintenance	7,850,000	-	7,850,000	2,313,256	5,536,744	29%
Total expenditure	169,810,000	70,000,000	239,810,000	214,649,194	25,160,806	
Surplus(deficit) for the period	(0)	-	(0)	24,549,055	24,549,056	

Clinical Officers Council
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EXPLANATIONS OF MATERIAL VARIANCES (10% OVER/UNDER) IPSAS 24.14
REVENUE

- (a) **Internally Generated Income:** Increase in revenue due to
increase in fee
- (b) Ok No material variance
- (c) Ok No material variance
- (d) Ok No material variance
- (e) Ok No material variance
- (f) Ok No material variance
- (g) Ok No material variance

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19. Notes to the Financial Statements

1. General Information

Clinical Officers Council is established by and derives its authority and accountability from the Clinical Officers Act no. 20 of 2017. The Council is wholly owned by the Government of Kenya and is domiciled in Kenya. The Council's principal activity is to regulate training, registration, licencing and practice of all Clinical officers.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Council's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Council. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, The Clinical Officers Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

**Clinical Officers Council
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Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

- i. New and amended standards and interpretations in issue effective in the year ended 30 June 2023.

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	Applicable: 1st January 2023: The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by: • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
IPSAS 42: Social Benefits	Applicable: 1st January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:

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Standard	Effective date and impact:
	(a) The nature of such social benefits provided by the Entity. (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	Applicable: 1st January 2023: a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued. d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.
Other improvements to IPSAS	Applicable 1st January 2023 • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008). • <i>IPSAS 39: Employee Benefits.</i> Now deletes the term composite social security benefits as it is no longer defined in IPSAS. • IPSAS 29: Financial instruments: Recognition and Measurement. Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.

Notes to the Financial Statements (Continued)

- ii.* **New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.**

Standard	Effective date and impact:
IPSAS 43	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

- iii.* **Early adoption of standards**

The Entity did not early – adopt any new or amended standards in the financial year

**Clinical Officers Council
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Notes to the financial statements (continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

The Council recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Entity and the fair value of the asset can be measured reliably.

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Council and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

The Council recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

**Clinical Officers Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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 Council.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the Council's right to receive payments is established.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

The original budget for the Current FY was approved by the National Assembly on. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Entity recorded additional appropriations of 00 on the 2023 budget following the governing body's approval.

**Clinical Officers Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Budget information (continued)

The Council's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 18 of these financial statements.

c) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the Entity operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Clinical Officers Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable Council and the same taxation authority.

**Clinical Officers Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Sales tax

Expenses and assets are recognized net of the amount of sales tax, except:

- i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii) When receivables and payables are stated with the amount of sales tax included
The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment property is measured at fair value with gains and losses recognised through surplus or deficit. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

**Clinical Officers Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

e) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value. **The rates for depreciation are: Motor Vehicle 25%, Computer 33% and Equipment, Furniture & Fittings 12.5 %**

f) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Council. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Council also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Council will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Council. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

**Clinical Officers Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

g) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalised and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

h) Research and development costs

The Council expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Council can demonstrate:

- i) The technical feasibility of completing the asset so that the asset will be available for use or sale.
- ii) Its intention to complete and its ability to use or sell the asset.
- iii) How the asset will generate future economic benefits or service potential
- iv) The availability of resources to complete the asset.
- v) The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

**Clinical Officers Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

i) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

a) Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

**Clinical Officers Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

**Clinical Officers Council
Annual Reports and Financial Statements
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in the Notes.

b) Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

j) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

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

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Council.

**Clinical Officers Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

k) Provisions

Provisions are recognized when the Council has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

l) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

m) Contingent liabilities

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

n) Contingent assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

**Clinical Officers Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

o) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements.

p) Changes in accounting policies and estimates

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

q) Employee benefits

Retirement benefit plans

The Council provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

r) Foreign currency transactions

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

**Clinical Officers Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

s) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

t) Related parties

The Council regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence over the Council, or vice versa. Members of key management are regarded as related parties and comprise the Council members, the CEO/Registrar and senior managers

u) Service concession arrangements

The Council analyses all aspects of service concession arrangements that it enters in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the Council recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the Council also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**Clinical Officers Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

v) 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 and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

w) Comparative figures

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

x) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 20xx.

**Clinical Officers Council
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for the year ended June 30, 2025.**

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Entity's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. State all judgements, estimates and assumptions made:

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

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

Clinical Officers Council
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Notes to the Financial Statements (Continued)

	2025	2024
	Kshs	Kshs
6 Transfers from other Government entities		
GOK recurrent grants from MOH	70,000,000	40,000,000
	<u>70,000,000</u>	<u>40,000,000</u>
7 Rendering Of Services		
Indexing	36,851,347	18,604,400
Examination	25,567,764	19,960,100
Registration & Enrolment Diploma	32,418,904	2,216,400
Internship license Dip	3,184,610	4,224,600
Internship license BSc.		147,000
Retention Fee	26,743,955	52,710,220
Mentorship Programs	19,000	-
Private Practice license/Medical centre - General	22,708,050	22,869,150
Curriculum of New Institutions	7,721,328	1,900,000
Checklist of new institutions		528,000
Assessment of students	240,000	92,500
Inter-institutional transfer application		30,000
CPD Provider Application	90,000	-
Verification of Documents	32,350	-
Temporal licence (Foreigner)	200,000	
Re-Inspection of Institutions	13,200,000	4,885,000
CPD Diary	82,750	15,533,100
CODE of Professional Conduct		1,186,310
Procedure Manuals & Logbooks	138,192	36,000
	<u>169,198,250</u>	<u>144,922,780</u>

Clinical Officers Council
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Notes to the Financial Statements (Continued)

	2025	2024
	Kshs	Kshs
8 Use of goods and Services		
Bank charges	343,586	380,249
Bulk sms	95,000	180,000
Insurance Expenses	557,784	182,729
Internet and related costs	1,722,644	1,873,778
Motor running expenses & Fuel	4,980,000	5,291,916
Printing and stationery	22,963,438	18,135,668
Telephone and postage	463,800	455,440
Newspapers and periodicals	66,000	75,490
Audit fee	500,000	500,000
Legal fees	750,000	250,000
Consumables	4,000	5,400
Gifts and donations	80,000	1,207,200
Travelling and accommodation	10,207,510	10,110,410
Office general expenses	106,718	95,090
Hospitality and staff meals	60,200	509,910
Workshops, seminars and conferences	24,505,130	22,886,206
International Conference	2,415,042	891,200
Service charge	960,000	520,000
Electricity and water	389,290	408,759
Examinations	21,398,800	15,210,239
County Sensitization	25,202,492	17,227,200
Indexing Activities	20,438,500	18,785,605
Inspections, Surveillance & assessment	41,823,084	29,227,198
Curriculum development and reviews	5,510,600	2,736,000
Development and Reviews of policies, Strategic Plan & work plan	3,227,500	8,028,000
Local Transport, Bus fares and movements	222,920	273,910
Mentorship Activities		1,192,800
Committee Activities	1,063,700	1,388,600
Advertisements and Promotions		30,000
Subscriptions		11,200
Post office box	18,900	-
Parking fee		92,600
Equipment hire	179,800	60,000
	<u>190,256,437</u>	<u>158,222,797</u>

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Notes to the Financial Statements (Continued)

	2025	2024
	Kshs	Kshs
Employee costs		
9 Salaries and Allowances	7,153,304	6,652,890
Intern Allowances	830,000	385,000
Telephone Allowance	534,000	891,000
Staff development	1,592,756	501,880
Employer statutory contributions	236,606	94,133
Pension contribution	-	-
	<u>10,346,666</u>	<u>8,524,903</u>
	2025	2024
	Kshs	Kshs
Board Expenses		
10 Sitting allowance	2,480,000	2,280,000
Accommodation allowance	4,540,299	2,461,874
Lunch allowance	192,000	29,000
Honoraria	960,000	960,000
Transport reimbursement	371,600	2,402,285
Board Training	847,000	999,269
Airtime Allowance	55,000	78,000
	<u>9,445,899</u>	<u>9,210,428</u>
Depreciation and Amortization		
11 Building	-	-
Furniture and fittings	233,586	266,956
Computer and accessories	727,342	825,328
Motor Vehicles	1,160,184	1,546,911
Amortization	165,825	247,500
	<u>2,286,936</u>	<u>2,886,695</u>

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Notes to the Financial Statements (Continued)

Repairs & maintenance

12 Machinery and office equipment repairs	21,500	-
ICT Equipment repairs	107,200	83,272
Motor Vehicle	1,470,156	1,715,755
Building repairs	22,400	110,035
Software maintenance	612,000	394,400
Computer consumables and accessories	80,000	47,350
	<u>2,313,256</u>	<u>2,350,812</u>

Cash and Cash Equivalents

13 Absa Bank Kenya Ltd [Ac No.0756597833]	23,920,212	19,816,012
Absa Bank Kenya Ltd [Ac No.2047487970]	19,718,657	21,680,397
Cooperative Bank of Kenya [Ac No.01143039922700]	964,158	1,496,327
Cooperative Bank of Kenya [Ac No.01102039922700]	102,839,909	38,163,735
Kenya Commercial Bank	1,102	580
Cash in hand	80	71,205
	<u>147,444,118</u>	<u>81,228,256</u>

Receivables and Deposits

14 Receivables	2,719,500	1,032,020
KPLC Meter Deposit	42,500	42,500
	<u>2,762,000</u>	<u>1,074,520</u>

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Notes to the Financial Statements (Continued)

15 Property, Plant & Equipment -30th June 2025

	BUILDING & LEASEHOLD IMPROVEMENTS	MOTOR VEHICLE <u>KSHS</u>	COMPUTERS <u>KSHS</u>	EQUIPMENT, FURNITURE & FITTINGS <u>KSHS</u>	TOTAL <u>KSHS</u>
COST/VALUATION					
Balance b/f (01.07.2023)	47,746,540	18,639,460	3,343,570	5,782,527	75,512,097
Additions	-	-	1,724,000	50,000	1,774,000
Balance as at 30.06.2024	47,746,540	18,639,460	5,067,570	5,832,527	77,286,097
Balance b/f (01.07.2024)	47,746,540	18,639,460	5,067,570	5,832,527	77,286,097
Additions	-	-	528,400	-	528,400
Balance as at 30.06.2025	47,746,540	18,639,460	5,595,970	5,832,527	77,814,497
DEPRECIATION					
Balance b/f (01.07.2023)	-	12,451,815	2,566,577	3,696,881	18,715,273
Charge for the year	-	1,546,911	825,328	266,956	2,639,195
Balance as at 30.06.2024	-	13,998,726	3,391,905	3,963,837	21,354,468
Balance b/f (01.07.2024)	-	13,998,726	3,391,905	3,963,836	21,354,467
Charge for the year	-	1,160,184	727,342	233,586	2,121,111
Balance as at 30.06.2025	-	15,158,909	4,119,246	4,197,423	23,475,578
NET BOOK VALUE					
As at 30th June, 2025	47,746,540	3,480,551	1,476,724	1,635,104	54,338,919
As at 30th June, 2024	47,746,540	4,640,734	1,675,665	1,868,691	55,931,630

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Notes to the Financial Statements (Continued)

16 Intangible Assets

SOFTWARE

COST/VALUATION

As at 30th July, 2024 750,000

Additions -

As at 30th June, 2025 750,000

Amortization

As at 1st July, 2024 247,500

Charge for the period 165,825

As at 30th June, 2025 413,325

NET BOOK VALUE

As at 30th June, 2025 336,675

As at 30th June, 2024 502,500

	2025	2024
Payables, Accruals and Provisions	Kshs	Kshs
17 Differed Income	31,152,691	-
Payables and accruals	13,956,307	3,413,245
Provisions for Audit fee	500,000	600,000
	<u>45,608,998</u>	<u>4,013,245</u>

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18 CASH GENERATED FROM OPERATIONS

	Notes	2025 Kshs	2024 Kshs
Cash flows from operating activities:			
Surplus for the period		24,549,055	4,419,601
Adjustments for:			
Depreciation	18	2,286,936	2,194,239
Loss (Gain) on disposal		-	-
Operating profit before working capital changes		26,835,992	6,613,840
Changes in operating assets and liabilities:			
Increase / (decrease) in payable		(1,615,885)	-
Increase / (decrease) in provisions		40,995,754	(9,018,578)
Net cash from operating activities		66,215,861	(2,404,738)

19.Events after the Reporting Period

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

20. Ultimate and Holding Entity

The Entity is a State Corporation/ or a Semi- Autonomous Government Agency under the Ministry of Health. Its ultimate parent is the Government of Kenya.

21. Currency

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

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date w/ expect the issue resolved)
1	Understaffing and Failure to Establish Key Department: Review of the approved staff establishment for the council revealed ninety (90) established positions, out of which thirteen (13) had been filled, resulting in understaffing of seventy-seven (77). Furthermore, a review of the Council's activities revealed that the internal audit, human resources, and procurement departments had no staff in post. In the circumstances, the under-staffing and failure to establish key departments may affect the effectiveness of achieving the Council's activities of training, registration and licensing of Clinical Officers in Kenya	The Auditors' findings are duly noted. We have requested the National Treasury for approval of the instruments following the circular from the head of civil service stopping employment to enable the Council to hire staff. Secondly, we have requested assistance from the Ministry-MOH, which have seconded staff to fill the key positions of HR, Internal Auditor and Procurement.	Resolved Partly	6 months
2	Weak Controls on Revenue Management. The statement of Financial performance reflects income from operations of Kshs. 144,922,780 as disclosed in Note 6 to the financial statements. However, the Council does not issue its own official receipts for the funds received from its members but instead relies on E-citizen receipts, which are not sequential. In the circumstances, failure to issue own receipts on funds received may lead to revenue leakages undetected	The Auditors' findings are duly noted. Receipt issuance has been established	Resolved	Immediate

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C.E.O/Registrar – Clinical Officers' Council

Date: 25/11/2025

**Clinical Officers Council
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