Regional Issues Report

Mini Group / Eleven Degrees Consulting

Project: Mtwapa June 2025

Region: Mombasa

Date: July 04, 2025

# Executive Summary

This report covers 46 issue(s) reported in the selected region.  
 - High severity: 0 issue(s)  
 - Medium severity: 0 issue(s)  
 - Low severity: 46 issue(s)  
  
Estimated total cost impact: $22,174.00

# Branch: Mombasa

**Start Date:** 2025-06-01

**Branch Manager:** Mr. Hussein Nyota

**Operations Manager:** Mr. Nasrullah Mohammad

**Supervisor:** Mr. Gideon Kadenge Charo

## Issue: Mixing Chart Analysis

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| --- | --- |
| **Issue Title** | Mixing Chart Analysis |
| **Severity** | Low |
| **Description** | An analysis of mixing charts and summaries was done to determine if the raw materials usage were as per the set BOM and if the set production standards were achieved.No material variance was noted. Mixing Chart Summary Branch Production Target per day in Bags (A) 90 Average Production in bags (B) 64.15 Production target achievement in % (B/A\*100%) 71% Utto Consumption % of production 100% Utto consumption to bags produced 1:1 Average Yield 195.82 |
| **Implication** | Minor variances is an indication of strong controls. |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The branch should continue observing the set consumption and production standards |
| **Additional Table** |  |

## Issue: Cash Verification

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| --- | --- |
| **Issue Title** | Cash Verification |
| **Severity** | Low |
| **Description** | Physical cash was verified on 02/06/2025, to confirm if the cash held by the cashier tallied with book records and whether the set cash operation standards were adhered to and below is a tabular analysis of the same. No material Variance was noted. Cash Balance 8,356.73 Cash at Hand 8,355.00 Variance -1.73 |
| **Implication** | Cash loss risk is minimal. This implies strong controls. |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Observed cash control is commendable. |
| **Additional Table** |  |

## Issue: Mini shop spot check

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| --- | --- |
| **Issue Title** | Mini shop spot check |
| **Severity** | Low |
| **Description** | Spot checks were done on the branch minishops to find out if they were run as per the company policy.On the spot-check days, no issue of non-compliance was noted in the visited minishops. (Mtwapa, Kivulini, Shanzu and Matsangoni) |
| **Implication** | Minishop SOPs are being observed. This indicates strong controls. |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The Minishop controls should be strengthened even more. |
| **Additional Table** |  |

## Issue: Stock verification

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| --- | --- |
| **Issue Title** | Stock verification |
| **Severity** | Low |
| **Description** | A stock take exercise was conducted on 1st June 2025 to assess the effectiveness of internal controls that are put in place to safeguard company assets. The findings revealed a cumulative bread variance of -35.5 loaves and polybags had a cumulative variance of +367 pieces. summary of the findings ITEM BOOK STOCK PHYSICAL STOCK VAR White Flour Kg 24025.0 24025 0.0 Yeast 46.3 46 0.2 Vegetable Oil 41.2 40 -0.9 Wheat bran 45.7 42 -3.4 Brown Flour 5750.0 5750 0.0 White Ingredient 207.5 208 0.0 Brown Ingredient 121.0 121 0.0 Brown Premix 121.0 121 0.0 Crates 838 838 0 Polybags 72,364 72,731 367 F/P Bread 9,061.00 9,025.50 -35.50 |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Stock controls are effective and need to be maintained. |
| **Additional Table** |  |

## Issue: Bread weigt check

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| --- | --- |
| **Issue Title** | Bread weigt check |
| **Severity** | Low |
| **Description** | Sample varieties of packed bread were randomly picked and weighed to establish whether the branch adheres to weights and measures standards. All sample varieties had few cases of underweight. The underweight samples were spread as follows; 400g BT- 04%, 400g Br-02%, 600g W-02%, 800g W- 06% and 800g Br- 03%. The table below summarizes the findings Variety Sample size Correct weight Overweight Under weight %under weight Average Weight 400g BT 50 48 0 2 4% 399 400g Br 50 49 0 1 2% 399 600g W 50 49 0 1 2% 598 800g W 50 47 0 3 6% 793 800g Br 40 38 1 1 3% 800 |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Proper controls should be maintained |
| **Additional Table** |  |

## Issue: Damages Analysis

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| --- | --- |
| **Issue Title** | Damages Analysis |
| **Severity** | Low |
| **Description** | Analysis of bread damages from 10.05.25 – 31.05.25 was done to verify if the level of bread damages was maintained within the set limits of 0.25% of the total production and 0.2% of the total sales. A total of 373 loaves were damaged under production damages which represent 0.22% of the total loaves produced which is within the acceptable range. 171 loaves were damaged under market damages representing 0.15% of the total sales over the audited period. Both production and market damages were maintained within the allowable limits. Below is a summary table of the findings Details No. Loaves No. Loaves Production damages 373.00 Market Damages 171.00 Total damages (A) 373.00 171.00 Total Production/Sales (B) 172,732.75 113,005.00 % Damages =(A/B)\*100% 0.22% 0.15% Excess Damages - - |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The management should ensure that both production and market damages are maintained within the set limits |
| **Additional Table** |  |

## Issue: Cash verification

|  |  |
| --- | --- |
| **Issue Title** | Cash verification |
| **Severity** | Low |
| **Description** | A spot check was conducted at the branch cash office to assess the adequacy of cash handling practices and if proper records were maintained. The cash count exercise revealed no material variances between the physical cash on hand and the book balance. |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The branch should ensure that petty cash records and balances are well maintained. |
| **Additional Table** |  |

## Issue: Production Efficiency

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| --- | --- |
| **Issue Title** | Production Efficiency |
| **Severity** | Low |
| **Description** | Production efficiency was analyzed from 10.05.25 – 31.05.25 to find out if the branch achieved the set efficiency of 5 bags per worker. The branch hired a total of 180 workers over the audited period hence the expected production was 900 bags. The actual production was 894 bags leading to an actual efficiency was 4.97 bags per worker which is within the range. Production efficiency Total Workers Expected Pdn Actual Pdn Pdn Short fall Actual Efficiency 180 900 894 6 4.97 |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Management to maintain proper planning of production workers. |
| **Additional Table** |  |

## Issue: Packaging Efficiency

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| --- | --- |
| **Issue Title** | Packaging Efficiency |
| **Severity** | Low |
| **Description** | Production and packaging efficiency were analyzed from 10.05.25 – 31.05.25 to find out if the branch achieved the set efficiency of 97 crates per worker. The total good bread produced over the audited period is 11,472 crates hence the expected slicers to be hired was 118 workers. A total of 113 workers were hired leading to an actual efficiency was 101 crates per worker which is within the range. Production efficiency Total Pdn in Crates Expected Packers to be hired Actual workers hired Variance Actual Eff 11,472 118 113 - 101.5 |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Management to maintain the proper planning of production workers to ensure that the set efficiency is always achieved. |
| **Additional Table** |  |

## Issue: Delivery vehicle fuel usage efficiency

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| --- | --- |
| **Issue Title** | Delivery vehicle fuel usage efficiency |
| **Severity** | Low |
| **Description** | Analysis of fuel consumption by the delivery vehicles was done for the month of May 2025 to verify if their consumption rate is within the set standards. Analysis was done for the two vehicles assigned to the branch KCN 097M and KCJ 335L. Comparison of the actual fuel used and the standard fuel revealed immaterial variances. |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The set controls on fuel usage should be strictly adhered. |
| **Additional Table** |  |

## Issue: Generator fuel consumption analysis

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| --- | --- |
| **Issue Title** | Generator fuel consumption analysis |
| **Severity** | Low |
| **Description** | Review of generator fuel usage and machine hours records was done to ascertain that its use is as per the set policies.Standard fuel consumption for the branch generator was 26.6 L/HrThe generator had run for 37.4 hours and used 880 litres of fuel over the period from 1st April to 30th May 2025.The average rate of fuel consumption was 23.53 L/Hr which is within the range. Summary of the findings Opening hours Closing hours Fuel Consumed Consumption rate 3334.5 3371.9 880 23.53 |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Proper controls should be maintained. |
| **Additional Table** |  |

## Issue: Stock verification

|  |  |
| --- | --- |
| **Issue Title** | Stock verification |
| **Severity** | Low |
| **Description** | Stock take to check if physical count matches with balance |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** |  |
| **Additional Table** |  |

## Issue: Stock verification

|  |  |
| --- | --- |
| **Issue Title** | Stock verification |
| **Severity** | Low |
| **Description** | · A stock take exercise was conducted on 1 June 2025 to assess the effectiveness of internal controls that are put in place to safeguard company assets. The findings revealed a cumulative bread variance of -27 loaves and polybags had a cumulative variance of -651 pieces. summary of the findings ITEM BOOK STOCK PHYSICAL STOCK VAR White Flour Kg 33150.0 33150 0.0 Yeast 53 53 0 Vegetable Oil 51.3 55.1 3.8 White Ingredient 411.0 411.0 0 Crates 2,138 2,138 0 Polybags 147,319 146,668 -651 F/P Bread 25,105.00 25,078.00 -27.00 |
| **Implication** | Stock controls are effective as no material variance was noted in most of the inventory items. |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The management should ensure that controls on polybags are enhanced to curb cases of variances |
| **Additional Table** |  |

## Issue: Bread weight Check

|  |  |
| --- | --- |
| **Issue Title** | Bread weight Check |
| **Severity** | Low |
| **Description** | · Sample varieties of packed bread were randomly picked and weighed to establish whether the branch adheres to weights and measures standards. · Both sample varieties had few cases of underweight. · The underweight samples were spread as follows; 200g W- 07% and 400g W- 04%. The table below summarizes the findings Variety Sample size Correct weight Overweight Under weight %under weight Average Weight 200g W 75 69 1 5 7% 202 400g W 75 71 1 3 4% 403 |
| **Implication** | Minimal cases of underweight is an indication that production standards are observed. |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Weight controls should be maintained. |
| **Additional Table** |  |

## Issue: Damages analysis

|  |  |
| --- | --- |
| **Issue Title** | Damages analysis |
| **Severity** | Low |
| **Description** | Findings; Analysis of bread damages from 10.05.25 – 31.05.25 was done to verify if the level of bread damages was maintained within the set limits of 0.25% of the total production and 0.2% of the total sales. A total of 759 loaves were damaged under production damages which represent 0.25% of the total loaves produced which is within the acceptable range. 953.5 loaves were damaged under market damages representing 0.27% of the total sales over the audited period. Market damages exceeded the set limit by 244 loaves worth. Ksh. 13,054 Below is a summary table of the findings Details No. Loaves No. Loaves Production damages 759.00 Market Damages 953.50 Total damages (A) 759.00 953.50 Total Production/Sales (B) 299,957.00 354,587.00 % Damages =(A/B)\*100% 0.25% 0.27% Excess Damages 9.11 244.33 |
| **Implication** | Excess market damages worth ksh. 13,054 is an indication that the company is exposed to losses due to bread damages. |
| **Cost Impact** | $13,054.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The management should ensure that both production and market damages are maintained within the setl limits |
| **Additional Table** |  |

## Issue: Cash count- Paeety cash

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| --- | --- |
| **Issue Title** | Cash count- Paeety cash |
| **Severity** | Low |
| **Description** | Findings;A spot check was done on cash office to verify if the branch cash was well kept and proper records maintained.No material variances were noted on the spot-check day. |
| **Implication** | The immaterial variance noted in cash office is an indication that effective controls are in place. |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The branch should ensure that petty cash records and balances are well maintained. |
| **Additional Table** |  |

## Issue: Minishop spot-checks

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| --- | --- |
| **Issue Title** | Minishop spot-checks |
| **Severity** | Low |
| **Description** | FindingSpot checks was done on the branch minishops to find out if they were run as per the company policy. All the shop attendants correctly accounted for their stock. |
| **Implication** | Minishops are properly managed |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The branch to continue following Minishop management SOPs. |
| **Additional Table** |  |

## Issue: Production Efficiency

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| --- | --- |
| **Issue Title** | Production Efficiency |
| **Severity** | Low |
| **Description** | Production efficiency was analyzed from 10.05.25 – 31.05.25 to find out if the branch achieved the set efficiency of 4.5 bags per worker. The branch hired a total of 336 workers over the audited period hence the expected production was 1,508 bags. The actual production was 1,502 bags leading to an actual efficiency was 4.47 bags per worker which is within the range. Production efficiency Total Workers Expected Pdn Actual Pdn Pdn Short fall Actual Efficiency 335 1,508 1,502 6 4.48 |
| **Implication** | The set efficiency was achieved indicating that the planned production labour cost was observed. |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Management to maintain proper planning of production workers. |
| **Additional Table** |  |

## Issue: Packaging Efficiency

|  |  |
| --- | --- |
| **Issue Title** | Packaging Efficiency |
| **Severity** | Low |
| **Description** | Findings; Production and packaging efficiency were analyzed from 10.05.25 – 31.05.25 to find out if the branch achieved the set efficiency of 97 crates per worker. The total good bread produced over the audited period is 22,436 crates hence the expected slicers to be hired was 231 workers. A total of 241 workers were hired leading to an extra 10 workers and the actual efficiency was 93.1 crates per worker. Total Pdn in Crates Expected Packers to be hired Actual workers hired Variance Actual Eff 22,436 231 241 10 93.1 |
| **Implication** | The set efficiency was not achieved indicating that extra packaging cost of Ksh. 9,120 was incurred |
| **Cost Impact** | $9,120.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Management to improve on the planning of production workers to ensure that the set efficieny is achieved. |
| **Additional Table** |  |

## Issue: Delivery vehicle fuel efficiency

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| --- | --- |
| **Issue Title** | Delivery vehicle fuel efficiency |
| **Severity** | Low |
| **Description** | Findings; Analysis of fuel consumption by the delivery vehicle was done for the month of May 2025 to verify if their consumption rate is within the set standards. Comparison between the actual fuel used and standard fuel set was done for the delivery vehicle assigned to the branch KCG 514W. No material variance between the actual fuel used and the set standards. |
| **Implication** | Fuel consumption rates are within the range indicating that fuel controls are being observed. |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The set controls on fuel usage should be strictly adhered. |
| **Additional Table** |  |

## Issue: Generator fuel analysis

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| --- | --- |
| **Issue Title** | Generator fuel analysis |
| **Severity** | Low |
| **Description** | Findings;Review of generator fuel usage and machine hours records was done to ascertain that its use is as per the set policies. Standard fuel consumption for the branch generator was 28 L/HrThe generator had run for 36.7 hours and used 880 litres of fuel over the period from 1st April to 30th May 2025.The average rate of fuel consumption was 23.98 L/Hr. Summary of the findings Opening hours Closing hours Fuel Consumed Consumption rate 1498.3 1535 880 23.98 |
| **Implication** | No material variance is noted indicating that proper generator controls are in place. |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Proper controls should be maintained. |
| **Additional Table** |  |

## Issue: Bread Damages Analysis

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| --- | --- |
| **Issue Title** | Bread Damages Analysis |
| **Severity** | Low |
| **Description** | Production and market damages were analyzed to determine their rate during production or from market and compare the same with the allowed standards. High production damage rate would suggest product of inferior quality was allowed to the market.Allowed production damages rate is 0.25% of total production and market damage is 0.2% of net sales.Production and market damage rate was analyzed from cash flow date 12/05/2025 - 08/06/2025.It was noted that both production & market damages were within the set limit, as illustrated below. 12/05/2025 to 08/06/2025 % DAMAGE ANALYSIS Total Production Damages 402.3 Total Market Damages 647.5 Total Damages 402.3 647.5 Total loaves produced/Sales 372,760.7 299,261.0 % Damages 0.11% 0.22% K.P.1 0.25% 0.25% % Variance -0.14% -0.03% Extra damages converted (400g loaves) - - Revenue Loss/Gain @53 - - |
| **Implication** | Production & Market damages were within acceptable limits, indicating no impact on revenue targets. |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | To adhere to the set quality controls to minimize production & market damages. |
| **Additional Table** |  |

## Issue: Production Efficiency Analysis

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| --- | --- |
| **Issue Title** | Production Efficiency Analysis |
| **Severity** | Low |
| **Description** | Production efficiencies were analyzed from 12/05/25 – 08/06/25 to find out if the branch achieved the set efficiencies.Actual production efficiency was 5.09 bags per worker which exceeded the set limit of 5 bags. Total Workers Expected Pdn Actual Pdn Pdn Surplus Actual Efficiency 328.00 1,640.00 1,670.50 30.50 5.09 |
| **Implication** | The Production efficiency was slightly below the KPI. This implies extra cost of was incurred to hire 8 extra production workers. |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Branch management to work towards achieving the set KPI (5 bags). |
| **Additional Table** |  |

## Issue: Packing Efficiency Analysis

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| --- | --- |
| **Issue Title** | Packing Efficiency Analysis |
| **Severity** | Low |
| **Description** | Packing efficiencies were analyzed from 12/05/25 – 08/06/25 to find out if the branch achieved the set efficiencies.It was noted that the packing efficiency was 103.44 Bags per packer. Total Pdn in Crates Expected Packers to be hired Actual workers hired Variance Actual Eff 24,435 251.90 240 - 11.90 101.81 |
| **Implication** | The set efficiency was achieved indicating that the planned packaging cost was observed. |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Branch management should keep monitoring to ensure set efficiency is maintained. |
| **Additional Table** |  |

## Issue: Mixing Chart Analysis

|  |  |
| --- | --- |
| **Issue Title** | Mixing Chart Analysis |
| **Severity** | Low |
| **Description** | An analysis of mixing charts and summaries was done to determine if the raw materials usage were as per the set BOM and if the set production standards were achieved.No material variance was noted. Mixing Chart Summary Branch Production Target per day in Bags (A) 128 Average Production in bags (B) 90.34 Production target achievement in % (B/A\*100%) 71% Utto Consumption % of production 100% Utto consumption to bags produced 1:1 Average Yield 200.21 |
| **Implication** | Minor variances is an indication of strong controls. |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The branch should continue observing the set consumption and production standards |
| **Additional Table** |  |

## Issue: Cash Verification

|  |  |
| --- | --- |
| **Issue Title** | Cash Verification |
| **Severity** | Low |
| **Description** | Physical cash was verified on 02/06/2025, to confirm if the cash held by the cashier tallied with book records and whether the set cash operation standards were adhered to and below is a tabular analysis of the same. No material Variance was noted. Cash Balance 95,038 Cash at Hand 95,015 Variance -24 |
| **Implication** | Cash loss risk is minimal. This implies strong controls. |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Observed cash control is commendable. |
| **Additional Table** |  |

## Issue: Mini shop spot check

|  |  |
| --- | --- |
| **Issue Title** | Mini shop spot check |
| **Severity** | Low |
| **Description** | Spot checks were done on the branch minishops to find out if they were run as per the company policy.On the spot-check days, no issue of non-compliance was noted in the visited Mini shops. (Sherry, and Mtongwe). |
| **Implication** | Mini shop SOPs are being observed. This indicates strong controls. |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The Mini shop controls should be strengthened even more. |
| **Additional Table** |  |

## Issue: Packing Efficiency

|  |  |
| --- | --- |
| **Issue Title** | Packing Efficiency |
| **Severity** | Low |
| **Description** | Packing efficiencies were analyzed from 12/05/25 – 09/06/25 to find out if the branch achieved the set efficiencies.It was noted that the packing efficiency was 103.44 Bags per packer. Total Pdn in Crates Expected Packers to be hired Actual workers hired Variance Actual Eff 37,134 382.83 359 - 23.83 103.44 |
| **Implication** | The set efficiency was achieved indicating that the planned packaging cost was observed. |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Branch management should keep monitoring to ensure set efficiency is maintained. |
| **Additional Table** |  |

## Issue: Mileage Analysis

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| --- | --- |
| **Issue Title** | Mileage Analysis |
| **Severity** | Low |
| **Description** | Analysis of motor vehicle fuel purchase and usage was done from 01/05/25 - 31/05/25 assess compliance to company policies and results were analyzed on the below tableIt was noted that the fuel consumption for all the vehicles was within the established standard rate, demonstrating adequate control. Route Vehicle Cum Km Cum Fuel Actual Rate Std. Rate Variance Ukunda dpt KCJ 355X 1,225 187 6.56 6.53 0.03 Tiribe/shimba hills KCL 046A 4,395 978 4.49 4.42 0.07 Likoni dpt KCG426W 1,423 267 5.32 5.32 0.00 Reliever KCD 152A 3,341 499 6.69 6.71 - 0.02 |
| **Implication** | Economical fuel consumption by sales vans checked operation costs |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | It is recommended to continue monitoring fuel consumption closely. |
| **Additional Table** |  |

## Issue: Stock verification

|  |  |
| --- | --- |
| **Issue Title** | Stock verification |
| **Severity** | Low |
| **Description** | The findings revealed a cumulative bread variance of +22 loaves, surplus of 1 bag of white ingredients and polybags had a cumulative variance of -536 pieces. summary of the findings ITEM BOOK STOCK PHYSICAL STOCK VAR White Flour Kg 16450.0 16450.0 0.0 Yeast 14.1 14.1 0.0 Vegetable Oil 34.6 38.5 3.9 Brown Flour 600.0 600.0 0.0 White Ingredient 81.0 82.0 1.0 Brown Ingredient 12.0 12.0 0.0 Crates 1,808 1,808 0 Polybags 56,819 56,283 -536 F/P Bread 11,836.00 11,858.00 22.00 |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | More stringent controls need to be adopted to reduce the overall stock variances. |
| **Additional Table** |  |

## Issue: Bread weight check

|  |  |
| --- | --- |
| **Issue Title** | Bread weight check |
| **Severity** | Low |
| **Description** | All sample varieties had minimal cases of underweight. The underweight samples were spread as follows; 200g W- 07%, 400g W-03% and 800g W- 04%. The table below summarizes the findings Variety Sample size Correct weight Overweight Under weight %under weight Average Weight 200g W 75 66 4 5 7% 203 400g W 75 72 1 2 3% 401 800g W 50 31 17 2 4% 813 |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Proper controls should be maintained |
| **Additional Table** |  |

## Issue: Cash verification

|  |  |
| --- | --- |
| **Issue Title** | Cash verification |
| **Severity** | Low |
| **Description** | The cash count exercise revealed no material variances between the physical cash on hand and the book balance. |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The branch should ensure that petty cash records and balances are well maintained. |
| **Additional Table** |  |

## Issue: Minishop spot-checks

|  |  |
| --- | --- |
| **Issue Title** | Minishop spot-checks |
| **Severity** | Low |
| **Description** | Both shop attendants accurately accounted for their stock and no variances were noted. Stock records were well maintained and aligned with physical counts. |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The branch to continue following Minishop management SOPs. |
| **Additional Table** |  |

## Issue: Production Efficiency

|  |  |
| --- | --- |
| **Issue Title** | Production Efficiency |
| **Severity** | Low |
| **Description** | The branch hired a total of 375 workers over the audited period hence the expected production was 1,688 bags. The actual production was 1,652 bags leading to a production shortfall of 36 bags and an actual efficiency of 4.41 bags per worker which is below the target. Production efficiency Total Workers Expected Pdn Actual Pdn Pdn Short fall Actual Efficiency 375 1,688 1,652 36 4.41 |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Management to improve on the planning of production workers to ensure that the set efficiency is consistently achieved. |
| **Additional Table** |  |

## Issue: Packaging Efficiency

|  |  |
| --- | --- |
| **Issue Title** | Packaging Efficiency |
| **Severity** | Low |
| **Description** | The total good bread produced over the audited period is 23,528 crates hence the expected slicers to be hired was 243 workers. A total of 259 workers were hired leading to extra 16 workers and an actual efficiency of 90.8 crates per worker which is below the set limit. Production efficiency Total Pdn in Crates Expected Packers to be hired Actual workers hired Variance Actual Eff 23,528 243 259 16 90.8 |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Management improve on the planning of packaging workers to ensure that the set efficiency is always achieved. |
| **Additional Table** |  |

## Issue: Delivery vehicle fuel usage analysis

|  |  |
| --- | --- |
| **Issue Title** | Delivery vehicle fuel usage analysis |
| **Severity** | Low |
| **Description** | Analysis was done for the two vehicles assigned to the branch KCN 885L and KCW 089A. Comparison of the actual fuel used and the standard fuel revealed immaterial variances. No material variance between the actual fuel used and the set standards. |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The set controls on fuel usage should be strictly adhered. |
| **Additional Table** |  |

## Issue: Generator Fuel analysis

|  |  |
| --- | --- |
| **Issue Title** | Generator Fuel analysis |
| **Severity** | Low |
| **Description** | The generator had run for 3.31 hours and used 160 litres of fuel over the period from 1st May to 31st May 2025.The average rate of fuel consumption was 48.3 L/Hr which is within the range. |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Proper controls should be maintained. |
| **Additional Table** |  |

## Issue: Stock verification

|  |  |
| --- | --- |
| **Issue Title** | Stock verification |
| **Severity** | Low |
| **Description** | The findings revealed a cumulative bread variance of +29 loaves polybags had a cumulative variance of -522 pieces. The table below is a summary of the findings ITEM BOOK STOCK PHYSICAL STOCK VAR White Flour 46,800.0 46,800.0 0.0 Yeast 41.7 41.6 -0.1 Vegetable Oil 59.8 61.3 1.5 Wheat Bran 12.9 12.5 -0.4 Brown Flour 450.0 450.0 0.0 White Bread Ingredients - Std 210.5 210.5 0.0 Brown Bread Ingredients 7.0 7.0 0.0 Bread Rolls 400g Premix 32.0 32.0 0.0 Crates 1603 1,603 0.0 Polybags 109,044 108,522 -522.0 F/P Bread 15,690.00 15,719.00 29.00 |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Proper controls should continue being observed. |
| **Additional Table** |  |

## Issue: Bread Weight check

|  |  |
| --- | --- |
| **Issue Title** | Bread Weight check |
| **Severity** | Low |
| **Description** | All sample varieties had minimal cases of underweight. The underweight samples were spread as follows; 200g W- 05%, 400g W-05% and 800g W- 0%. The table below summarizes the findings Variety Sample size Correct weight Overweight Under weight %under weight Average Weight 200g W 75 69 2 4 5% 201 400g W 75 60 11 4 5% 408 800g W 50 32 18 0 0% 813 |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Proper controls should be maintained |
| **Additional Table** |  |

## Issue: Damages analysis

|  |  |
| --- | --- |
| **Issue Title** | Damages analysis |
| **Severity** | Low |
| **Description** | A total of 604 loaves were damaged under production damages which represent 0.20% of the total loaves produced. 177 loaves were damaged under market damages representing 0.06% of the total sales over the audited period. Both production and market damages were maintained within the set limits Details of the findings are shown below Details No. Loaves No. Loaves Production damages 604.00 Market Damages 177.00 Total damages (A) 604.00 177.00 Total Production/Sales (B) 295,400.50 297,098.50 % Damages =(A/B)\*100% 0.20% 0.06% Excess Damages - - |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Damages controls should be maintained |
| **Additional Table** |  |

## Issue: Cash Verification

|  |  |
| --- | --- |
| **Issue Title** | Cash Verification |
| **Severity** | Low |
| **Description** | The cash count exercise revealed no material variances between the physical cash on hand and the book balance. |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The branch should ensure that petty cash records and balances are well maintained. |
| **Additional Table** |  |

## Issue: Minishop Spot-check

|  |  |
| --- | --- |
| **Issue Title** | Minishop Spot-check |
| **Severity** | Low |
| **Description** | All shop attendants accurately accounted for their stock, with no variances noted. Stock records were properly maintained and physical stock counted match the system balances. |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The branch should continue implementing and adhering to the established Minishop Management SOPs to maintain the current level of compliance. |
| **Additional Table** |  |

## Issue: Packaging Efficiency

|  |  |
| --- | --- |
| **Issue Title** | Packaging Efficiency |
| **Severity** | Low |
| **Description** | The total good bread produced over the audited period is 20,634 crates hence the expected slicers to be hired was 213 workers. A total of 210 workers were hired leading to an actual efficiency of 98.3 crates per worker which is within the range. Production efficiency Total Pdn in Crates Expected Packers to be hired Actual workers hired Variance Actual Eff 20,634 213 210 - 98.3 |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The branch should maintain the proper planning of packaging workers to maintain efficient operations and cost control. |
| **Additional Table** |  |

## Issue: Production Efficiency

|  |  |
| --- | --- |
| **Issue Title** | Production Efficiency |
| **Severity** | Low |
| **Description** | The branch hired a total of 277 workers over the audited period hence the expected production was 1,440 bags. The actual production was 1,462 bags leading to an actual efficiency of 5.28 bags per worker which is within the range. Production efficiency Total Workers Expected Pdn Actual Pdn Pdn Short fall Actual Efficiency 277 1,440 1,462 - 5.28 |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Proper planning of production workers should be maintained |
| **Additional Table** |  |

## Issue: Delivery vehicle fuel usage analysis

|  |  |
| --- | --- |
| **Issue Title** | Delivery vehicle fuel usage analysis |
| **Severity** | Low |
| **Description** | Analysis was done for the three vehicles assigned to the branch KCW 094A, KDH 543N and KCC 338Z. Comparison of the actual fuel used and the standard fuel revealed immaterial variances. No material variance between the actual fuel used and the set standards. |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | The set controls on fuel usage should be strictly adhered. |
| **Additional Table** |  |

## Issue: Generator fuel usage analysis

|  |  |
| --- | --- |
| **Issue Title** | Generator fuel usage analysis |
| **Severity** | Low |
| **Description** | During the review period, the generator operated for 41.8 hours and consumed 920 litres of fuel. This gives an average consumption rate of 22.0 litres per hour, which is within the standard rate of 28 L/Hr set for the branch generator. Opening hours Closing hours Hrs run Fuel Consumed Consumption rate 547.71 589.51 41.8 920 22.0 |
| **Implication** |  |
| **Cost Impact** | $0.00 |
| **Mgmt Comment 1** |  |
| **Mgmt Comment 2** |  |
| **Recommendation** | Proper controls over generator usage and fuel monitoring should be maintained to ensure continued efficiency and cost control. |
| **Additional Table** |  |