



REPUBLIC OF KENYA

GOVERNMENT OF MAKUENI COUNTY

DOCUMENT: Final Audit Process

DEPT: ...AILFD&CD – Cooperative  
Development

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### 1.0 DOCUMENT CHANGES

DATE	CHANGES	AUTHORIZED BY

### 2.0 DOCUMENT DISTRIBUTION

COPY NO.	COPY HOLDER
01: MASTER COPY	Co-operative Society
02	DCD
03	SCO
04	Auditor

#### 1.1 Purpose

This procedure is to ensure timely, effectiveness and impact in auditing co-operatives

#### 2. Scope

This procedure shall apply to all measures meant to ensure auditing of co-operatives is done in a timely manner to ensure compliance and establishment of financial status of co-operatives.

#### 3. References

- a) Makueni County Cooperatives Act 2017 and regulations 2019.
- b) Co-operatives Act Cap 490
- c) Sacco Societies Act 2012
- d) Sacco Society Regulations 2012
- e) Registered Co-operative Bylaws

#### **4. Definition of terms**

Sacco – Savings and Credit Co-operative Society

DCD – Director Co-operative Development

SCO – Subcounty Co-operative Officer

#### **5. Principal Responsibility**

The Directorate of Co-operative Development shall ensure this procedure is followed

#### **6. Method.**

The step-by-step wise approach for audit process shall be followed

- 6.1 Auditee prepares books of accounts up to final level containing statement of comprehensive income, statement of financial position, statement of financial position, statement of changes in equity and cash flow statement. Thereafter, invites the auditor
- 6.2 Auditor visits the co-operative to vouch and verify the presented books by sampling
- 6.3 Auditor may raise audit queries and receives explanations from the auditee
- 6.4 Auditor where applicable drafts a management letter, highlighting on key audit matters where applicable
- 6.5 A written response from the management shall be received on or before signing of the financial statements
- 6.6 Auditor prepares opinion statement on the final accounts after being signed by management committee
- 6.7 Auditor forwards final accounts to Director for verification, approval and registration
- 6.8 A notice of 15 days is issued for a general meeting in which the auditor attends to present the audited accounts the members for adoption.

#### **7.0 Appendices**