

**Objective**

To ensure stocks are not over stated i.e. ensure existence of stocks

**Work Done**

60 items have been selected as stock count carried out on 1<sup>st</sup> and 8<sup>th</sup> July 2016.

	Count as per the auditor
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**RAW MATERIALS**

1000000130 MAGIC OBAMA WHISTLE POP M 20PKTS X 50PCS	2,200
1000000133 MINIPOP 20PKTS X 50PCS	2,540
1000000135 PAGOPAGO 20PKTS X 50PCS	2,640
1000000148 JANUS WHITEMINT 20PKTS X 100PCS	2,740
1000000152 LOTTO MINTS 16PKTS X 200PCS	2,500
1000000159 ORANGE DROPS 30PKTS X 75PCS	2,500
1000000160 PIPI KIFUA 16PKTS X 200PCS	3,040
1000000162 WHITE FRUIT DROPS 16PKTS X 200PCS	3,140
1000000164 BALL GUM SMALL JARS 12 JARS X 550 PCS	3,240

**WORK IN PROGRESS**

3000000263 GUMBASE Z	1,000
3000000298 CARAMEL COATING-RWK	1,200
3000000308 Gumbase BG	52,000
3000000309 OBAMA STB CENTRE MASS	5,100
3000000310 PINK GUM CENTRE MASS	6,500
3000000313 TOFFEE CARAMELLA CENTRE MASS	1,700
3000000351 LOLLIPOP & HBC -REWORK	3,200
3000000352 TOFFEE REWORK	3,500
3000000353 CHICKLET COATED REWORK	5,000
3000000355 BUBBLE GUM REWORK	800
3000000495 COLOUR PURPLE (TOFFEE)	63,000
3000000012 CHAPA DOLLAR GREEN , BLUE , RED STRAPS 3	1,500
3000000017 CHAPA DOLLAR GREEN , BLUE , RED STRAPS 8	500

**FINISHED GOODS**

1000000046 FRESH SMOOTH SENSATION 12BAGS X 50PCS	242,000
1000000048 FRESH SMOOTH SENSATION 36BAGS X 50PCS	5,000
1000000054 ASSORTED TOFFEES 6JARS X 200PCS	1,500
1000000056 BUTTERSCOTCH 20PKTS X 80PCS	1,500
1000000059 CARAMELLA 20PKTS X 80PCS	8,000
1000000062 CHOCOCREAM 20PKTS X 80PCS	5,800
1000000065 DOUBLE DELIGHT TOFFEE 20PKTS X 80PCS	5,200
1000000070 MILK MUNCH TWIST WRAP 20PKTS X 80PCS	50,000
1000000072 MILK TOFFEE 20PKTS X 80PCS	1,500

1000000077 JUS 4EVER ASSORTED 6JARS X 72SACHETS	18,000
1000000078 JUS 4EVER ASSORTED 6PKTS X 72SACHETS	5,500
1000000087 JUS 4U ASSORTED 6JARS X 72SACHETS	85,000

### Extrapolation of error

If Kshs 706,979,083 worth of stock gives us an error of Kshs 3,810,852  
Therefore Kshs 1,480,286,769 will give us =

The extrapolated error is below our presiscion but above our materiality. We have taken this to sun

### Note

We verified the movement to Goods requisition notes, Goods received notes and goods delivery n

### Key

**^** - Downcast checked

**n/m** - not material. No further work done as the difference is below recordable error

### Conclusion

Based on the audit work done, there is nothing to indicate that inventories are not fairly stated.

### Key

**^** - Downcast checked

**C** - Cross cast checked

**PBC** - Prepared by the client

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**Inventory as  
per list**

**Variance**

**Unit value**

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2,440	(240)	2,000	(480,000)
2,540	-	200	-
2,640	-	500	-
2,740	-	300	-
2,840	(340)	450	(153,000)
2,940	(440)	450	(198,000)
3,040	-	450	-
3,140	-	450	-
3,240	-	450	-
850	150	54.00	8,100
1,500	(300)	74.00	(22,200)
45,500	6,500	150.00	975,000
5,000	100	5.00	500
6,500	-	25.00	-
1,500	200	45.00	9,000
5,000	(1,800)	65.00	(117,000)
3,500	-	85.00	-
5,000	-	1.00	-
800	-	21.00	-
41,500	21,500	150.00	3,225,000
1,500	-	45.00	-
500	-	25.00	-
250,000	(8,000)	350.00	(2,800,000)
5,000	-	470.00	-
1,500	-	685.00	-
1,500	-	580.00	-
8,000	-	550.00	-
5,800	-	650.00	-
5,200	-	750.00	-
54,000	(4,000)	555.00	(2,220,000)
1,500	-	5,000.00	-

20,000	(2,000)	500.00	(1,000,000)
5,500	-	450.00	-
93,990	(8,990)	250.00	(2,247,500)

Summary of unadjusted errors for consideration among other errors.

Notes

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## **Analysis of the movement**

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