

REPORT OF THE AUDITOR-GENERAL ON JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Jaramogi Oginga Odinga University of Science and Technology set out on pages 1 to 21, which comprise the statement of financial position as at 30 June 2018, the statement of financial performance, statement of changes in equity, statement of cash flows and 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, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Jaramogi Oginga Odinga University of Science and Technology as at 30 June 2018, 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 Universities Act, 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

1.1 Understatement of Investment Income

Included in the statement of financial performance is revenue from exchange transactions of Kshs.516,646,953 which includes Kshs.4,610,747 of financial income-external investments while under Note 6 to the financial statements is Kshs.4,321,514. However, the supporting documents provided for audit review, including the bank statements show that the total amount earned from short deposits was Kshs.4,610,747 resulting to unexplained variance of Kshs.289,233. Further, Section 100 of the Public Finance Management Act (National Government) Regulations 2015, stipulates that Accounting Officers shall keep in all offices concerned with receiving cash or making payments a cash book showing the receipts and payments and shall maintain such other books and registers as may be necessary for the proper maintenance and production of the accounts of the Vote for which he or she is responsible.

Consequently, the accuracy of the investment income of Kshs.4,610,747 could not be confirmed

1.2 Unsupported Receivables from Non-exchange Transactions

Included in the financial statements under Note 19 is Receivable from non-exchange transactions of Kshs.31,452,787 which includes internal debtors and medical deposits amounts totaling Kshs.2,349,067 were not supported with the necessary documentation. Contrary, to section 99 (3) Public Finance Management Regulations 2015 Stipulate, that every entry in the accounts shall be supported by a voucher or other approved document gazetted by the Cabinet Secretary containing the full details, clear narrations and particulars of the item or items to which it relates. Consequently, the accuracy of the non-exchange transactions amount of Kshs.2,349,067 could not be confirmed.

1.3 Inaccuracy of Students Debtors and Provision for Bad and Doubtful Debts

Included in the financial statements under Note 18 is students' debtors which increased from Kshs.220,600,491 in 2016/2017 to Kshs.298,292,883 in 2017/2018 resulting to a difference of Kshs.77,692,392. However, the students' debtors' ledger for the two years made available only reflected Kshs.12,542,685, hence it is not clear the source of extra Kshs.65,149,707. Further, the method used to provide for bad and doubtful debts was not in accordance with the University's Financial Management Policy due to lack of consistency.

Year	Total Debtors	Percentage Used	Provision for Bad and Doubtful Debts
2015-2018	156,002,992.70	10%	15,600,299.27
2011-2014	140,984,073.80	25%	36,246,775.15
2009-2010	1,675,672.80	100%	1,675,674.58
Total	298,662,739		53,522,749.00

Contrary, to Section 43 (a) Public Finance Management Regulations 2015 Stipulate that an Accounting Officer shall sign financial statements thereby making himself or herself responsible for their correctness.

In consequence, the accuracy and completeness of the students' debtors balance of Kshs.298,292,883 could not be ascertained

1.4 Financial Statement Employees Costs Differs with the Schedule Figure

Included in the financial statements under Note 8 is employee costs of Kshs.1,156,765,111 which includes payroll expenses of balance of 1,048,755,850 out of which payroll salaries is an amount of Kshs.861,215,955 which differs from the availed schedule balance of Kshs.893,191,348 resulting into a variance of Kshs.31,975,393, contrary to Section 43 (a) Public Finance Management Regulations 2015 Stipulate that an Accounting Officer shall sign financial statements thereby making himself or herself responsible for their correctness.

Consequently, the accuracy of the employee costs of Kshs.861,215,955 as at 30 June 2018 could not be confirmed.

1.5 Undisclosed Inventory

Included in the financial statement under Note 7 other incomes of Kshs.23,216,968 which includes sale of bottled water of Kshs.131,778. However, inventory relating to Jaramogi Oginga Odinga University of Science and Technology Enterprises Ltd, water was not disclosed in the final stock take. However, section 99 (3) Public Finance Management Regulations 2015 Stipulate, that every entry in the accounts shall be supported by a voucher or other approved document gazetted by the Cabinet Secretary containing the full details, clear narrations and particulars of the item or items to which it relates.

Consequently, the accuracy and completeness of the inventory balance in the financial statements could not be confirmed.

In view of the foregoing, the accuracy and completeness of the financial statements for the year ended 30 June 2018 could not be confirmed.

2. Unsupported Advertising, Publicity and Admission Expenditure

Included in the financial statements under Note 9 general expenses of Kshs.261,887,578 is advertising and publicity expense of Kshs.10,306,461 which in turn includes Kshs.675,615 in relation to advertising and publicity expenses which were not supported by payment voucher. Contrary, to section 99 (3) Public Finance Management Regulations 2015 Stipulate that every entry in the accounts shall be supported by a voucher or other approved document gazetted by the Cabinet Secretary containing the full details, clear narrations and particulars of the item or items to which it relates.

As a result, the regularity of the general expenses of Kshs.675,615 could not be confirmed.

3. Unsupported Lease and Rental Expenses

Included in the financial statements under Note 9 is general expenses of Kshs.261,887,578 which includes lease and rental expenses of Kshs.19,430,143 out of which an amount of Kshs.1,239,508 payment vouchers were not made available for audit review. Contrary, to section 99 (3) Public Finance Management Regulations 2015 Stipulate that every entry in the accounts shall be supported by a voucher or other approved document gazetted by the Cabinet Secretary containing the full details, clear narrations and particulars of the item or items to which it relates.

Consequently, the regularity of the general expenses-lease and rental of Kshs.1,239,508 could not be confirmed.

4. Unsupported Repairs and Maintenance Expenditure

Included in the financial statements under Note 11 is repairs and maintenance figure of Kshs.11,575,028 which includes repairs and maintenance expenditure amounting to Kshs.1,653,562 that was not supported with the requisite documents contrary, to section 99 (3) Public Finance Management Regulations 2015 which stipulate that

every entry in the accounts shall be supported by a voucher or other approved document gazetted by the Cabinet Secretary containing the full details, clear narrations and particulars of the item or items to which it relates.

Consequently, the regularity of the repairs and maintenance of Kshs.1,653,562 could not be confirmed.

5. Salary Paid after Expiry of Contract

During the year under review, the University had employed a tutorial fellow Grade 11 on a two (2) years contract which expired on 2nd September 2017. However, the officer requested for renewal of the contract but was not granted and advised to proceed on annual leave. Review of staff costs indicated that salaries paid to the officer after the expiry of contract is Kshs.721,529 while his terminal benefits amount to Kshs.529,877 resulting into overpayment of Kshs.191,652.22. Contrary to Section 9.3 of Finance Policy Manual on payroll procedures provides that the finance officer shall review and approve payroll change advice for input into the payroll systems. Consequently, the University lost Kshs.191,652 as recoverability is doubtful.

6. Failure to Account for Receipts by Exiting Staff

During the year under review, four University staff could not account for Kshs.2,519,318 which was revenue collection. However, three officers resigned before investigation was concluded and one deserted duty. Contrary, to section 15.8 Human Resource Policies Manual on Staff Clearance Forms stipulates that "Before an employee is paid his/her final dues on discharge from employment he/she shall be required to clear from the University using Staff Clearance Forms. Under the circumstances, the recoverability of Kshs.2,519,318 is doubtful without legal mechanisms.

7. Un-Surrendered Imprests

Included in the financial statement under Note 18 is receivables from exchange transactions of Kshs.255,795,239 which includes outstanding staff imprests of Kshs.10,655,249 out of which Outstanding imprests of Kshs.484,185 date back up to August 2013 and has not been recovered from the concerned staff salaries. Contrary, to the University's Financial Management Policy states that imprests will be issued to officers for specific purposes and will be accounted for within 48 hours after the purpose for which it was applied for has been fulfilled. In the event that an employee has not accounted for imprests advanced within the prescribed timeframe the amount should be recovered from the respective staff's salary.

In view of the foregoing, the University is in breach of the law and the imprest of Kshs.10,655,249 recoverability is doubtful.

8. Journal Entries to Support Adjusted Financial Statements

The financial statements for the year ended on 30 June 2018 submitted for audit on 30 September 2018 and an amended copy on 13 December 2018 reflects changes in financial statements' item figures as shown below. However, no journal entries have been provided to support the changes or differences.

Item	Submission 30 September 2018 Kshs.	Submission 13 December 2018 Kshs.	Difference Kshs.
Advertising & Publicity	10,306,461	11,368,984	(1,062,523)
Prepayments & Deposit	59,812,306	51,886,603	7,925,703
Students Debtors	298,292,883	265,918,184	32,374,699
Internal Debtors	1,349,067	849,067	500,000

In the circumstances, the adjustments to the financial statements as regards the differences could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of in accordance with ISSAI 30 on 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 qualified opinion.

Emphasis of Matter

1. Receipted Transfers from State Department of University Education

During the year under review, the University received Kshs.1,029,546,951 as recurrent Government grants. However, IFMIS payment details from the State Department of University of Education shows that transfers totaling Kshs.1,063,103,846 were made to Bondo University during the year and thus resulting to a variance of Kshs.33,556,895. Further, audit review shows that the variance relates to a transfer of Kshs.33,556,900 made on 4 May 2018 to Bondo University as recurrent grant. However, the amount was not receipted by the University in its books of accounts. Contrary, to section (100) of Public Finance Management Act (National Government) Regulations 2015 stipulates that Accounting Officers shall keep in all offices concerned with receiving cash or making payments a cash book showing the receipts and payments and shall maintain such other books and registers as may be necessary for the proper maintenance and production of the accounts of the vote for which he or she is responsible.

Consequently, the IFMIS receipt of Kshs.33,556,900 could not be confirmed as received by the University.

2. Decline in Revenue Collection

Report of the Auditor-General on the Financial Statements of Jaramogi Oginga Odinga University of Science and Technology for the year ended 30 June 2018

Included in the financial statements under Note 4 is the University collected tuition and other related fees amounting to Kshs.471,593,290 against an amount of Kshs.565,006,812 collected in the previous year. This is a 16% decline compared to the previous year collection. In addition, the University had projected to collect Kshs.609,374,990 from tuition and other related fees but only managed to collect Kshs.471,593,290 during the year which is 22% under collection. Contrary, to section 64(1) of Public Finance Management Act (National Government) Regulations 2015, stipulates that an accounting officer and a receiver of revenue are personally responsible for ensuring that adequate safeguards exist and are applied for the prompt collection and proper accounting for, all National Government revenue and other public moneys relating to their Ministries, departments or agencies.

Consequently, University was not able to meet its obligation due to lack of attaining its revenue budget target.

3. Delay in Completion of Student Hostel

As reported in the previous year, works on contract worth Kshs.100,523,075 on construction of student hostels was suspended in March 2015 and the matter referred for arbitration. At the arbitration, it was agreed that the Contractor withdraws the court case filed against the University for cancelling the Contract and the University facilitates the contractor to finish the works at a sum equivalent to the amount outstanding as per the original contract. However, a new contract was signed in January 2018 between the parties for the remaining works at a contract price of Kshs.96,000,000 and the contractor required to finalize the works by 30th June 2018 which has not taken place. In addition, the contractor requested for project completion extension date from 23 July 2018 to 30 October 2018 due to change in designs for the foot bridge. However, the status of the project at the time of audit November 2018 remains incomplete. Completion of project implementation within project completion timeliness envisaged in the contract agreement still has not been attained and the current status being as follows:

Item	Status
TV Room	Work in Progress
Underground Water Tank	Initial Excavation done. However, the new agreement indicated that a compressed steel tank of 300,000 litres was to be done to replace the underground tank. The tanks have been delivered to the University and are awaiting installation
Lift Shaft	Complete
Foot Bridge	Steel structure works are on going
Generator	Installed
High Level Water Tank	The base is ready for mounting of the steel structures which are already on site.

Item	Status
Lift Installation	On going
Lift car	Delivered to the University, awaiting installation
Hostel Works	Wet core remedial works on going

Contrary, to section 43(d) of Public Finance Management Government Regulation 2015 stipulate that an Accounting Officer shall manage control and ensure that policies are carried out efficiently and wastage of public funds is eliminated.

Consequently, delayed project completion could lead to cost escalation and the University is yet to obtain value for money.

4. Establishment of Jaramogi Oginga Odinga University of Science and Technology Enterprise Limited

The University has established Jaramogi Oginga Odinga University of Science and Technology Enterprise Ltd which currently processes drinking water and its income of Kshs.131,778 is reflected in the statement of financial performance. However, its registration, certificates of incorporation, core objectives, benefits derived, management set up and approval of its establishment by the University have not been provided for audit review. Further, no financial statements for the company have been produced for audit review. Contrary, to section 4 and 5 of Company Act Cap 486 under mode of forming incorporated company and requirements with respect of Memorandum of Association.

Consequently, the legal existence and standing of the company could not be established.

5. Salary Paid after Retirement from Service

During the year under review, the University paid three months' salary totaling to Kshs.85,921 to a staff who retired on 25 October 2017 whereby, he got salary for October, November and December 2017. Contrary to Section 9.3 of Finance Policy Manual of the University on payroll procedures provides that the finance officer shall review and approve payroll change advice for input into the payroll systems.

Consequently, the recovery of Kshs.85,921 is doubtful.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, are of most significance in the audit of the financial statements of the current year. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. For each matter below, a description of how the audit addressed the matter is provided in that context.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit* section of the report, including in relation to these matters. Accordingly, the audit

included the performance of procedures designed to respond to the assessment of the risks of material misstatement of the financial statements. The results of the audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements.

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matter(s) described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

REPORT ON COMPLIANCE WITH LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC MONEY

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for [Conclusion on Lawfulness and Effectiveness in Use of Public Resources/Qualified Opinion] section of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Council Expenses

Included in the financial statements under Note 14 is council expenses of Kshs.17,457,150 which includes total payment to Chairman of Kshs.1,500,000. The Council committee meetings were held on 11th and 12th January 2018. Finance, Administration and Human Resources Committee and Technical, Academic Research and Projects Committee were held on 11 January 2018 while Audit, Risk and Governance Committee meeting and Full Council Committee meeting were held on 12th January 2018. The Chairman of Council attended all the four meetings and was paid Kshs.20,000 for each of them which amounted to Kshs.80,000 in total paid vide Cheque No. 18340 of 11th January 2018. Further, out of the balance of Kshs.1,420,000 paid to the Chairman in terms of sitting allowances, only Kshs.480,000 was supported with invitation letters. The Chairman's Consultative meetings also lacked invitation letters though payments were made. Contrary, to Section 43(b) Public Finance Management Regulation 2015, stipulate that the Accounting Officers to exercise budgetary control measures that ensure that public funds are applied for purposes for only which they were intended and appropriated

Consequently, the University is in breach of the law and segregation of duty Policy was not adhered to.

2. Lack of University Terms and Condition of Service on Appointment

During the year under review the University recruited new staff, and appointment committee minutes of 19th April 2017, revealed that the officer was appointed to the position of senior procurement officer/senior stores controller II grade 10 with basic salary of Kshs.48,371 per month and house allowance of Kshs.34,027. However, the Appointment letter ref. JOOUST/ADM/1/4 dated 5th September, 2017 gives a basic salary of Kshs.58,526 and a house allowance of Kshs.35,383 resulting to extra payment of Kshs.11,511 per month (Kshs.138,132 p.a).

Consequently, the University is in breach of the regulation.

3. Variance Between Grade in Appointment Letters and Terms and Conditions of Service

During the year under review analysis of the personal file for Four (4) staff, availed for audit revealed that the grades in the appointment letters and resolution minutes of the Appointment committee were higher than the grades set out in the Terms for Service of the University.

Consequently, the University is in breach of the regulation.

4. PABX Repair Expenditure

Included in the financial statements under Note 9 is general expenses of Kshs.261,887,578 which includes amount paid of Kshs.196,560 as reimbursement for expenditure on repair of PABX between March 2018 and May 2018. The following observations were noted:

- i. Payee allegedly used his own funds to finance the repair in question without applying for imprest as is the practice with the University.
- ii. He sourced for M/S Duratel Communications and Foresight Communication Solutions Ltd to repair the equipment in question but could not establish how the two contractors were identified.
- iii. Payment of Kshs.77,140 was made to payee according to the payment voucher made available vide cheque No. 18743. However, the name of payee is not the one reflected in the ledger as having been paid the amount.

Consequently, the University is in breach of the law

5. Failure to Maintain a Deposit Account

Included in the financial statements under Note 28 is prepayments and deposits of Kshs.59,812,306 which includes a balance of Kshs.21,516,249 as refundable deposits from customers. This comprised of refunds meant for students' caution money, contractors retention money and other third parties. However, the University did not maintain a deposit account for the refunds. Contrary, to section 81(2) Public Finance Management Act (National Government) Regulations 2015 stipulates that the

accounting officer shall include in the financial statements a statement of the entity's assets and liabilities as at the end of the financial year in respect of the recurrent Vote, development vote and funds and deposits.

Consequently, the University is in breach of the law.

The audit was conducted in accordance with ISSAI 4000. The standard requires 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 are in compliance, 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 INTERNAL CONTROLS EFFECTIVENESS, GOVERNANCE AND RISK MANAGEMENT SYSTEMS

Conclusion

As required by Section 7 (1) (a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter(s) described in the Basis for [Conclusion on Effectiveness of Internal Controls, Risk Management and Governance/Qualified Opinion] section of my report, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 1315 and ISSAI 1330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and 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 Management and Those Charged with Governance

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 control 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 control.

In preparing the financial statements, management is responsible for assessing the projects ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to liquidate the Jaramogi Oginga Odinga University of

Science and Technology or to cease operations, or have no realistic alternative but to do so.

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 are in compliance with the authorities which govern them, and that public money is applied in an effective manner.

Those charged with governance are responsible for overseeing the Jaramogi Oginga Odinga University of Science and Technology financial reporting process, reviewing the effectiveness of how the entity 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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance review is planned and performed to express a conclusion with limited assurance as to whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

Further, in planning and performing the audit of the financial statements and review of compliance, I consider internal control 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 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Jaramogi Oginga Odinga University of Science and Technology policies and procedures may deteriorate.

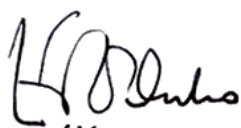
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Jaramogi Oginga Odinga University of Science and Technology ability to continue as a going concern or to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Jaramogi Oginga Odinga University of Science and Technology to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Jaramogi Oginga Odinga University of Science and Technology to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



FCPA Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

28 December 2018