



Paper laid by
Hon. Asha Abdi Soso
on 01/03/2017
for
PCA chair

THE NAIROBI CITY COUNTY ASSEMBLY

OFFICE OF THE CLERK

5TH SESSION

NBI CA. PLC. 2017 / (010)

1st March, 2017

PAPER LAID

Pursuant to Standing Order 180 (6) I beg to lay the following Paper on the Table of the Assembly, today Wednesday 1st March, 2017.

THE REPORT OF THE SELECT COMMITTEE ON PUBLIC ACCOUNTS ON THE REPORT
OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF NAIROBI CITY
COUNTY ASSEMBLY SERVICE BOARD CAR LOAN SCHEME FUND FOR THE YEAR
ENDED 30TH JUNE 2015

(Chairperson, Select Committee on Public Accounts)

Copies to:
The Speaker
The Clerk
Hansard Editor
Hansard Reporters
The Press

Approved,
Hon. Speaker

1/3/17

Notice given by Hon.
Asha Aledi on
1st March 2017

(T&J/RM/007/2017)

GOVERNMENT OF NAIROBI CITY COUNTY

PCA CLIP
Appr:



01/03/2017

NAIROBI CITY COUNTY ASSEMBLY

OFFICE OF THE CLERK

(5TH SESSION)

NOTICE OF MOTION – (Chairperson, Select Committee on Public Accounts)

Hon. Speaker, I beg to give notice of the following motion:-

THAT, this Assembly adopts THE REPORT OF THE SELECT COMMITTEE ON PUBLIC ACCOUNTS ON THE REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF THE NAIROBI CITY COUNTY ASSEMBLY SERVICE BOARD CAR LOAN SCHEME FUND FOR THE YEAR ENDED 30TH JUNE, 2015, laid on the Table of the Assembly today Wednesday, 1st March, 2017.

(Chairperson, Select Committee on Public Accounts)

A. Brovel.
Hon. Speaker
[Signature]
11/3/17





Report
Asna
on
1st by Hon.
Abdi SASSO
01/03/2017
Mfisi
PCA CL&P

NAIROBI CITY COUNTY ASSEMBLY

FIRST ASSEMBLY – FIFTH SESSION

PUBLIC ACCOUNTS COMMITTEE REPORT ON

REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS
OF NAIROBI CITY COUNTY ASSEMBLY SERVICE BOARD CAR LOAN
SCHEME FUND FOR THE YEAR ENDED 30TH JUNE 2015

FEBRUARY, 2017

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1.0 PREFACE

Mr. Speaker Sir,

On behalf of the Public Accounts Committee (PAC) and pursuant to the provisions of Standing Order 180(6), it is my pleasant privilege and pleasure to present to this House the report of the Public Accounts Committee's findings on the *"Report of The Auditor General on Nairobi City County Assembly Service Board Car Loan Scheme Fund for The Year Ended 30 June 2015"*

1.2 Mandate of the Committee

The Committee derives its mandate from Standing Order 186(2)(a) which states that:-

"There shall be a select committee to be designated as the Public Accounts Committee and shall be responsible for the examination of the accounts showing the appropriation of the sum voted by the House to meet the public expenditure and of such other accounts laid before the House as the Committee may think fit".

The main objective of the Committee is to ensure that Nairobi City County public funds are well utilized and the public realizes value for money in all government expenditure. The basis of the Committee's execution of its mandate is annual and special audit reports prepared by the Auditor General.

1.3 Committee Membership

The Committee comprises of the following members:-

- | | |
|-------------------------------|------------------|
| 1. Hon. Robert Mbatia, MCA | Chairperson |
| 2. Hon. Daniel K. Mutiso, MCA | Vice Chairperson |
| 3. Hon. Maurice Gari O. MCA | |
| 4. Hon. Akuk Mo, MCA | |
| 5. Hon. Asha Abdi Sosso, MCA | |
| 6. Hon. David Mberia, MCA | |

7. Hon. Peter Oweru, MCA
8. Hon. Martin Mugo Kanyi, MCA
9. Hon. Njuguna Mwangi, MCA
10. Hon. Martin Waweru Gichuhi, MCA
11. Hon. Jackson Mwangi Ngari, MCA
12. Hon. Stephen Murathi Kambi, MCA
13. Hon. Julius Mwaniki, MCA
14. Hon. Tabitha Juma, MCA
15. Hon. Moses Ogeto, MCA
16. Hon. Rose Ogonda, MCA
17. Hon. Shadrack Juma, MCA
18. Hon. Andrew M. Mbau, MCA
19. Hon. Oscar Lore, MCA

2.0 BACKGROUND

Mr. Speaker Sir,

The Car Loan Scheme Fund was established pursuant to the Salaries and Remuneration Circular No. SRC/TS/WB/3/14 of 14th February 2014. Section 167 of the Public Finance Management Act 2012 mandates the administrator of Public Funds with the preparation of Annual Financial Statements.

For proper management of the Fund and as advised by the Salaries and Remuneration Commission in the Circular under reference, the Nairobi City County Assembly adopted *Public Finance Management (Nairobi City County Car Loan Scheme Fund) Regulations 2014*, to guide in operationalization of the Fund. As advised by the Salaries and Remuneration Commission (SRC) and as provided for under regulation 16 of the said Regulations, the County Assembly Service Board appointed a banking Institution to manage the fund.

3.0 APPRECIATION

Allow me Mr. Speaker Sir, to thank the entire Membership of this Committee for its hard work and commitment which made the taking of evidence and production of this report a success.

Allow me Mr. Speaker Sir, to further thank all the officers who appeared before it both from the Nairobi City County Assembly and Family Bank Ltd, as they provided valuable insights into the issues raised by the Auditor General.

Finally Mr. Speaker Sir, the Committee wishes to record its appreciation for the exemplary services rendered by officers from the Kenya National Audit Office and Office of the Clerk of the County Assembly. Indeed, their commitment and devotion to duty have made the work of the Committee and production of this report successful.

Mr. Speaker Sir,

On behalf of the Committee, I now wish to table the report and urge the House to adopt it and the recommendations therein.

SIGNED



HON. ROBERT MBATIA (CHAIRMAN)

DATE

20/02/2017

We Members of the Public Accounts Committee (PAC) do hereby affix our signatures to this report to affirm the correctness of the contents and support for the report:-

NAME

SIGN

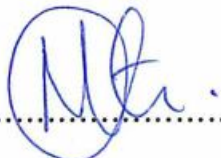
1. Hon. Robert Mbatia, MCA



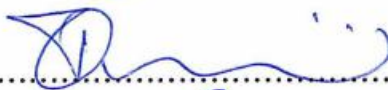
2. Hon. Daniel K. Mutiso, MCA



3. Hon. Maurice Gari O. MCA



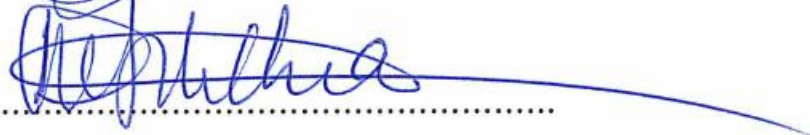
4. Hon. Shadrack Juma, MCA



5. Hon. Peter Oweru, MCA



6. Hon. David Mberia, MCA



7. Hon. Akuk Mo, MCA



8. Hon. Martin Mugo Kanyi, MCA



9. Hon. Njuguna Mwangi, MCA




10. Hon. Martin W. Gichuhi, MCA



11. Hon. Jackson M. Ngari, MCA



12. Hon. Stephen M. Kambi, MCA



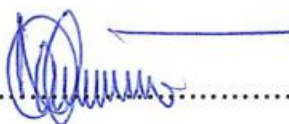
13. Hon. Julius Mwaniki, MCA



14. Hon. Tabitha Juma, MCA



15. Hon. Moses Ogeto, MCA



16. Hon. Rose Ogonda, MCA



17. Hon. Asha Soso, MCA



18. Hon. Andrew M. Mbau, MCA



19. Hon. Oscar Lore, MCA

Public Accounts Committee's Consideration of The Report of The Auditor General on Nairobi City County Assembly Service Board Car Loan Scheme Fund for The Year Ended 30th June 2015

4.0 AUDITOR GENERALS RESPONSIBILITY

The Auditor General's responsibility was to express an opinion on the financial statements based on the audit and report in accordance with the provisions of Section 9 of the Public Audit Act, 2003. The audit was conducted in accordance with International Standards on auditing. Those standards required compliance with ethical requirements and that the audit is planned and performed to obtain reasonable assurance about whether the financial statements were free from material misstatement.

5.0 AUDITOR-GENERAL'S OPINION (ADVERSE OPINION)

It was the Auditor-General's opinion, except for the effect of the matters described in the Basis for qualified Opinion paragraph, that the financial statements present fairly in all material respects, the financial position of Nairobi City County Assembly Service Board Car Loan Scheme Fund as at 30th June 2015 and of its financial performance and its cash flows for the Year ended, in accordance with International Public Sector Accounting Standards (Cash Basis).

6.0 RESPONSIBILITIES OF AN ACCOUNTING OFFICER

Section 149 of the Public Finance Management Act, 2012 outlines the responsibilities of Accounting Officers for the County Government and County Assembly and it categorically states that:-

"An accounting officer is accountable to the County Assembly for ensuring that the resources of the entity for which the officer is designated are used in a way that is –

- a) Lawful and authorized; and
- b) Effective, efficient, economical and transparent.

7.0 EVIDENCE TAKEN DURING THE SESSION

The Committee held a total of three (3) sittings in regards to the interrogation of the Auditor General Report. It interrogated the principal parties responsible for managing the Car Loan Scheme Fund. The parties included the Clerk of the Nairobi City County Assembly, who is the fiduciary agent; Family Bank Limited, who are the appointed administrator and the County Executive Committee Member for Finance and Economic Planning, who establishes the Fund as per Section 116 of the Public Finance Management Act, 2012. All minutes of the Committee's sittings are attached to this report.

While taking evidence, the Committee was guided by the existing procedures and modalities of operations of the Nairobi City County Assembly derived from the Constitution of the Republic of Kenya, Acts of National Parliament, Nairobi City County Assembly Standing Orders, conventions, common Parliamentary practices and procedures.

7.1 Non-compliance with International public Sector Accounting Standards (IPSAS)

The financial statements presented did not disclose the following; A comparison of budget and actual amounts; The cash flows statement does not have prior period comparatives; A statement of changes in equity. Consequently, the financial statements do not comply with the International Public Sector Accounting Standards (accrual basis).

The Accounting Officer admitted to the audit findings and submitted that:-

i) Comparison of budget and actual amounts- The car Loan Scheme Fund operated as a Revolving Fund. The amount in the fund was therefore available for use at any given time provided the use was for the intended purposes of the fund. The fund was purely meant for advancing Car Loans to Members of the County Assembly. The amounts so advanced were not expenditures but advances to Members.

Expenditures from the fund were subject to the provisions of section 116(3) and (4) of the Public Finance Management Act 2012, and Regulation 11(2) of the Public Finance

Management (*Nairobi City County Assembly Car Loan Scheme Fund*) Regulations 2014. The fund was financed by the County Treasury through the annual budgets. In the year under review no funds were transferred into the fund.

ii) The Cash flows statement does not have prior period comparatives- The fund started operations for the first time in June 2014. The comparative figures were therefore for the operations of one month i.e. June 2014 and not the whole year". There were therefore no significant operational cash in or outflows in the year under reporting;

iii) The statement presented does not disclose a statement of Changes of Equity- As explained under 1(i) above, the fund operated as a revolving fund. It therefore had no share capital. However as shown in the Fund's Statement of Financial Position, the value of the fund was reported as Ksh.256M while the accumulated surplus was reported as in the year under review was Ksh.2.21M. The changes in net assets would therefore be as shown below;

CHANGES IN NET ASSETS (KSH.'000')

ITEM DESCRIPTION	Car Loan Fund Account KSH. '000'	Accumulated Surplus/(Deficit) KSH. '000'	Total KSH. '000'
Balance b/f 1 st July 2014	256,000	-	256,000
Transfers into the fund	-	-	-
Surplus for the year	-	2,210	2,210
Balance as at 30 th June 2015	256,000	2,210	258,210

7.2 Maintenance of Accounting Records

As reported in the previous year, an agreement between the Nairobi City County Assembly Service Board and Family Bank provided that the Bank would administer and keep proper records on the Car Loan Scheme. It was, however, noted that:

(i) The bank statements did not reflect the actual movements of the funds, as daily transactions were not reflected on the statement. Further, the bank statement had arithmetical errors. Consequently, it was not possible to confirm the actual loan amounts owed by individual Members of the County Assembly (MCAs);

(ii) Although the statement of income and expenditure reflected interest income of Kshs.8,540,000 for the year ended 30 June 2015, out of which an amount of Kshs.6,327,000 was from interest on loans to MCAs and Kshs.2,213,000 was earned on the outstanding cash balances, the accuracy and completeness of the income could not be ascertained due to failure by the Management to provide supporting documents;

(iii) The Fund reflected administration costs amounting to Kshs.6,327,000, but due to incompleteness of the bank statements, it was not possible to confirm the completeness of the bank charges and other administration costs on the Fund;

(iv) Record of individual borrowers was not maintained, and as a result, it was not possible to establish how much each individual MCA's account is operating.

The Accounting Officer admitted to the audit findings and submitted that:-

(i) As correctly observed by the Auditor-General, the bank statements provided by the administrator bank had arithmetical errors. Efforts to address this issue with the bank had not been fruitful as the bank completely failed to provide correct transactional bank statements. However, since the termination of the agreement with the bank, the County Assembly has managed to prepare individual ledgers for every borrower showing how the money was given and how every borrower has been repaying;

(ii) The statement of income and expenditure reflects interest income of Ksh.8, 540,000 for the year ended 30th June 2015, out of which an amount of Ksh.6, 327,000 was from interest on loans to MCAs and Ksh.2, 213,000 was earned out of the outstanding cash balances. Ledger accounts and other supporting documents of these amounts are available for audit verification;

(iii) The statements reflected administration costs of Ksh.6, 327,000. This represented the administration fee charged by the administrator bank. The bank however failed to provide invoices for the same. The amount was purely based on the provisions of the Agreement signed with the bank and it remains a cost on the fund;

(iv) The bank did not maintain individual ledgers for each borrower. However the County Assembly has prepared the ledgers and were available for audit verification

7.3 Interests and Other Bank Charges

The agreement provided that the bank would charge interest at 3%, on the loans advanced to MCAs and credit the same to the Fund account on a quarterly basis. No administration or other charges were to be made to the Fund. During the year ended 30 June 2015, an amount of Kshs.6, 327,000 was charged as administration fees. However, due to the incompleteness of records, the accuracy of the expenditure figure, interest and other charges that may have been levied on the Fund could not be established.

The Accounting Officer admitted to the audit findings and submitted that:-

i) The agreement provided that the bank would charge interest at 3% on the loans advanced to borrowers. Further the County Assembly was to earn interest of 3% per annum on the account balances. This was to accrue daily but debited quarterly. During the year ended 30th June 2015 an amount of Ksh.6,327,000 was charged as administration fees. This amount represented the administration fee charged by the administrator bank. The bank has however failed to provide invoices for the same. The amount is purely based on the provisions of the Agreement signed with the bank and it remains a cost on the fund.

7.4 Breach of Service Level Agreement

As reported in the previous year, a letter from the bank indicated that the County Assembly Service Board had deposited Kshs.254,000,000 into the bank. The bank had disbursed loans totaling Kshs.182,000,000, while an amount of Kshs.72,000,000 remained in the bank account. As at 30 June 2015, the statement of financial position reflected an outstanding loan balance of Kshs.179,104,000, and a cash balance of Kshs.79,106,000.

The following was however noted: the loans disbursed were not supported with any introduction letters from the Service Board as had been required in the Service Level Agreement with the bank; It was noted that no pro-forma invoices for brand new vehicles or valuation reports for second hand vehicles were required when disbursing the loan; there were no logbooks for joint registration between MCAs (borrowers) and the County Assembly as had been envisaged in the Service Level Agreement. Consequently, it is not possible to confirm whether the loans were disbursed for the intended purpose. Further, the bank is in breach of the Service Level Agreement.

The Accounting Officer admitted to the audit findings and submitted that:-

(i) The procedure of applying for the loans was such that applicants had to obtain introduction letters from the office of the Clerk to present to the bank. This procedure was adhered to and introduction letters were given in every instance of borrowing. The letters were availed to the auditors for audit verification;

(ii) As rightly observed by the Auditor, the bank did not request for pro-forma invoices or valuation reports to be provided before advancing the loans. The administrator bank was in breach of the provisions of the contract and this is one of the reasons that the agreement was terminated;

(iii) It was true that no log books had been jointly registered between the County Assembly and the borrowers. As pointed out above, the contract with the bank was terminated due to breach of contractual obligations. To ensure that the fund was not

exposed to any risk the Loans Management Committee directed that the loans be insured against loss of seat by the borrower by any other means other than death, as envisioned in Article 194 of the Constitution of Kenya. The loans are therefore insured against such risks.

7.5 Legal fees on irregular transfer of funds for Car Loan Scheme Fund to County Executive

The Nairobi City County Assembly received garnishee orders (Nairobi Misc. case no. 148 of 2013) by the High Court to transfer Kshs.51,287,985 to a client in the Nairobi City County Executive. The order was effected and the funds were transferred on 15/7/2015. The County Assembly raised objections and the money was returned on 31/7/2015. From the fore going a legal fee of Kshs.2,900,000 was raised which was supposed to be paid by the Family Bank. A letter dated 14th August, 2015 from Family Bank objected to paying the legal fee. The existing liability has not been settled and it had not been agreed between the two parties who were liable for the settlement of the legal fees.

The Accounting Officer admitted to the audit findings and submitted that:-

i) As rightly observed by the Auditor-General, an amount of Ksh.2,900,000 being legal fees for the County Assembly's lawyer who successfully objected - on behalf of the County Assembly - to the irregular transfer of KSh.51,287,985 to a creditor of the County Executive, remained unpaid. Initial arrangement was that Family Bank Limited was to meet this expense as they had a duty to protect County Assembly's money held by them. The bank has since the audit period met with Assembly Lawyers and resolved on the payment.

8.0 COMMITTEE'S OBSERVATIONS

i) Family Bank Ltd ,as the institution appointed to administer the Nairobi City County Assembly Service Board Car Loan Scheme Fund according to regulation 16 of the Public Finance Management (Nairobi City County Assembly Car Loan Scheme Fund) Regulations, 2014, has persistently and materially breached, Section 15(c), (d) and (e)

and Section 17(a) of the aforementioned regulations; Section 116(3) and (4) of the Public Finance Management Act, 2012; and its obligations as set out in the Service Level Agreement;

ii) The lack of submission of bank statements by Family Bank Ltd, showing individual members transactions, as requested by County Assembly Loans Management Committee, signifies that the Bank was unwilling to be transparent in its operations;

iii) The Accounting Officer had provided introduction letters and ledgers showing individual transactions;

iv) The explanation in changes in assets provided by the Accounting Officer should have initially been provided in the Car Loan Fund financial statements;

v) The process in which Family Bank Ltd was supposed to receive payments for its administrative services was not clearly defined in the Service Level Agreement thus leaving room for the bank to deduct its payments directly from the funds which is a clear violation of the Section 116 (3) of the Public Finance Management Act, 2012;

vi) The termination of the Service Level Agreement between the Nairobi City County Assembly Service Board and Family Bank Ltd for administration of the Nairobi City County Assembly Service Board Car Loan Scheme Fund by the Nairobi City County Assembly was proper;

vii) The Garnishee order payment of Kshs.51, 287, 985 was made by Family Bank Ltd on 15th July, 2015 and reversed on 31st July, 2015 as per the bank statement provided for audit and submitted on 4th August, 2015. The bank statement forwarded and certified on 5th July, 2016 shows that the Garnishee order payment was made on 15th July, 2015 and reversed on 16th July, 2015. The earlier one led to loss of interest for seventeen days while the latest one contradicted the same information and is therefore not reliable.

9.0 CONCLUSION

The Committee has exhaustively analyzed the submissions and evidence adduced by both the Clerk of the Nairobi City County Assembly (who is also the Secretary of the Nairobi City County Assembly Service Board) and Family Bank Limited. The Committee has also

further collected and analyzed the oral submission issued by members of the Nairobi City County Assembly Loans Management Committee.

Based on the aforementioned, the Committee has arrived at the conclusion that the agreement between the Nairobi City County Assembly Service Board and Family Bank Limited on the administration of the Nairobi City County Assembly Service Board Car Loan Scheme Fund is completely untenable in view of Family Bank Limited's persistent and material breach of its obligations as set out in: Section 15 (c), (d) and (e) and Section 17 (a) of the Public Finance Management (Nairobi City County Assembly Car Loan Scheme Fund) Regulations; Section 116 (3) and (4) of the Public Finance Management Act, 2012; and the Service Level Agreement.

10.0 COMMITTEE'S RECOMMENDATION

The Committee having extensively considered all the submissions from the County Executive Committee Member for Finance and Economic Planning and the Office of the Controller of Budget, urges the County Assembly to resolve as follows:

- i) The Clerk of the Nairobi City County Assembly, who is the fiduciary agent of the Fund should make a formal complaint to the Central Bank of Kenya to the effect that Family Bank Limited failed to honour their contractual obligations as per the Service Level Agreement and attach evidence indicating the same.

MINUTES OF THE 9TH SITTING OF THE NAIROBI CITY COUNTY ASSEMBLY PUBLIC
ACCOUNTS COMMITTEE HELD ON TUESDAY 31ST JANUARY, 2017 AT MASADA
HOTEL, NAIVASHA AT 10.00AM

PRESENT:

- | | |
|-------------------------------------|------------------|
| 1. Hon. Robert Mbatia, MCA | Chairperson |
| 2. Hon. Daniel Mutiso, MCA | Vice-Chairperson |
| 3. Hon. Moses Ogeto, MCA | |
| 4. Hon. Maurice Gari, MCA | |
| 5. Hon. Julius Mwaniki, MCA | |
| 6. Hon. Oscar Lore, MCA | |
| 7. Hon. Jackson Mwangi Ngari, MCA | |
| 8. Hon. Rose Ogonda, MCA | |
| 9. Hon. Njuguna Mwangi, MCA | |
| 10. Hon. Martin Waweru Gichuhi, MCA | |
| 11. Hon. Asha Abdi Sosso, MCA | |
| 12. Hon. Shadrack Juma, MCA | |
| 13. Hon. David Mberia, MCA | |
| 14. Hon. Martin Mugo Kanyi, MCA | |
| 15. Hon. Stephen Murathi Kambi, MCA | |
| 16. Hon. Peter Oweru, MCA | |
| 17. Hon. Andrew Mbau Macharia, MCA | |
| 18. Hon. Akuk Mo, MCA | |

ABSENT WITH APOLOGIES:

Hon. Tabitha Juma, MCA

Secretariat:

Mr. Shadrack Makokha – Clerk Assistant

MIN.27/NCCA/PAC/JAN/2017:

PRELIMINARIES

The Chairperson called the meeting to order at 10.00 am and opened the meeting with a word of prayer. He informed that as per the retreat programme, the agenda for the session was to consider pending business particularly adoption of pending reports. He then read the agenda of the day which was subsequently adopted for discussion as proposed by Hon. David Mberia and seconded by Hon. Peter Oweru as follows:-

AGENDA

1. Prayers
2. Adoption of Agenda
3. Committee retreat
 - Consideration of pending business
4. Adjournment

MIN.28/NCCA/PAC/JAN/2017:

CONSIDERATION OF PENDING BUSINESS

(i) Adoption of the Committee report on the report of the Auditor General on the Financial statements of Nairobi City County Assembly Service Board Car Loan Scheme fund for the year ended 30th June 2015

— The Chairperson took Members through the draft report of the Committee on the consideration of the Auditor General on the Financial statements of Nairobi City County Assembly Service Board Car Loan Scheme fund for the year ended 30th June 2015 which had the following recommendation:-

- The Clerk of the Nairobi City County Assembly, who is the fiduciary agent of the Fund should make a formal complaint to the Central Bank of Kenya to the effect that Family Bank Limited failed to honour their contractual obligations as per the Service Level Agreement and attach evidence indicating the same.

— There being quorum for the adoption of the report, the report was adopted as proposed by Hon. Jackson Mwangi Ngari and seconded by Hon. Shadrack Juma. The Chairperson then informed that all Members should append their signatures on the report to signify their concurrence with its contents.

(ii) Adoption of Committee report on the report of the Auditor General on the report of the auditor general on the financial statements of Nairobi City County Assembly Service Board Mortgage scheme fund for the year ended 30th June 2015

— The Chairperson took Members through the draft report of the Committee on the consideration of the Auditor General on the Financial statements of Nairobi City County Assembly Service Board C Mortgage scheme fund for the year ended 30th June 2015 which had the following recommendation:-

- The Clerk of the Nairobi City County Assembly, who is the fiduciary agent of the Fund should make a formal complaint to the Central Bank of Kenya to the effect that Family Bank Limited failed to honour their contractual obligations as per the Service Level Agreement and attach evidence indicating the same.

— There being quorum for the adoption of the report, the report was adopted as proposed by Hon. Asha Abdi Sosso and seconded by Hon. Andrew Mbau Macharia. The Chairperson then informed that all Members should append their signatures on the report to signify their concurrence with its contents.

(iii) Pending Auditor General reports

On the pending reports, the Committee resolved as follows:-

— That letters requesting written responses from all Accounting Officers regarding various audit queries in the Report of the Auditor General on the financial statements of the County Government of Nairobi City for the year ended 30th June, 2015 should be sent by Friday 3rd February, 2016 so that they can respond by Friday, 10th February, 2016.


- That once the Committee receives written responses on the audit queries shall review them within a weeks' time and proceed to invite accounting officers to clarify on areas that may not be satisfactory. Upon finalizing with the Executive report, the Committee shall commence considering the report of the Auditor General on the financial operations of Nairobi City County Assembly for the period 1st July 2014 to 30th June 2015.

MIN.29/NCCA/PAC/JAN/2017:

A.O.B & ADJOURNMENT

The Committee having dispensed with the business of the day and the time being thirty minutes past Twelve O'clock, the Chairperson adjourned the session. The date and venue of the next sitting was going to be communicated by way of notice.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS

SIGN.....

DATE.....28/02/2017.....

HON. ROBERT MBATIA (CHAIRMAN)



MINUTES OF THE 64TH SITTING OF THE NAIROBI CITY COUNTY ASSEMBLY PUBLIC ACCOUNTS COMMITTEE HELD ON TUESDAY 12TH JULY, 2016 AT 12.00 PM AT THE FOYER, NEW CHAMBER BUILDING, CITY HALL BUILDINGS.

PRESENT:

- | | |
|-------------------------------------|------------------|
| 1. Hon. Robert Mbatia, MCA | Chairperson |
| 2. Hon. Daniel Mutiso, MCA | Vice-Chairperson |
| 3. Hon. Maurice Gari, MCA | |
| 4. Hon. Andrew Mbau Macharia, MCA | |
| 5. Hon. Stephen Murathi Kambi, MCA | |
| 6. Hon. Moses Ogeto, MCA | |
| 7. Hon. Rose Ogonda, MCA | |
| 8. Hon. Akuk Mo, MCA | |
| 9. Hon. Oscar Lore, MCA | |
| 10. Hon. Peter Oweru, MCA | |
| 11. Hon. David Mberia, MCA | |
| 12. Hon. Julius Mwaniki, MCA | |
| 13. Hon. Tabitha Juma, MCA | |
| 14. Hon. Asha Abdi Sosso, MCA | |
| 15. Hon. Njuguna Mwangi, MCA | |
| 16. Hon. Jackson Mwangi Ngari, MCA | |
| 17. Hon. Martin Waweru Gichuhi, MCA | |

ABSENT WITH APOLOGIES:

1. Hon. Martin Mugo Kanyi, MCA
2. Hon. Shadrack Juma, MCA

SECRETARIAT:

- | | | |
|------------------------|---|-----------------|
| 1. Ms. Josephine Kamau | – | Clerk Assistant |
|------------------------|---|-----------------|

MIN.233/NCCA/PAC/JULY/2016:

PRELIMINARIES

The Chairperson called the meeting to order at 12.14 pm and opened the meeting with a word of prayer. He then read the agenda of the day which was subsequently adopted for discussion as proposed by Hon. Jackson Ngari and seconded by Hon. Maurice Gari.

MIN.234/NCCA/PAC/JULY/2016:

CONSIDERATION OF DOCUMENTS

SUBMITTED BY FAMILY BANK LIMITED

The Chairperson read through the documents submitted by Family Bank Limited following the Committee meeting with the bank officials and Members deliberated on the same.

The Committee noted with concern that Family Bank Ltd had still not submitted the fund account statement indicating the interest generated from the initial deposit of Kshs.254,000,000 and transfer of Kshs.51,000,000 from the fixed deposit account.

The secretariat was requested to forward the documents to the auditor for proper guidance on the matter.

MIN.235/NCCA/PAC/ JULY/2016:

A.O.B & ADJOURNMENT

The Committee having dispensed with the business of the day and the time being fifty minutes past Twelve O'clock, the Chairperson adjourned the sitting. The date and venue of the next sitting was going to be communicated by way of notice.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS

SIGN.....

DATE.....28/02/2017

HON. ROBERT MBATIA (CHAIRMAN)

MINUTES OF THE 57TH SITTING OF THE NAIROBI CITY COUNTY ASSEMBLY PUBLIC ACCOUNTS COMMITTEE HELD ON WEDNESDAY 29TH JUNE, 2016 AT 10.00 AM AT THE FOYER, NEW CHAMBER BUILDING, CITY HALL BUILDINGS.

PRESENT:

- | | |
|-------------------------------------|------------------|
| 1. Hon. Robert Mbatia, MCA | Chairperson |
| 2. Hon. Daniel Mutiso, MCA | Vice-Chairperson |
| 3. Hon. Shadrack Juma, MCA | |
| 4. Hon. Akuk Mo, MCA | |
| 5. Hon. David Mberia, MCA | |
| 6. Hon. Jackson Ngari, MCA | |
| 7. Hon. Asha Abdi Sosso, MCA | |
| 8. Hon. Rose Ogonda, MCA | |
| 9. Hon. Andrew Mbau, MCA | |
| 10. Hon. Moses Ogeto, MCA | |
| 11. Hon. Julius Mwaniki, MCA | |
| 12. Hon. Tabitha Juma, MCA | |
| 13. Hon. Maurice Gari, MCA | |
| 14. Hon. Njuguna Mwangi, MCA | |
| 15. Hon. Stephen Murathi Kambi, MCA | |
| 16. Hon. Martin Mugo Kanyi, MCA | |

ABSENT WITH APOLOGY:

1. Hon. Oscar Lore, MCA
2. Hon. Peter Oweru, MCA
3. Hon. Martin Waweru, MCA

IN-ATTENDANCE:

FAMILY BANK LIMITED

- | | |
|----------------------|--------------------------|
| 1. James Macharia – | Senior Manager, Credit |
| 2. Rebecca Mbithi – | Company Secretary |
| 3. James Karinga – | Head of Credit |
| 4. Jeremiah Mwangi – | Credit Manager |
| 5. Patrick Nderitu – | Assistant Credit Manager |
| 6. Jeremiah Gitau – | Credit Manager |

OFFICE OF THE AUDITOR GENERAL:

- | | |
|----------------------|----------------|
| 1. Henry Manegene – | Liason Officer |
| 2. Michael Ochieng – | Audit Manager |





MINUTES OF THE 56th SITTING OF THE NAIROBI CITY COUNTY ASSEMBLY PUBLIC ACCOUNTS COMMITTEE HELD ON TUESDAY 28th JUNE, 2016 AT 12.00 PM AT THE FOYER, NEW CHAMBER BUILDING, CITY HALL BUILDINGS.

PRESENT:

- | | |
|-------------------------------------|------------------|
| 1. Hon. Robert Mbatia, MCA | Chairperson |
| 2. Hon. Daniel Mutiso, MCA | Vice-Chairperson |
| 3. Hon. Andrew Mbau Macharia, MCA | |
| 4. Hon. Julius Mwaniki, MCA | |
| 5. Hon. Moses Ogeto, MCA | |
| 6. Hon. Rose Ogonda, MCA | |
| 7. Hon. Peter Oweru, MCA | |
| 8. Hon. Tabitha Juma, MCA | |
| 9. Hon. Shadrack Juma, MCA | |
| 10. Hon. Njuguna Mwangi, MCA | |
| 11. Hon. Jackson Mwangi Ngari, MCA | |
| 12. Hon. Martin Waweru Gichuhi, MCA | |

ABSENT WITH APOLOGY:

1. Hon. Akuk Mo, MCA
2. Hon. David Mberia, MCA
3. Hon. Asha Abdi Sosso, MCA
4. Hon. Oscar Lore, MCA
5. Hon. Maurice Gari, MCA
6. Hon. Martin Mugo Kanyi, MCA
7. Hon. Stephen Murathi Kambi, MCA

SECRETARIAT:

1. Ms. Josephine Kamau – Clerk Assistant

MIN.202/NCCA/PAC/JUNE/2016:

PRELIMINARIES

The Chairperson called the meeting to order at 12.10 pm and opened the meeting with a word of prayer. He then read the agenda of the day which was subsequently adopted for discussion as proposed by Hon. Moses Ogeto and seconded by Hon. Andrew Mbau.

MIN.203/NCCA/PAC/JUNE/2016:

CONSIDERATION OF THE REPORTS OF THE AUDITOR GENERAL THE FINANCIAL STATEMENTS OF NAIROBI CITY COUNTY ASSEMBLY SERVICE BOARD CAR LOAN & MORTGAGE SCHEME FUNDS FOR THE YEAR ENDED 30 JUNE 2015

The Chairperson read through the reports highlighting the audit queries and basis of Auditor's adverse opinion contained therein.

MIN.204/NCCA/PAC/JUNE/2016:
WITH FAMILY BANK LIMITED

PREPARATION OF INQUIRY


Members deliberated on the issues they sought to be addressed during the upcoming meeting with Family Bank Ltd officials.

MIN.205/NCCA/PAC/JUNE/2016:

A.O.B & ADJOURNMENT

The Committee having dispensed with the business of the day and the time being forty five minutes past Twelve O'clock, the Chairperson adjourned the sitting. The date and venue of the next sitting was going to be communicated by way of notice.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS

SIGN.....

DATE.....28/02/2017

HON. ROBERT MBATIA (CHAIRMAN)

PRESENT:

- | | |
|---------------------------------|------------------|
| 1. Hon. Robert Mbatia, MCA | Chairperson |
| 2. Hon. Daniel Mutiso, MCA | Vice-Chairperson |
| 3. Hon. Shadrack Juma, MCA | |
| 4. Hon. Martin Waweru, MCA | |
| 5. Hon. David Mberia, MCA | |
| 6. Hon. Jackson Ngari, MCA | |
| 7. Hon. Peter Owera, MCA | |
| 8. Hon. Rose Ogonda, MCA | |
| 9. Hon. Andrew Mbau, MCA | |
| 10. Hon. Moses Ogeto, MCA | |
| 11. Hon. Julius Mwaniki, MCA | |
| 12. Hon. Maurice Gari, MCA | |
| 13. Hon. Njuguna Mwangi, MCA | |
| 14. Hon. Martin Mugo Kanyi, MCA | |

ABSENT WITH APOLOGY:

1. Hon. Oscar Lore, MCA
2. Hon. Akuk Mo, MCA
3. Hon. Asha Abdi Sosso, MCA
4. Hon. Tabitha Juma, MCA
5. Hon. Stephen Murathi Kambi, MCA

INATTENDANCE:

1. Mrs. Philomena Nzuki – Principal Accountant (PA)
2. Mr. Fredrick Macharia – Finance Planning Officer (FPO)

SECRETARIAT:

1. Ms. Wangui Jolinda – Clerk Assistant

MIN.195/NCCA/PAC/JUNE/2016:

PRELIMINARIES

The Chairperson called the meeting to order at 12.10 am and opened the meeting with a word of prayer. He then read the agenda of the day which was subsequently adopted for discussion as proposed by Hon. Andrew Mbau and seconded by Hon. Rose Ogonda.

The Chairperson welcomed the Principal Accountant and the Finance Planning Officer from Nairobi City County Assembly to the meeting and called on Members to introduce themselves.

MIN.196/NCCA/PAC/JUNE/2016: CONSIDERATION OF THE NCCA COMMENTS ON AUDIT RESPONSES FOR 2014/2015 AUDIT OBSERVATIONS FOR CAR LOAN AND MORTGAGE SCHEME FUNDS

The Chairman guided the Members through the Letters from both Family Bank Ltd and NCCA and the Members were invited to ask the two officials questions pertaining the car loan and mortgage scheme funds.

Members inquired on various issues which were responded accordingly by the two Assembly officials:-

- a) Whether there was a joint Committee between Family Bank Ltd and the County Assembly and if there was a TOR, what were the terms?

The PA responded that there was a joint Committee which was made up of 3 staff of the Assembly and 3 staff from Family Bank. The Terms of Reference were; to agree on the interest to charge, reconcile individual accounts and submit reconciled accounts to Nairobi City County Assembly. The Committee however drafted the report with recommendations but the officials from Family Bank Ltd never signed the report since the issues raised in the report were contentious.

- b) Whether the individual ledgers for each Member were submitted to NCCA?

The FPO informed the Committee that the documents received from Family Bank Ltd were used to generate ledger accounts for each Member.

- c) Were the transactional statements for the funds received and what was the interest accrued?

The Committee was informed that the statements were received but there were errors noted in the interests accrued.

- d) Was the Legal fees on irregular transfer of funds on both loans paid?

The PA informed the Committee that no legal fees were paid since the Lawyers were contracted by NCCA on behalf of Family Bank Ltd to correspond on the irregularities/malpractices in the administration of the fund.

The Committee therefore resolved to hold a meeting with Family Bank officials and the Clerk of the County Assembly to establish the truth of the matter at hand.

MIN.197/NCCA/PAC/JUNE/2016:

A.O.B & ADJOURNMENT

The Committee having dispensed with the business of the day and the time being fifty minutes past Twelve O'clock, the Chairperson adjourned the sitting. The date and venue of the next sitting was going to be communicated by way of notice.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS

SIGN.....

DATE.....

HON. ROBERT MBATIA (CHAIRMAN)

MINUTES OF THE 51ST SITTING OF THE NAIROBI CITY COUNTY ASSEMBLY PUBLIC ACCOUNTS COMMITTEE HELD ON THURSDAY 16TH JUNE, 2016 AT 10.00 AM AT THE FOYER, NEW CHAMBER BUILDING, CITY HALL BUILDINGS.

PRESENT:

- | | |
|------------------------------|------------------|
| 1. Hon. Robert Mbatia, MCA | Chairperson |
| 2. Hon. Daniel Mutiso, MCA | Vice-Chairperson |
| 3. Hon. Shadrack Juma, MCA | |
| 4. Hon. Akuk Mo, MCA | |
| 5. Hon. Martin Waweru, MCA | |
| 6. Hon. David Mberia, MCA | |
| 7. Hon. Jackson Ngari, MCA | |
| 8. Hon. Asha Abdi Sosso, MCA | |
| 9. Hon. Peter Owera, MCA | |
| 10. Hon. Rose Ogonda, MCA | |
| 11. Hon. Andrew Mbau, MCA | |
| 12. Hon. Moses Ogeto, MCA | |
| 13. Hon. Tabitha Juma, MCA | |

ABSENT WITH APOLOGY:

1. Hon. Julius Mwaniki, MCA
2. Hon. Oscar Lore, MCA
3. Hon. Maurice Gari, MCA
4. Hon. Njuguna Mwangi, MCA
5. Hon. Martin Mugo Kanyi, MCA
6. Hon. Stephen Murathi Kambi, MCA

OFFICE OF THE CECM FOR FINANCE & ECONOMIC PLANNING:

1. Mr. Gregory Mwakanongo - County Executive Committee Member

OFFICE OF THE AUDITOR-GENERAL:

2. Ms. Sharon Wangari - Audit Manager
3. Mr. Justus Wafula - Audit Manager
4. Mr. Henry Manegene - Liason Officer

SECRETARIAT:

1. Ms. Josephine Kamau - Clerk Assistant

MIN.184/NCCA/PAC/JUNE/2016:

PRELIMINARIES

The Chairperson called the meeting to order at 10.20 am and opened the meeting with a word of prayer. He then read the agenda of the day which was subsequently adopted for discussion as proposed by Hon. Asha Soso and seconded by Hon. Martin Waweru.

The Chairperson welcomed the CECM for Finance and Economic Planning Mr. Gregory Mwakanongo to the meeting and called on Members, officers from the Auditor-General's office as well as the secretariat to introduce themselves.

He then proceeded to lead the Committee in conducting the inquiry by highlighting the audit queries raised in the Report of the Auditor-General on the Financial Statements of Nairobi City County Assembly Service Board Car Loan and Mortgage Scheme Funds for the Year ended 30 June 2015; and invited Members to ask questions.

MIN.185/NCCA/PAC/JUNE/2016:
FINANCE AND ECONOMIC PLANNING

EVIDENCE: INQUIRY WITH CECM FOR

The CECM was put to task as to whether he established the County Assembly Service Board Mortgage and Car Loan Scheme Funds as per the provisions of the PFM Act. In response, Mr. Mwakanongo stated that he established the funds as per the law in place.

Members inquired as to whether the CECM noticed any flaws in the administration of the funds through irregular deductions and the action he took thereafter.

In response, he stated that he terminated the contract with Family Bank Limited immediately he became aware of the flaws in the administration of the funds. However, the Chairperson clarified to him that it was the Public Accounts Committee Report that recommended termination of the contract.

Members inquired as to whether the CECM was aware of the irregular deductions being made by the administrator of the funds before the Auditor-General's Report was tabled in 2014. In response, the CECM confirmed that he was not aware of the flaws prior to the tabling of the report.

Members further inquired as to whether the management of the funds brought to the CECM's attention the irregularities/malpractices in the administration of the fund. In response, the CECM confirmed that he was notified by the management of the irregularities in writing in the month of January, 2015.

The Committee also sought to know whether the CECM was notified by Family Bank Ltd on the opening of lien/fixed deposit account whereby 51M from the Car Loan fund was deposited. In response, the CECM stated that he had just learnt about it at the sitting.

On the issue of Garnishee Order, the CECM confirmed that the Order was made against Nairobi City County Executive and not County Assembly and he was willing to furnish the committee with a copy of the Decree.

MIN.186/NCCA/PAC/JUNE/2016:

A.O.B & ADJOURNMENT

The Committee having dispensed with the business of the day and the time being thirty seven minutes past Twelve O'clock, the Chairperson adjourned the sitting. The date and venue of the next sitting was going to be communicated by way of notice.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS

SIGN.....

DATE.....13-09-2016

HON. ROBERT MBATIA (CHAIRMAN)



21st JULY 2016

**THE CLERK
NAIROBI CITY COUNTY ASSEMBLY
P.O.BOX 45844-00100
NAIROBI, KENYA**



**NAIROBI CITY COUNTY COMMENTS ON AUDIT RESPONSES FOR 2015/2015 AUDIT
OBSERVATIONS FOR CAR AND MORTGAGE SCHEME FUNDS**

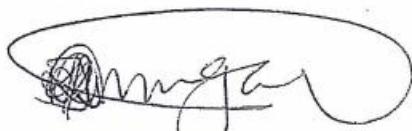
We write further to our letter dated 05th July 2016 and received at your office on 06th July 2016 on the above subject;

We had advised in our aforementioned letter that we had re-computed interest earned on the car and mortgage fund accounts based on cumulative balances and that the additional interest payable by ourselves was to be Kes 2,864,886.13 being Kes 2,468,612.81 on car loan fund account and Kes 396,273.32 on mortgage loan fund account.

We herein advise that the same has been transferred to your account earlier advised to us. Find attached herein the RTGS confirmation for the same and the revised workings.

In our view this was the only outstanding issue under the reconciliation exercise and the fact that it is now resolved it should close all issues related to the Fund.

For and on behalf of Family Bank Limited
Signed,


James Karinga
Head of Credit

✓ CC: The chairperson
Nairobi County Assembly Public Accounts Committee

*Encl: Revised interest computation for car loan fund account
Revised interest computation for mortgage loan fund account
Revised car loan fund account statement (reconciled)
Revised mortgage loan fund account statement (reconciled)*


```

----- Instance Type and Transmission -----
Notification (Transmission) of Original sent to SWIFT (ACK)
Network Delivery Status : Network Ack
Priority/Delivery : Urgent/Non-Deliv Warning
Message Input Reference : 1544 160720FABLKENAXXX2888255467
----- Message Header -----
Swift Input : FIN 103 Single Customer Credit Transfer
Sender : FABLKENAXXX
        FAMILY BANK LIMITED
        NAIROBI KE
Receiver : KCOOKENAXXX
        THE CO-OPERATIVE BANK OF KENYA LTD
        NAIROBI KE
MUR : 000MSOG16202004X Banking Priority : NNNN
FIN Copy Service : KPS
----- Message Text -----
20: Sender's Reference
    012ORGC162020012
23B: Bank Operation Code
    CRED
32A: Val Dte/Curr/Interbnk Settl'd Amt
    Date : 20 July 2016
    Currency : KES (KENYAN SHILLING)
    Amount : #3987177,8#
50K: Ordering Customer-Name & Address
    /012000035543
    NAIROBI CITY COUNTY MORGAGE SCHEME
    FUND ACCOUNT
    45844-00100
    NBI
57A: Account With Institution - FI BIC
    KCOOKENAXXX
    THE CO-OPERATIVE BANK OF KENYA LTD
    NAIROBI KE
59: Beneficiary Customer-Name & Addr
    /01141232417501
    /NAIROBI CITY COUNTY ASSEMBLY
    DEVELOPMENT ACCOUNT
70: Remittance Information
    //CITY HALL
    //MORGAGE SCHEME
71A: Details of Charges
    SHA
----- Message Trailer -----
{CHK:E75CC9EC3701}
PKI Signature: MAC & PAC-Equivalent
----- Interventions -----
Category : Network Report
Creation Time : 20/07/16 15:42:47
Application : SWIFT Interface
Operator : SYSTEM
Text
{1:F21FABLKENAXXX2888255467}{4:{177:1607201544}{451:0}{108:000MSOG16202004X}}

```

1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100.

101.

102.

----- Instance Type and Transmission -----
 Notification (Transmission) of Original sent to SWIFT (ACK)
 Network Delivery Status : Network Ack
 Priority/Delivery : Urgent/Non-Deliv Warning
 Message Input Reference : 1543 160720FABLKENAXXX2888255466

----- Message Header -----
 Swift Input : FIN 103 Single Customer Credit Transfer
 Sender : FABLKENAXXX
 FAMILY BANK LIMITED
 NAIROBI KE
 Receiver : KCOOKENAXXX
 THE CO-OPERATIVE BANK OF KENYA LTD
 NAIROBI KE
 MUR : 000MSOG16202004Y Banking Priority : NNNN
 FIN Copy Service : KPS

----- Message Text -----
 20: Sender's Reference
 012ORGCL62020011
 23B: Bank Operation Code
 CRED
 32A: Val Dte/Curr/Interbnk Settl'd Amt
 Date : 20 July 2016
 Currency : KES (KENYAN SHILLING)
 Amount : #5808037,7#
 50K: Ordering Customer-Name & Address
 /012000035538
 NAIROBI CITY COUNTY CAR LOAN
 SCHEME FUND ACCOUNT
 45844-00100
 NBI
 57A: Account With Institution - FI BIC
 KCOOKENAXXX
 THE CO-OPERATIVE BANK OF KENYA LTD
 NAIROBI KE
 59: Beneficiary Customer-Name & Addr
 /01141232417501
 /NAIROBI CITY COUNTY ASSEMBLY
 DEVELOPMENT ACCOUNT
 70: Remittance Information
 //CITY HALL
 //CAR SCHEME CITY HALL
 71A: Details of Charges
 SHA

----- Message Trailer -----
 {CHK:611F4E905CC8}
 PKI Signature: MAC & PAC-Equivalent

----- Interventions -----
 Category : Network Report
 Creation Time : 20/07/16 15:42:07
 Application : SWIFT Interface
 Operator : SYSTEM
 Text
 {1:F21FABLKENAXXX2888255466}{4:{177:1607201543}{451:0}{108:000MSOG16202004Y}}

CAR LOAN

ACCOUNT NAME: NAIROBI CITY COUNTY CAR LOAN SCHEME FUND ACCOUNT

CUSTOMER NO.: 1381739

ACCOUNT NO.: 12000035538

ACCOUNT TYPE: Business Current(KES)

| TRANSACTION DATE | PARTICULARS | IN | OUT | TOTAL BALANCE |
|------------------|-----------------------------|----------------|--------------|----------------|
| 10/6/2014 | REF: RTGS B/O A/C Q12-35537 | 254,000,000.00 | | 254,000,000.00 |
| 6/20/2014 | SAMUEL KAGIRI MWANGI | | 2,000,000.00 | 252,000,000.00 |
| 6/21/2014 | GEORGE OCHIENG OCHOLA | | 2,000,000.00 | 250,000,000.00 |
| 6/21/2014 | HASHIM KAMAU ATHMAN | | 2,000,000.00 | 248,000,000.00 |
| 6/24/2014 | CHRISTINE ALOO ABUTO | | 2,000,000.00 | 246,000,000.00 |
| 6/24/2014 | WILLIAM ORACHA ABUKA | | 2,000,000.00 | 244,000,000.00 |
| 6/24/2014 | ALHAD AHMED ADAM | | 2,000,000.00 | 242,000,000.00 |
| 6/24/2014 | BEATRICE KWAMBOKA MAKORI | | 2,000,000.00 | 240,000,000.00 |
| 6/24/2014 | MAXWELL OCHIENG OCHAR | | 2,000,000.00 | 238,000,000.00 |
| 6/24/2014 | MAURICE GARI OTIENO | | 2,000,000.00 | 236,000,000.00 |
| 6/24/2014 | MOHAMED ABDI ABDIRAHMAN | | 2,000,000.00 | 234,000,000.00 |
| 6/24/2014 | ELKANA OMOGA MAUTI | | 2,000,000.00 | 232,000,000.00 |
| 6/24/2014 | SHADRACK JUMA NYAMBU | | 2,000,000.00 | 230,000,000.00 |
| 6/24/2014 | ALFRED AMBANI MUHINDI | | 2,000,000.00 | 228,000,000.00 |
| 6/24/2014 | WILFRED OLUOCH ODALO | | 2,000,000.00 | 226,000,000.00 |
| 6/24/2014 | ROSE ADHAMBO OGONDA | | 2,000,000.00 | 224,000,000.00 |
| 6/24/2014 | JOASH OMWENGA MOSE KENGERE | | 2,000,000.00 | 222,000,000.00 |
| 6/24/2014 | JAIR O ATENYA ASITIBA | | 2,000,000.00 | 220,000,000.00 |
| 6/24/2014 | VICTORIA AGANI ALALI | | 2,000,000.00 | 218,000,000.00 |
| 6/25/2014 | SUSAN KARIMI NJUE | | 2,000,000.00 | 216,000,000.00 |
| 6/25/2014 | EMMACULATE MBENGWA MUSYA | | 2,000,000.00 | 214,000,000.00 |
| 6/25/2014 | PETER ANYULE IMWATOK | | 2,000,000.00 | 212,000,000.00 |
| 6/25/2014 | AMOS MBUTHI MUKAMI | | 2,000,000.00 | 210,000,000.00 |
| 6/25/2014 | ERASTUS MUIRURI MBURU | | 2,000,000.00 | 208,000,000.00 |
| 6/25/2014 | DANIEL ORIA ODHIAMBO | | 2,000,000.00 | 206,000,000.00 |
| 6/25/2014 | AMINA MOHAMED MOHAMED | | 2,000,000.00 | 204,000,000.00 |
| 6/25/2014 | GEORGE MAINA NJOROGE | | 2,000,000.00 | 202,000,000.00 |
| 6/25/2014 | ALEXINA LIKONO MUDI | | 2,000,000.00 | 200,000,000.00 |
| 6/25/2014 | OMONDI MAURICE AKUK | | 2,000,000.00 | 198,000,000.00 |
| 6/25/2014 | ROSEMARY WAIRIMU MACHARIA | | 2,000,000.00 | 196,000,000.00 |
| 6/25/2014 | ROBERT MBATIA | | 2,000,000.00 | 194,000,000.00 |
| 6/26/2014 | FLORENCE ACHIENG ATHEMBO | | 2,000,000.00 | 192,000,000.00 |
| 6/26/2014 | ROSEANANCY LUCHIRI | | 2,000,000.00 | 190,000,000.00 |
| 6/26/2014 | CELESTYNE ONGERE OWINO | | 2,000,000.00 | 188,000,000.00 |
| 6/26/2014 | FREDRICK OWINO OBENGE | | 2,000,000.00 | 186,000,000.00 |
| 6/26/2014 | RUTH NJERI NYAMBURA | | 2,000,000.00 | 184,000,000.00 |
| 6/26/2014 | JANET MUTHONI KIMONDO | | 2,000,000.00 | 182,000,000.00 |
| 6/26/2014 | ELIZABETH SANG | | 2,000,000.00 | 180,000,000.00 |
| 6/26/2014 | PETER VUKINDU ISUHA | | 2,000,000.00 | 178,000,000.00 |
| 6/26/2014 | MAGDALENE MWENDWA MBOGORI | | 2,000,000.00 | 176,000,000.00 |
| 6/26/2014 | FREDRICK NJOGU NJOROGE | | 2,000,000.00 | 174,000,000.00 |
| 6/26/2014 | BENSON LIGAVOH AMUTAVI | | 2,000,000.00 | 172,000,000.00 |
| 6/26/2014 | DANIEL KITHAMA MUTISO | | 2,000,000.00 | 170,000,000.00 |
| 6/26/2014 | ALEXANDER MUTISYA MULATYA | | 2,000,000.00 | 168,000,000.00 |
| 6/26/2014 | LEAH MUMO MATEE | | 2,000,000.00 | 166,000,000.00 |
| 6/26/2014 | PAUL KADOS KIGUATHI | | 2,000,000.00 | 164,000,000.00 |
| 6/26/2014 | KAREN WANJIKU GITHAIGA | | 2,000,000.00 | 162,000,000.00 |
| 6/26/2014 | SAMUEL NDUNGU NJOROGE | | 2,000,000.00 | 160,000,000.00 |
| 6/26/2014 | ANTHONY KIRAGU KARANJA | | 2,000,000.00 | 158,000,000.00 |
| 6/26/2014 | NELSON MASIGA MARAKALU | | 2,000,000.00 | 156,000,000.00 |
| 6/26/2014 | MILLICENT WAMBUI MUGADI | | 2,000,000.00 | 154,000,000.00 |
| 6/26/2014 | MERCY WANJIKU KARIUKI | | 2,000,000.00 | 152,000,000.00 |
| 6/26/2014 | MARTIN KARANJA KINGETHU | | 2,000,000.00 | 150,000,000.00 |
| 6/26/2014 | PETER WANYOIKE GITAU | | 2,000,000.00 | 148,000,000.00 |
| 6/26/2014 | HAWA DAFALA ABSUNUN | | 2,000,000.00 | 146,000,000.00 |
| 6/26/2014 | RACHEL WANJIKU KAMWERU | | 2,000,000.00 | 144,000,000.00 |
| 6/26/2014 | PATRICK NGARUIYA CHEGE | | 2,000,000.00 | 142,000,000.00 |
| 6/26/2014 | ANDREW MACHARIA MBAU | | 2,000,000.00 | 140,000,000.00 |
| 6/26/2014 | OSCAR OTIENO LORE | | 2,000,000.00 | 138,000,000.00 |
| 6/26/2014 | OSCAR OTIENO LORE | | 2,000,000.00 | 136,000,000.00 |
| 6/26/2014 | OSCAR OTIENO LORE | | 2,000,000.00 | 134,000,000.00 |
| 6/26/2014 | OSCAR OTIENO LORE | | 2,000,000.00 | 132,000,000.00 |

1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100.



| | | | | |
|------------|---------------------------------------|--------------|--------------|----------------|
| 6/27/2014 | MIKE OBONYO GUORO | | 2,000,000.00 | 130,000,000.00 |
| 6/27/2014 | HERMAN MASABU AZANGU | | 2,000,000.00 | 128,000,000.00 |
| 6/27/2014 | SAMWEL NYABERI NYANGWARA | | 2,000,000.00 | 126,000,000.00 |
| 6/27/2014 | ALVIN OLANDO PALAPALA | | 2,000,000.00 | 124,000,000.00 |
| 6/28/2014 | DAVID NJORGE KAIRU | | 2,000,000.00 | 122,000,000.00 |
| 6/28/2014 | TABITHA AKINYI JUMA | | 2,000,000.00 | 120,000,000.00 |
| 6/28/2014 | HELEN NAIRUKO KATANGIE | | 2,000,000.00 | 118,000,000.00 |
| 6/28/2014 | MANOAH KAREGA MBOKU | | 2,000,000.00 | 116,000,000.00 |
| 6/28/2014 | KENNETH IRUNGU MWANGI | | 2,000,000.00 | 114,000,000.00 |
| 6/28/2014 | CATHERINE APIYO OKOTH | | 2,000,000.00 | 112,000,000.00 |
| 6/28/2014 | JAMES MWAURA CHEGE | | 2,000,000.00 | 110,000,000.00 |
| 6/28/2014 | CLARENCE KIPKEMOI MUNGA | | 2,000,000.00 | 108,000,000.00 |
| 6/28/2014 | KENNEDY ODURU NYARUMBA | | 2,000,000.00 | 106,000,000.00 |
| 6/28/2014 | PETER OWERA OLUOCH | | 2,000,000.00 | 104,000,000.00 |
| 6/28/2014 | JEFFER ABDULWAHAB KASSAM | | 2,000,000.00 | 102,000,000.00 |
| 6/28/2014 | DORCAS MUTHONI NGANGA | | 2,000,000.00 | 100,000,000.00 |
| 6/28/2014 | PETRONILA NAFULA ACHIENG | | 2,000,000.00 | 98,000,000.00 |
| 6/30/2014 | ALEX SANAIKA OLE MAGALO | | 2,000,000.00 | 96,000,000.00 |
| 6/30/2014 | ELIZABETH AKINYI MANYALA | | 2,000,000.00 | 94,000,000.00 |
| 6/30/2014 | IMELDA NAFULA WANJALA | | 2,000,000.00 | 92,000,000.00 |
| 6/30/2014 | CHARLES THUO WAKARINDI | | 2,000,000.00 | 90,000,000.00 |
| 6/31/2014 | maintenance fee | | - | 90,000,000.00 |
| 7/1/2014 | ZULFA HAKIM MOHAMMED | | 2,000,000.00 | 88,000,000.00 |
| 7/1/2014 | AWINO NYANGALA | | 2,000,000.00 | 86,000,000.00 |
| 7/1/2014 | JAMES KINUTHIA WAMIJA | | 2,000,000.00 | 84,000,000.00 |
| 7/1/2014 | PETER MIGWI GICHOHI | | 2,000,000.00 | 82,000,000.00 |
| 7/1/2014 | MONICAH WARUIRU NDEGWA | | 2,000,000.00 | 80,000,000.00 |
| 7/1/2014 | JACKSON KIAMA GIKANDI | | 2,000,000.00 | 78,000,000.00 |
| 7/1/2014 | CAROLINE ACHIENG MUGA | | 2,000,000.00 | 76,000,000.00 |
| 7/1/2014 | MARTIN WAWERU GICHUHI | | 2,000,000.00 | 74,000,000.00 |
| 7/1/2014 | PIUS MWAURA MBONO | | 2,000,000.00 | 72,000,000.00 |
| 7/3/2014 | PIUS OWINO OTIENO | | 2,000,000.00 | 70,000,000.00 |
| 7/3/2014 | MARGARET ACHOLA SEWE | | 2,000,000.00 | 68,000,000.00 |
| 7/3/2014 | WILSON ONGELE OCHOLA | | 2,000,000.00 | 66,000,000.00 |
| 7/3/2014 | SAMUEL IRUNGU MWANGI | | 2,000,000.00 | 64,000,000.00 |
| 7/3/2014 | RONALD MELKIZEDEK MILARE | | 2,000,000.00 | 62,000,000.00 |
| 7/3/2014 | DANIEL MUGUA MARI | | 2,000,000.00 | 60,000,000.00 |
| 7/3/2014 | ALEX OUDA OTIENO | | 2,000,000.00 | 58,000,000.00 |
| 7/3/2014 | MARTIN KINYANJUI MUNGA | | 2,000,000.00 | 56,000,000.00 |
| 7/3/2014 | KENNETH THUGI MURKI | | 2,000,000.00 | 54,000,000.00 |
| 7/3/2014 | MARK NDUNGU NGANGA | | 2,000,000.00 | 52,000,000.00 |
| 7/3/2014 | PETER MURIITHI WARUTERE | | 2,000,000.00 | 50,000,000.00 |
| 7/3/2014 | KINGSLEY WELLINGTON ODIDA | | 2,000,000.00 | 48,000,000.00 |
| 7/4/2014 | NANCY NYAMBURA MWAURA | | 2,000,000.00 | 46,000,000.00 |
| 7/4/2014 | BONIFACE KITAVI DAVID | | 2,000,000.00 | 44,000,000.00 |
| 7/4/2014 | ASHA ABDI SOSSO | | 2,000,000.00 | 42,000,000.00 |
| 7/7/2014 | TABITHA WOTHAYA NDIGIRIGI | | 2,000,000.00 | 40,000,000.00 |
| 7/8/2014 | MICHAEL OGADA OKUMU | | 2,000,000.00 | 38,000,000.00 |
| 7/8/2014 | STEPHEN KAMAU THUO | | 2,000,000.00 | 36,000,000.00 |
| 7/8/2014 | OSMAN ADOW IBRAHIM | | 2,000,000.00 | 34,000,000.00 |
| 7/10/2014 | DAVID NJILITHIA MBERIA | | 2,000,000.00 | 32,000,000.00 |
| 7/11/2014 | JULIUS MWANIKI MUCHIRI | | 2,000,000.00 | 30,000,000.00 |
| 7/11/2014 | KAPEEN DIANA | | 2,000,000.00 | 28,000,000.00 |
| 7/14/2014 | MARION NJERI GITHINJI | | 2,000,000.00 | 26,000,000.00 |
| 7/15/2014 | PETER WAHINYA KIMUHU | | 2,000,000.00 | 24,000,000.00 |
| 7/15/2014 | JANE MUASYA | | 2,000,000.00 | 22,000,000.00 |
| 7/15/2014 | PETER WAHINYA NJAU | | 2,000,000.00 | 20,000,000.00 |
| 7/16/2014 | MICHAEL WAINAINA WANJIKU | | 2,000,000.00 | 18,000,000.00 |
| 7/18/2014 | NJUGUNA MANGI | | 2,000,000.00 | 16,000,000.00 |
| 31/07/2014 | maintenance fee | | - | 16,000,000.00 |
| 8/1/2014 | STEPHEN MURATHI KAMBI | | 2,000,000.00 | 14,000,000.00 |
| 8/5/2014 | OGETO MOSES NYANGARESI | | 2,000,000.00 | 12,000,000.00 |
| 6/8/2014 | July 2014 principal loan repayments | 2,904,463.00 | | 14,904,463.00 |
| 8/16/2014 | MARTIN MUGO KANYI | | 2,000,000.00 | 12,904,463.00 |
| 8/21/2014 | ABDI IBRAHIM HASSAN | | 2,000,000.00 | 10,904,463.00 |
| 8/27/2014 | JACKSON MWANGI NGARI | | 2,000,000.00 | 8,904,463.00 |
| 8/28/2014 | ISAAC NJORGE NGIGE | | 2,000,000.00 | 6,904,463.00 |
| 31/08/2014 | maintenance fee | | - | 6,904,463.00 |
| 31/08/2014 | August 2014 principal loan repayments | 4,667,286.56 | | 11,571,749.56 |

Family Bank Towers, 2nd Floor, Family Bank Towers.

P.O. Box 74145 - 00200 Nairobi, Muindi Mbingu Street

Tel: 020 325 2000 Cell: +254 703 095 000

| | | | | |
|------------|--|---------------|---------------|---------------|
| 30/09/2014 | interest payment on July 2014 principal repayment | 20,588.32 | | 11,592,337.87 |
| 30/09/2014 | interest payment on August 2014 principal repayment | 32,939.23 | | 11,625,277.10 |
| 30/09/2014 | interest payment on un-utilized balance - June 2014 | 554,635.48 | | 12,179,912.58 |
| 30/09/2014 | interest payment on un-utilized balance - July 2014 | 113,416.18 | | 12,293,328.76 |
| 30/09/2014 | interest payment on un-utilized balance - August 2014 | 48,728.03 | | 12,342,056.79 |
| 30/09/2014 | maintenance fee | | - | 12,342,056.79 |
| 9/10/2014 | September 2014 principal loan repayments | 6,927,758.00 | | 19,269,814.78 |
| 10/17/2014 | JANET AYAKO WALA | | 2,000,000.00 | 17,269,814.78 |
| 31/10/2014 | maintenance fee | | - | 17,269,814.78 |
| 10/11/2014 | October 2014 principal loan repayments | 6,987,698.13 | | 24,257,512.91 |
| 30/11/2014 | maintenance fee | | - | 24,257,512.91 |
| 9/12/2014 | November 2014 principal loan repayments | 7,020,638.57 | | 31,278,151.48 |
| 31/12/2014 | interest payment on September 2014 principal repayment | 39,789.15 | | 31,317,940.63 |
| 31/12/2014 | interest payment on October 2014 principal repayment | 42,616.31 | | 31,360,556.94 |
| 31/12/2014 | interest payment on November 2014 principal repayment | 42,505.25 | | 31,403,062.19 |
| 31/12/2014 | interest payment on un-utilized balance - September 2014 | 70,885.84 | | 31,473,948.03 |
| 31/12/2014 | interest payment on un-utilized balance - October 2014 | 105,324.48 | | 31,579,272.52 |
| 31/12/2014 | interest payment on un-utilized balance - November 2014 | 146,862.96 | | 31,726,135.48 |
| 31/12/2014 | maintenance fee | | - | 31,726,135.48 |
| 8/1/2015 | December 2014 principal loan repayments | 7,117,782.61 | | 38,843,918.09 |
| 31/01/2015 | maintenance fee | | - | 38,843,918.09 |
| 12/2/2015 | January 2015 principal loan repayments | 7,144,311.04 | | 45,988,229.12 |
| 28/02/2015 | maintenance fee | | - | 45,988,229.12 |
| 5/3/2015 | BENADETTE WANGUI NGANGA | | 2,000,000.00 | 43,988,229.12 |
| 17/03/2015 | February 2015 principal loan repayments | 7,236,935.93 | | 51,225,165.05 |
| 31/03/2015 | interest payment on December 2014 principal repayment | 44,411.66 | | 51,269,576.71 |
| 31/03/2015 | interest payment on January 2015 principal repayment | 44,252.25 | | 51,313,828.96 |
| 31/03/2015 | interest payment on February 2015 principal repayment | 40,521.01 | | 51,354,349.97 |
| 31/03/2015 | interest payment on un-utilized balance - December 2014 | 197,956.35 | | 51,552,306.32 |
| 31/03/2015 | interest payment on un-utilized balance - January 2015 | 240,601.36 | | 51,792,907.68 |
| 31/03/2015 | interest payment on un-utilized balance - February 2015 | 257,497.04 | | 52,050,404.72 |
| 31/03/2015 | maintenance fee | | - | 52,050,404.72 |
| 4/8/2015 | March 2015 principal repayments | 7,252,501.24 | | 59,302,905.96 |
| 31/04/2015 | maintenance fee | | - | 59,302,905.96 |
| 5/8/2015 | april 2015 principal repayments | 7,270,591.68 | | 66,573,497.64 |
| 5/31/2015 | maintenance fee | | - | 66,573,497.64 |
| 19/06/2015 | may 2015 principal repayments | 7,288,727.36 | | 73,862,225.00 |
| 6/30/2015 | interest payment on March 2015 principal repayment | 44,969.51 | | 73,907,194.52 |
| 6/30/2015 | interest payment on April 2015 principal repayment | 43,119.49 | | 73,950,314.00 |
| 6/30/2015 | interest payment on May 2015 principal repayment | 44,320.66 | | 73,994,634.67 |
| 6/30/2015 | interest payment on un-utilized balance - March 2015 | 322,741.24 | | 74,317,375.91 |
| 6/30/2015 | interest payment on un-utilized balance - April 2015 | 351,706.04 | | 74,669,081.95 |
| 6/30/2015 | interest payment on un-utilized balance - May 2015 | 404,814.38 | | 75,073,896.33 |
| 6/30/2015 | maintenance fee | | - | 75,073,896.33 |
| 7/15/2015 | GARNISHEE ORDER MISC CAUSE NO. 148 OF 2013 | | 50,987,985.00 | 24,085,911.33 |
| 16-07-2015 | REVISED GARNISHEE ORDER MISC CAUSE NO. 148 OF 2013 | 50,987,985.00 | | 75,073,896.33 |
| 17/07/2015 | June 2015 principal repayments | 7,308,172.79 | | 82,382,069.12 |
| 7/31/2015 | interest payment on June 2015 principal repayment | 42,157.85 | | 82,424,226.96 |
| 7/31/2015 | interest payment on un-utilized balance - June 2015 | 433,070.46 | | 82,857,297.42 |
| 7/31/2015 | maintenance fee | | - | 82,857,297.42 |
| | CLEAR BALANCE | | | 82,857,297.42 |
| | VALUE BALANCE | | | 82,857,297.42 |
| | UNCLEAR BALANCE | | | 0 |



MORTGAGE


Family Bank
 With you, for life

ACCOUNT NAME: NAIROBI CITY COUNTY MORTGAGE SCHEME FUND
 CUSTOMER NO: 1381765
 ACCOUNT NO.: 12000035543
 ACCOUNT TYPE: Business Current(KES)

| TRANSACTION DATE | PARTICULARS | IN | OUT | TOTAL BALANCE |
|------------------|--|----------------|----------------|----------------|
| 2/Oct/14 | NAIROBI COUNTY ASSEMBLY 49D2997101 | 100,000,000.00 | | 100,000,000.00 |
| 20/Nov/14 | Real time Gross Settlement FROM NAIROBI CITY COUNTY MORTGAGE SCHEME FUND | | 100,000,000.00 | |
| 26/Nov/14 | NAIROBI COUNTY ASSEMBLY 49D2997101 | 100,000,000.00 | | 100,000,000.00 |
| 5/Dec/14 | loan disbursement to HON. FREDRICK NJOGU NJOROGE | | 1,100,000.00 | 98,900,000.00 |
| 5/Dec/14 | KENNEDY ODURU NYARUMBA | | 1,130,000.00 | 97,770,000.00 |
| 5/Dec/14 | PETRONILA NAFULA ACHIENG | | 1,100,000.00 | 96,670,000.00 |
| 11/Dec/14 | GEORGE OCHIENG OCHOLA | | 970,000.00 | 95,700,000.00 |
| 11/Dec/14 | JANET MUTHONI KIMONDO | | 860,000.00 | 94,840,000.00 |
| 11/Dec/14 | MAXWELL OCHIENG OCHAR | | 940,000.00 | 93,900,000.00 |
| 11/Dec/14 | MERCY WANJIKU KARIUKI | | 1,120,000.00 | 92,780,000.00 |
| 11/Dec/14 | MONICAH WARUIRU NDEGWA | | 1,120,000.00 | 91,660,000.00 |
| 15/Dec/14 | ALEXINA LIKONO MUDI | | 1,120,000.00 | 90,540,000.00 |
| 15/Dec/14 | ALVIN OLANDO PALAPALA | | 1,130,000.00 | 89,410,000.00 |
| 15/Dec/14 | CELESTYNE ONGERE OWINO | | 390,000.00 | 89,020,000.00 |
| 15/Dec/14 | DANIEL KITHAMA MUTISO | | 1,565,000.00 | 87,455,000.00 |
| 15/Dec/14 | DANIEL MBUGUA MARI | | 1,120,000.00 | 86,335,000.00 |
| 15/Dec/14 | DORCAS MUTHONI NGANGA | | 990,000.00 | 85,345,000.00 |
| 15/Dec/14 | ELIZABETH SANG | | 990,000.00 | 84,355,000.00 |
| 15/Dec/14 | HAWA DAFALA ABSUNUN | | 990,000.00 | 83,365,000.00 |
| 15/Dec/14 | JEFFER ABDULWAHAB KASSAM | | 540,000.00 | 82,825,000.00 |
| 15/Dec/14 | JOYCE NAMBWIRE BOCHA | | 1,100,000.00 | 81,725,000.00 |
| 15/Dec/14 | KINGSLEY WELLINGTON ODIDA | | 950,000.00 | 80,775,000.00 |
| 15/Dec/14 | MARK NDUNGU NGANGA | | 1,130,000.00 | 79,645,000.00 |
| 15/Dec/14 | MIKE OBONYO GUORO | | 1,130,000.00 | 78,515,000.00 |
| 15/Dec/14 | NANCY NYAMBURA MWAURA | | 1,050,000.00 | 77,465,000.00 |
| 15/Dec/14 | PETER OWERA OLUOCH | | 1,130,000.00 | 76,335,000.00 |
| 15/Dec/14 | PETER VUKINDU ISUHA | | 1,120,000.00 | 75,215,000.00 |
| 15/Dec/14 | PETER WAHINYA NJAU | | 1,130,000.00 | 74,085,000.00 |
| 15/Dec/14 | PETER WANYOIKE GITAU | | 1,120,000.00 | 72,965,000.00 |
| 15/Dec/14 | PIUS OWINO OTIENO | | 1,470,000.00 | 71,495,000.00 |
| 15/Dec/14 | RACHEL WANJIKU KAMWERU | | 860,000.00 | 70,635,000.00 |
| 15/Dec/14 | ROBERT MBATIA | | 1,200,000.00 | 69,435,000.00 |
| 15/Dec/14 | TABITHA AKINYI JUMA | | 1,120,000.00 | 68,315,000.00 |
| 15/Dec/14 | TABITHA WOTHAYA NDIGIRIGI | | 1,100,000.00 | 67,215,000.00 |
| 17/Dec/14 | BONIFACE KITAVI DAVID | | 830,000.00 | 66,385,000.00 |
| 17/Dec/14 | CHRISTINE ALOO ABUTO | | 990,000.00 | 65,395,000.00 |
| 17/Dec/14 | DAVID NJILITHIA MBERIA | | 1,270,000.00 | 64,125,000.00 |
| 17/Dec/14 | ELIZABETH AKINYI MANYALA | | 810,000.00 | 63,315,000.00 |
| 17/Dec/14 | JAMES KINUTHIA WAMIJA | | 1,130,000.00 | 62,185,000.00 |
| 17/Dec/14 | JOHN WAWERU KINUTHIA | | 1,130,000.00 | 61,055,000.00 |
| 17/Dec/14 | KENNETH IRUNGU MWANGI | | 1,130,000.00 | 59,925,000.00 |
| 17/Dec/14 | MARTIN KINYANJUI MUNGAI | | 1,135,000.00 | 58,790,000.00 |
| 17/Dec/14 | PETER MIGWI GICHOHI | | 460,000.00 | 58,330,000.00 |
| 17/Dec/14 | PETER MURIITHI WARUTERE | | 1,050,000.00 | 57,280,000.00 |
| 17/Dec/14 | RUTH NJERI NYAMBURA | | 1,120,000.00 | 56,160,000.00 |
| 17/Dec/14 | VICTORIA AGANI ALALI | | 1,130,000.00 | 55,030,000.00 |
| 18/Dec/14 | KENNEDY OKEYO NGONDI | | 1,300,000.00 | 53,730,000.00 |
| 18/Dec/14 | MAURICE GARI OTIENO | | 1,500,000.00 | 52,230,000.00 |
| 18/Dec/14 | MOHAMED ABDI ABDIRAHMAN | | 1,130,000.00 | 51,100,000.00 |
| 19/Dec/14 | ALFRED AMBANI MUHINDI | | 1,560,000.00 | 49,540,000.00 |
| 19/Dec/14 | ALHAD AHMED ADAM | | 1,560,000.00 | 47,980,000.00 |
| 19/Dec/14 | AMOS MBUTHI MUKAMI | | 1,130,000.00 | 46,850,000.00 |
| 19/Dec/14 | ASHA ABDI SOSSO | | 1,120,000.00 | 45,730,000.00 |
| 19/Dec/14 | BEATRICE KWAMBOKA MAKORI | | 1,096,000.00 | 44,634,000.00 |
| 19/Dec/14 | ELKANA OMOGA MAUTI | | 1,130,000.00 | 43,504,000.00 |
| 19/Dec/14 | FREDRICK OWINO OBENGE | | 1,100,000.00 | 42,404,000.00 |
| 19/Dec/14 | JAMES MWAURA CHEGE | | 1,420,000.00 | 40,984,000.00 |

Family Bank Ltd. Head Office, Family Bank Towers.

P.O. Box 74145 - 00200 Nairobi, Muindi Mbingu Street

Tel: 020 325 2000 Cell: +254 703 095 000

Transforming Life!



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|-----------|--|---------------|--------------|----------------|
| 19/Dec/14 | LEAH MUMO MATEE | | 590,000.00 | 40,394,000.00 |
| 19/Dec/14 | MAGDALENE MWENDWA MBOGORI | | 1,120,000.00 | 39,274,000.00 |
| 19/Dec/14 | NELSON MASIGA MARAKALU | | 580,000.00 | 38,694,000.00 |
| 19/Dec/14 | OGETO MOSES NYANGARESI | | 1,380,000.00 | 37,314,000.00 |
| 19/Dec/14 | PATRICK NGARUIYA CHEGE | | 1,120,000.00 | 36,194,000.00 |
| 19/Dec/14 | WILFRED OLUOCH ODALO | | 1,600,000.00 | 34,594,000.00 |
| 19/Dec/14 | WILLIAM ORACHA ABUKA | | 1,800,000.00 | 32,794,000.00 |
| 20/Dec/14 | PETER ANYULE IMWATOK | | 1,130,000.00 | 31,664,000.00 |
| 22/Dec/14 | AWINO NYANGALA | | 1,130,000.00 | 30,534,000.00 |
| 22/Dec/14 | FLORENCE ACHIENG ATHEMBO | | 650,000.00 | 29,884,000.00 |
| 22/Dec/14 | PIUS MWAURA MBONO | | 1,120,000.00 | 28,764,000.00 |
| 22/Dec/14 | ROSE ADHIAMBO OGONDA | | 1,130,000.00 | 27,634,000.00 |
| 22/Dec/14 | ROSEMARY WAIRIMU MACHARIA | | 1,130,000.00 | 26,504,000.00 |
| 22/Dec/14 | SAMUEL NDUNGU NJORGE | | 1,120,000.00 | 25,384,000.00 |
| 22/Dec/14 | SAMWEL NYABERI NYANGWARA | | 1,500,000.00 | 23,884,000.00 |
| 23/Dec/14 | JACKSON MWANGI NGARI | | 1,120,000.00 | 22,764,000.00 |
| 23/Dec/14 | SAMUEL IRUNGU MWANGI | | 850,000.00 | 21,914,000.00 |
| 23/Dec/14 | SHADRACK JUMA NYAMBU | | 1,290,000.00 | 20,624,000.00 |
| 23/Dec/14 | STEPHEN MURATHI KAMBI | | 1,070,000.00 | 19,554,000.00 |
| 24/Dec/14 | CAROLINE ACHIENG MUGA | | 1,130,000.00 | 18,424,000.00 |
| 24/Dec/14 | NJUGUNA MANGI | | 1,050,000.00 | 17,374,000.00 |
| 31/Dec/14 | Interest payment on October 2014 un utilized credit | 550,855.89 | | 17,324,855.89 |
| 31/Dec/14 | Interest payment on November 2014 un utilized credit | 423,803.01 | | 18,348,658.90 |
| 31/Dec/14 | Interest payment on December 2014 un utilized credit | 108,405.69 | | 18,457,064.60 |
| 31/Dec/14 | Maintenance fee | | | 18,457,064.60 |
| 3/Jan/15 | JOASH OMWENGA MOSE KENGERE | | 1,130,000.00 | 17,327,064.60 |
| 3/Jan/15 | MARGARET ACHOLA SEWE | | 1,130,000.00 | 16,197,064.60 |
| 3/Jan/15 | SAMUEL KAGIRI MWANGI | | 1,120,000.00 | 15,077,064.60 |
| 5/Jan/15 | ALEX OUDA OTIENO | | 1,020,000.00 | 13,997,064.60 |
| 6/Jan/15 | ALEX SANAIKA OLE MAGALO | | 2,900,000.00 | 11,097,064.60 |
| 7/Jan/15 | ALEXANDER MUTISYA MULATYA | | 1,120,000.00 | 9,977,064.60 |
| 7/Jan/15 | ANDREW MACHARIA MBAU | | 1,120,000.00 | 8,857,064.60 |
| 7/Jan/15 | CHARLES THUO WAKARINDI | | 1,350,000.00 | 7,507,064.60 |
| 7/Jan/15 | GEORGE MAINA NJORGE | | 1,120,000.00 | 6,387,064.60 |
| 7/Jan/15 | HASHIM KAMAU ATHMAN | | 1,120,000.00 | 5,267,064.60 |
| 7/Jan/15 | IMELDA NAFULA WANJALA | | 1,000,000.00 | 4,267,064.60 |
| 7/Jan/15 | KAREN WANJIKU GITHAIGA | | 1,120,000.00 | 3,147,064.60 |
| 7/Jan/15 | MANOAH KAREGA MBOKU | | 1,080,000.00 | 2,067,064.60 |
| 7/Jan/15 | MARTIN WAWERU GICHUHI | | 1,560,000.00 | 507,064.60 |
| 7/Jan/15 | ROSEANANCY LUCHIRI | | 1,100,000.00 | (592,935.40) |
| 7/Jan/15 | WILSON ONGELE OCHOLA | | 810,000.00 | (1,402,935.40) |
| 8/Jan/15 | December 2014 principal loan repayments | 2,707,258.87 | | 1,304,323.47 |
| 31/Jan/15 | Maintenance fee | | | 1,304,323.47 |
| 10/Feb/15 | NAIROBI CITY COUNTY | 80,000,000.00 | | 81,304,323.47 |
| 12/Feb/15 | January 2015 principal loan repayments | 3,187,166.74 | | 84,491,490.20 |
| 26/Feb/15 | BENSON LIGAVOH AMUTAVI | | 1,450,000.00 | 83,041,490.20 |
| 26/Feb/15 | CLARENCE KIPKEMOI MUNGA | | 1,400,000.00 | 81,641,490.20 |
| 26/Feb/15 | JACKSON KIAMA GIKANDI | | 840,000.00 | 80,801,490.20 |
| 26/Feb/15 | JAIRI ATENYA ASITIBA | | 1,450,000.00 | 79,351,490.20 |
| 26/Feb/15 | MILLICENT WAMBUI MUGADI | | 1,450,000.00 | 77,901,490.20 |
| 26/Feb/15 | RONALD MELKIZEDEK MILARE | | 1,800,000.00 | 76,101,490.20 |
| 28/Feb/15 | OSCAR OTIENO LORE | | 1,400,000.00 | 74,701,490.20 |
| 28/Feb/15 | Maintenance fee | | | 74,701,490.20 |
| 4/Mar/15 | AMINA MOHAMED MOHAMED | | 900,000.00 | 73,801,490.20 |
| 4/Mar/15 | ANTHONY KIRAGU KARANJA | | 1,000,000.00 | 72,801,490.20 |
| 4/Mar/15 | DAVID NJORGE KAIRU | | 1,000,000.00 | 71,801,490.20 |
| 4/Mar/15 | HELEN NAIRUKO KATANGIE | | 1,010,000.00 | 70,791,490.20 |
| 4/Mar/15 | HERMAN MASABU AZANGU | | 1,200,000.00 | 69,591,490.20 |
| 4/Mar/15 | OMONDI MAURICE AKUK | | 2,000,000.00 | 67,591,490.20 |
| 4/Mar/15 | PETER WAHINYA KIMUHU | | 1,010,000.00 | 66,581,490.20 |
| 4/Mar/15 | SUSAN KARIMI NJUE | | 590,000.00 | 65,991,490.20 |
| 4/Mar/15 | ZULFA HAKIM MOHAMMED | | 1,000,000.00 | 64,991,490.20 |
| 5/Mar/15 | BENADETTE WANGUI NGANGA | | 1,000,000.00 | 63,991,490.20 |
| 5/Mar/15 | CATHERINE APIYO OKOTH | | 1,000,000.00 | 62,991,490.20 |
| 5/Mar/15 | DANIEL ORIA ODHAMBO | | 860,000.00 | 62,131,490.20 |

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|-----------|---|--------------|--------------|---------------|
| 5/Mar/15 | ERASTUS MUIRURI MBURU | | 1,000,000.00 | 61,131,490.20 |
| 5/Mar/15 | KENNETH THUGI MUROI | | 1,400,000.00 | 59,731,490.20 |
| 5/Mar/15 | OSMAN ADOW IBRAHIM | | 1,100,000.00 | 58,631,490.20 |
| 11/Mar/15 | MICHAEL WAINAINA WANJIKU | | 1,400,000.00 | 57,231,490.20 |
| 17/Mar/15 | February 2015 principal loan repayments | 3,197,151.92 | | 60,428,642.12 |
| 31/Mar/15 | Interest payment on December 2014 principal repayment | 16,892.04 | | 60,445,534.16 |
| 31/Mar/15 | Interest payment on January 2015 principal repayment | 19,741.49 | | 60,465,275.65 |
| 31/Mar/15 | Interest payment on February 2015 principal repayment | 17,901.48 | | 60,483,177.12 |
| 31/Mar/15 | Interest payment on January 2015 un utilized credit | 9,569.65 | | 60,492,746.77 |
| 31/Mar/15 | Interest payment on February 2015 un utilized credit | 419,615.62 | | 60,912,362.39 |
| 31/Mar/15 | Interest payment on March 2015 un utilized credit | 380,804.61 | | 61,293,167.00 |
| 31/Mar/15 | maintenance fee | | - | 61,293,167.00 |
| 8/Apr/15 | March 2015 principal loan repayments | 4,041,289.22 | | 65,334,456.23 |
| 20/Apr/15 | MICHAEL OGADA OKUMU | | 1,000,000.00 | 64,334,456.23 |
| 30/Apr/15 | maintenance fee | | - | 64,334,456.23 |
| 11/May/15 | April 2015 principal repayments | 4,097,681.80 | | 68,432,138.03 |
| 30/May/15 | maintenance fee | | - | 68,432,138.03 |
| 19/Jun/15 | May 2015 principal repayments | 4,105,211.26 | | 72,537,349.29 |
| 30/Jun/15 | Interest payment on April 2015 principal repayment | 25,058.22 | | 72,562,407.51 |
| 30/Jun/15 | Interest payment on May 2015 principal repayment | 24,302.00 | | 72,586,709.52 |
| 30/Jun/15 | Interest payment on June 2015 principal repayment | 24,962.61 | | 72,611,672.13 |
| 30/Jun/15 | Interest payment on April 2015 un utilized credit | 382,266.86 | | 72,993,939.00 |
| 30/Jun/15 | Interest payment on May 2015 un utilized credit | 416,854.82 | | 73,410,793.81 |
| 30/Jun/15 | Interest payment on June 2015 un utilized credit | 424,619.32 | | 73,835,413.13 |
| 30/Jun/15 | maintenance fee | | - | 73,835,413.13 |
| 1/Jul/15 | JULIUS MWANIKI MUCHIRI | | 1,700,000.00 | 72,135,413.13 |
| 17/Jul/15 | June 2015 principal repayments | 4,115,655.73 | | 76,251,068.86 |
| 31/Jul/15 | Interest payment on June 2015 principal repayment | 23,741.53 | | 76,274,810.39 |
| 31/Jul/15 | Interest payment on July 2015 un utilized credit | 453,227.60 | | 76,728,037.99 |
| 31/Jul/15 | maintenance fee | | 0 | 76,728,037.99 |
| | | | | |
| | CLEAR BALANCE | | | 76,728,037.99 |
| | VALUE BALANCE | | | 76,728,037.99 |
| | UNCLEAR BALANCE | | | 0 |

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5TH JULY 2016

THE CLERK
NAIROBI CITY COUNTY ASSEMBLY
P.O. BOX 45844-00100
NAIROBI, KENYA



NAIROBI CITY COUNTY COMMENTS ON AUDIT RESPONSES FOR 2014/2015 AUDIT OBSERVATIONS FOR CAR AND MORTGAGE SCHEME FUNDS

We refer to our letter dated 6th June 2016, your subsequent response dated 09th June 2016 ref NBI/CA/FM/122/2016 and the hearing held on 29th June 2016 by the Public Accounts Committee and respond as hereinunder:

1. Maintenance of account record

We once again resubmit the individual members' loan ledgers which kindly acknowledge receipt in settlement of this matter

As earlier communicated in our above referenced letter dated 6th June 2016 and other prior correspondences, the bank could not provide a statement in the format required by the County Service Board due to system configuration constraints as previously communicated. We herein re-submit on Bank letter head the fund statement capturing funds movement as adopted by the reconciliation team and presented to the Public Accounts Committee

On interest accrued on the fund, we have revised the interest computation to capture the accumulated principal repayments and herein attach the revised position. The understated interest totaling Kes 2,864,886.13 (Car loan Kshs 2,468,612.81 & Mortgage Kshs 396,273.32) shall be paid to you upon agreement to bring this matter to rest.

We herein attach a list of payments made to Jubilee Insurance on your behalf. The policy documents are in your custody as confirmed in your letter dated 9th June 2016 ref NBI/CA/FM/122/2016.

2. Interest on Service Level Agreement

Having resolved the interest computation basis as above captured and attached revised position, we are now on the same page on the interpretation of the SLA.

Invoices for the administrative fees: - we wish to affirm that the Bank did not debit any charges on the fund account, the 3% interest was charged on member loans as per the terms and conditions of the SLA duly executed by the parties. The fund has been fully credited with interest at prevailing TB rate as contained in the SLA.

Family Bank Ltd. Head Office, Family Bank Towers.

P.O. Box 74145 - 00200 Nairobi, Muindi Mbingu street

Tel: 020 325 2000, Cell: +254 703 095 000

Email: info@familybank.co.ke www.familybank.co.ke

CA-PAC
Table before the
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written for communication
Bank
Transforming Life!
2016


Earnings on the fund have already been paid as earlier communicated. The interest shortfall captured above on this letter following the interest re-computation on accumulated principal repayments shall also be paid upon agreement.

We have availed group life insurance policy for members against death and permanent disability.

On the refund of unutilized group life premiums for individual members will be refunded prorated once computation is finalized.

Legal fees on garnishee order: - the fees are being discussed with the Lawyer handling the matter. The Bank is willing to consider on a without prejudice basis settling fees not exceeding Kshs 500,000.

For and On Behalf of Family Bank
Signed,



James Karinga
Head of Credit

Cc; Nairobi City County Public Accounts Committee

ENCL: *Individual members loan ledgers*

Fund reconciliation statements – car and mortgage scheme

Revised interest computation for growth of the fund

List of payments made to Jubilee Insurance

Group life Insurance policy document for death and disability