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REPORT

OF

THE AUDITOR-GENERAL

PARLIAMENT
OF KENYA
LIBRARY

ON

**BUNGOMA COUNTY ASSEMBLY
CAR LOAN AND MORTGAGE
SCHEME FUND**

**FOR THE YEAR ENDED
30 JUNE, 2020**



**BUNGOMA COUNTY ASSEMBLY – CAR LOAN AND MORTGAGE
SCHEME FUND**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2020**

**Prepared in accordance with the Accrual Basis of Accounting Method under the International Public
Sector Accounting Standards (IPSAS)**

BUNGOMA COUNTY ASSEMBLY – CAR LOAN AND MORTGAGE SCHEME FUND
Reports and Financial Statements
For the year ended June 30, 2020

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1. KEY ENTITY INFORMATION AND MANAGEMENT

a) Background information

The Bungoma County Assembly Car Loan and Mortgage Scheme Fund is a revolving fund established pursuant to the Salaries and Remuneration Commission (SRC) circular number SRC/TS/WH/3/14 of 14th February 2014. Section 167 of the Public Finance Management (PFM) 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 SRC in the circular under the reference, Bungoma county adopted the PFM regulations 2014 to guide in the operationalization of the fund. The fund is internally administered in the county assembly by the office of the clerk.

The Bungoma County Assembly Car Loan and Mortgage Scheme Fund was set up by the salaries and remuneration commission through circular Ref No. SRC/TS/CGOVT/3/16 of 2013 as a benefit to members of the scheme.

The fund is wholly owned by the county government of Bungoma and is domiciled in Kenya.

b) Principal Activities

The principal activity/mission/ mandate of the fund is to provide car loan and Mortgage to Members of the County Assembly.

c) Loans Management Committee

Ref	Name	Position
1	Hon. James Barasa Mukhongo	Chairperson
2	Hon. Rosemary Nafula Khisa	Vice Chairperson
3	Hon. Jane Cheperenger Ingo	Member
4	Hon. George Makari	Member
5	Hon. Millia Masungu	Member
6	Ms. Rael Nekesa	Member
7	Mr. John Mosongo	Secretary

d) Key Management

No.	Name	Designation
1.	John Mosongo	Fund Administrator
2.	Hon. James Barasa Mukhongo	Chair person
3.	Rael Nekesa Khisa	CASB

e) Bungoma County Assembly Headquarters

P.O. Box 1886 – 50200
Former County Council Building

Moi Avenue
Bungoma

f) Entity Contacts

Telephone: 055 (20) 30854, 055 (20) 30309, +254 722 585582

E-mail: bungomacountyassembly@gmail.com or info@bungomaassembly.go.ke

Website: <http://www.bungomaassembly.go.ke>

g) Fund Bankers

1. Bank of Africa
Bungoma Branch
P.O. Box 1066-50200
Bungoma, Kenya
2. Kenya Commercial Bank of Kenya
Bungoma Branch
P.O. Box 201-50200
Bungoma, Kenya

h) Independent Auditors


Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya




i) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

2. LOANS MANAGEMENT COMMITTEE



The Loans Management Committee during the financial year consisted of:

		<p>Hon. James Barasa Mukhongo- Chairman He was elected MCA Chwele/Kauchai Ward in August 2017.He is the Chairperson Finance and Economic Planning Committee.</p>
		<p>Hon. Rosemary Khisa – Member. She was elected MCA Luuya/Bwake Ward in August 2017 and the Chair Budget and Appropriation Committee in October 2017.</p>
		<p>Hon. Jane Cheperenger Ingo-Member She was nominated MCA in August 2017.She represents women in the Committee.</p>
		<p>Hon.Violet Makhanu-Member She was elected MCA Mihuu Ward in August 2017. She represents women in the Committee.</p>

	<p>Hon. George Makari-Member He was elected MCA Musikoma Ward in August 2017. He is a member of Welfare Committee.</p>
	<p>Ms. Rael Nekesa-Member Ms Rael Nekesa was competitively recruited as member representing the public in 2017. She holds a Bachelor's degree in Business Administration from Maseno University and Masters in Project Planning and Management from University of Nairobi.</p>
	<p>John Mosongo –Clerk/Bungoma Mr. Mosongo was seconded by the transition Authority as the Clerk to the Assembly on February 2013. He was later recruited through a competitive process as the Clerk to County Assembly of Bungoma and Secretary to the County Assembly Board on 12th January 2014. He is the CEO and the adviser to the Speaker</p>

3. MANAGEMENT TEAM

The management during the financial year consisted of:

	<p>John Mosongo –Fund Administrator</p> <p>Mr. Mosongo was seconded by the transition Authority as the Clerk to the Assembly on February 2013. He was later recruited through a competitive process as the Clerk to County Assembly of Bungoma and Secretary to the County Assembly Board on 12th January 2014. He is the CEO and the adviser to the Speaker.</p> <p>Mr. Mosongo holds a Bachelor of Arts Degree from University of Nairobi. He has undertaken a Senior Management Course and Strategic Leadership Course offered by the Kenya School of Government. Mr. Mosongo is a member of the Labour relations at the Society of Clerks at the Table (SOCATT</p>
	<p>Hon. James Barasa Mukhongo- Chairman</p> <p>He was elected MCA Chwele/Kabuchai Ward in August 2017.He is the Chairperson Finance and Economic Planning Committee.</p>
	<p>Ms. Rael Nekesa-CASB Member</p> <p>Ms Rael Nekesa was competitively recruited as member representing the public in 2017. She holds a Bachelor’s degree in Business Administration from Maseno University and Masters in Project Planning and Management from University of Nairobi.</p>

4. FUND CHAIRPERSON'S REPORT

It is my pleasure to present, on behalf of the Loans Management Committee, the County Assembly of Bungoma Car Loan and Mortgage Scheme fund financial statements for the year ended 30th June 2020. The financial statements present the financial performance of the fund over the past year.

Sustainability

The fund and its stakeholders are increasingly emphasizing on the need to ensure sustainability for both its investments and its resource mobilization and financing capabilities with an objective of ensuring that the fund's going concern is secured.

Review of performance

Income

The fund earned interest amounting to KShs. 5,922,321 revenues from exchange transactions.

Expenditures

The total expenditures during the period amounted to Kshs.3,682,793 which is a significant drop from the previous financial year which amounted to KShs. 8,524,432. The Committee expenses amounted to KShs.3,614,700 and other expenses (Bank Charges) amounted to KShs. 68,093.

Future outlook

The outlook of the Fund for 2020/2021 looks brighter. The fund focus is looking to build a robust and sustainable fund with a motivated workforce and structures that enhance efficiency and effectiveness in the service delivery. The fund looks forward to continued support from the county government to the realization of its mandate.

Appreciation

I take this opportunity to express my sincere gratitude and appreciation to the county government, stakeholders, management, staff and fellow members of the committee for their continued support which made us achieve these results.

I look forward to your continued support in the year 2020/2021.

Signed: _____



Hon. James Barasa Mukhongo
Loan Management Committee Chairperson

5. REPORT OF THE FUND ADMINISTRATOR

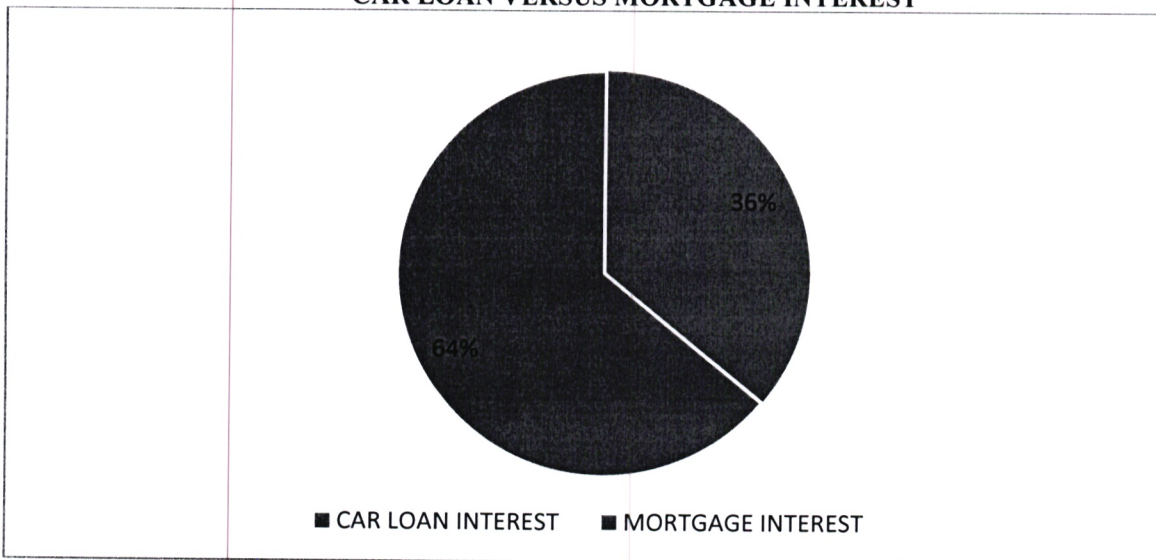
It is my pleasure to present the County Assembly of Bungoma car loan and Mortgage Scheme financial statements for the year ended 30th June 2020. The financial statements present the financial performance of the fund over the past year.

Financial Performance

a) Revenue

In the year ended 30th June 2020, the fund was able to realise KShs. 5,922,321 in actual interest.

CAR LOAN VERSUS MORTGAGE INTEREST



b) Loans

During the financial year 2019/2020, the fund disbursed 3 new loans. Total amount of loans disbursed during the financial year amounted to Kshs. 5,850,000.

c) Cash flows

There was an increase in cash and cash equivalents from KShs. 11,750,072 as at 30 June 2019 to KShs.55,522,325 as at 30 June 2020. There was a significant cash inflow as a result of repayment by members. There was a significant reduction in loan disbursements in the current financial year which amounted to Kshs.5,850,000 as compared to the previous financial year 2018/2019 where total amount disbursed amounted to Kshs. 102,273,477.


The total amount for repayment of loans for financial year 2019/2020 amounted to Kshs. 77,305,352 which is a slight increase compared to financial year 2018/2019 where total loan repayment amounted to Kshs. 74,113,152.

d) Conclusion

FY 2019/2020 was a good year in general. Good progress was made and the momentum has been created to enable County Assembly of Bungoma Car Loan and Mortgage Scheme Fund continues on a trajectory into prosperity. We have identified gaps and areas to improve on in the subsequent years.

I take this opportunity to thank the Loans Management Committee for their support. I would also want to thank all staff who we have worked hand in hand to ensure that County Assembly of Bungoma Car Loan and Mortgage Scheme Fund achieves its mission.

Signed: _____



John Ongwae Mosongo

Fund Administrator

6. CORPORATE GOVERNANCE STATEMENT

THE COMMITTEE

The Bungoma county assembly car loan and mortgage scheme fund is a revolving fund established pursuant to the Salaries and Remuneration Commission (SRC) circular number SRC/TS/WH/3/14 of 14th February 2014 Section 167 of the Public Finance Management (PFM) Act 2012. Its mandate is to provide car loans and mortgage to Members of County Assembly. The fund is committed to ensuring compliance with regulatory and supervisory corporate governance requirements. Essential to the establishment of a corporate governance framework in the fund is a formal governance structure with the Loans Management Committee at its apex. The operations of the fund are governed by the Members Car Loan and Mortgage regulations made on 26th April, 2014. The structure is designed to ensure an informed decision making process based on accurate reporting to the board.

THE LOANS MANAGEMENT COMMITTEE

The Car Loan and Mortgage Regulations 2014 provide that the Loans Management Committee shall consist of Chairman (Finance & Economic Planning) as the chairperson of the Committee, one member(Budget & Appropriation Committee), one member(CASB),one member (Welfare Committee), two members of the county assembly (Women Representation) and Clerk of the County Assembly. The Committee is responsible for the long-term strategic direction of the fund and recruitment of the Fund Administrator and senior management. The Committee exercises leadership, enterprise, integrity and judgment in directing the Fund.

The committee members are provided with full, appropriate and timely information that enables them to maintain full and effective control over the strategic, financial, operational and compliance issues. The day-to-day running of the operations of the fund is delegated to the fund administrator but the Committee is responsible for establishing and maintaining the fund's system of internal controls for the realization of its mandate of providing Car loan and mortgage to members of the scheme.

All members of the Loans Management Committee have been taken through a comprehensive induction programme, and are adequately trained on their roles as Committee members. The members are professional, committed and guided by the mission, vision and core values of the Fund in execution of their duties.

LOANS MANAGEMENT COMMITTEE MEETINGS

The meeting of the committee shall be convened by the chairperson or on his/her absence, by a member designated as the chairperson and shall be convened at such times as may be necessary for discharge of Committee's functions. The quorum for meetings shall be the chairperson and any three members.

STATEMENT OF CORPORATE GOVERNANCE (Continued)

AUDIT AND RISK COMMITTEE

In ensuring that corporate governance and integrity is enhanced in between the governance of the fund, the Loans Management Committee engages an audit and risk committee established by County Assembly Service Board. The audit and risk committee advises the Loans Management Committee on institutional risk management and compliance. The members of this committee during the year under review were:

S/No.	Name	Position in committee
1	Mr. Calistus Wekesa Waswa	Chairman Audit committee
2	Dr. Destaings N. Nyongesa	Member Audit committee
3	CPA Jackson Wetosi	Member Audit committee
4	Mrs. Diana Khaemba	Member Audit committee
5	Mr. Alfred Makokha	Secretary Audit committee

STATEMENT OF COMPLIANCE

The Loans Management Committee confirms that the fund has throughout the FY2019/2020 complied with all statutory and regulatory requirements and that the fund has been managed in accordance with the principles of good corporate governance.

The fringe benefit tax is expected to be paid by the employer (County Assembly Service Board).

INTERNAL CONTROL AND RISK MANAGEMENT

Internal Control

The Loans Management Committee is responsible for reviewing the effectiveness of the fund's system of internal control which is designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against unauthorized use or disposition and the maintenance of proper accounting records and the reliability of financial information used within the business or for publication. These controls are designed to manage rather than eliminate the risk of failure to achieve business objectives due to circumstances which may reasonably be foreseen and can only provide reasonable and not absolute assurance against material misstatement or loss.

Internal Control Framework

The fund continues to review its internal control framework to ensure it maintains a strong and effective internal control environment. Business processes and controls are reviewed on an ongoing basis. A risk-based audit plan, which provides assurance over key business processes and operational and financial risks facing the fund, is approved by the audit and risk committee.

STATEMENT OF CORPORATE GOVERNANCE (Continued)

The audit and risk committee considers significant control matters raised by management and both the internal and external auditors and reports its findings to the Committee. Where weaknesses are identified, the committee ensures that management takes appropriate action. No significant failings or weaknesses were identified during the FY 2019/2020.

Risk Management

The fund has in place a risk management framework which guides the fund in identifying, assessing and managing the risks. The fund has developed a risk register which documents and prescribes mitigating measures of all the risks both external and internal facing the fund. The risk management framework and register are regularly reviewed to incorporate any emerging issues in the operating environment. The risk management is coordinated by the head of internal audit, who reviews all the risks in the fund and updates the risk register and ensures that all new and emerging risks are appropriately evaluated and any further actions identified. The identified risks are reported to the audit and risk committee to assist the Loans Committee in the management of risks.

Management Team

The management team headed by the Fund Administrator implements the Loans Management Committee decisions and policies through action plans. The team meets regularly to review these action plans to ensure that the Committee's objectives are achieved effectively and efficiently.

Auditor

The fund is audited by the Auditor-General.

7. MANAGEMENT DISCUSSION AND ANALYSIS

The fund has continued to grow over the years and the management has put measures in place to safeguard against risks. The fund's activities expose it to a variety of financial risks including credit and liquidity risks. The Fund's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Fund does not hedge any risks and has in place policies to ensure that credit is only extended to members with an established credit history.

BUSINESS PERFORMANCE

Revenue

The fund earned interest amounting to KShs. 5,922,321 from exchange transactions.

The fund remained liquid throughout the year though it experienced low liquidity towards the end of the financial year due to loan disbursements to new applicants. The fund is projecting increased support from the county government.

Cash flow

There was a significant increase in cash and cash equivalents from KShs. 11,750,072 as at 30 June 2019 to KShs. 55,522,325 as at 30 June 2020. There was significant cash outflow and inflow as a result of disbursements and repayments by members.

OPERATIONAL PERFORMANCE

The fund's core operating activity has been the offering car loans and mortgage to Members of County Assembly. The county government has supported the fund and increased collections from members of County Assembly have also added to the fund's better performance.

Conclusion

We appreciate the unrelenting support from the Loans Management Committee, staff, the county government and all the key stakeholders. We look forward to the continued partnerships and cooperation in areas of mutual interest in the FY 2020/2021.

8. REPORT OF THE LOANS MANAGEMENT COMMITTEE

The Committee submits its report together with the audited financial statements for the year ended June 30, 2020 which show the state of the Fund affairs.

Principal activities

The principal activity of the Fund is to provide financing to the Members of County Assembly to purchase cars and Construct houses.

Results

The results of the Fund for the year ended June 30, 2020 are set out on pages 17 to 31.

Committee Members

The members of the Loans Management Committee who served during the year are shown on page 4 & 5. There were no changes in the Committee during the FY 2019/2020.

Auditors

The Auditor General is responsible for the statutory audit of the Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Committee

Ms. Rael Nekesa Khisa

Member of the Committee

Date: _____

9. STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Fund shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

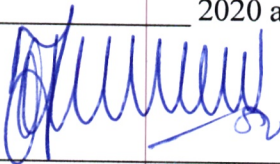
The Administrator of the Bungoma County Assembly Car Loan and Mortgage Scheme Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Administrator of the County Public Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2020, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Administrator of the County Public Fund has assessed the Fund's ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements. Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

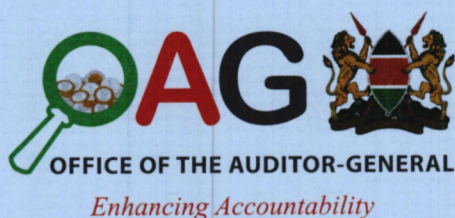
The Fund's financial statements were approved by the Loans Management Committee on _____ 2020 and signed on its behalf by:



John Ongwae Mosongo
Fund Administrator

REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON BUNGOMA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME FUND FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Bungoma County Assembly Car Loan and Mortgage Scheme Fund set out on pages 17 to 34, which comprise of the statement of financial position as at 30 June, 2020, statement of financial performance, statement of changes in net assets, statement of cash flows and the 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Bungoma County Assembly Car Loan and Mortgage Scheme Fund as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance (County Assembly Car Loan (Members) Scheme Fund) Regulations, 2018 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unsupported Non-Current Assets

The statement of financial position reflects non-current assets totaling to Kshs.320,994,399. As disclosed in Note 4B to the financial statements, the balance includes long-term receivables from exchange transactions totalling to Kshs.177,533,117 which further includes non-performing loans owed by former Members of County Assembly (MCAs) amounting to Kshs.33,900,825. Further, as disclosed in Note 4C to the financial statements, the balance includes other long-term receivables totalling to Kshs.20,859,110 disbursed to MCAs to cater for the cost of insurance cover on the properties acquired on loan.

However, the Management did not provide supporting documents showing that the loans were secured and evidence of beneficiaries being pursued for recovery.

In the circumstances, accuracy, completeness and validity of non-current assets totalling to Kshs.320,994,399 reflected in the statement of financial position as at 30 June, 2020 could not be ascertained.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Bungoma County Assembly Car Loan and Mortgage Scheme Fund Management in accordance with ISSAI 130 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.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Borrowing by County Assembly Service Board

As previously reported, the receivables from exchange transactions balance of Kshs.177,533,117 includes an amount of Kshs.64,827,414 in respect of borrowing from the Fund by the County Assembly Service Board and an amount of Kshs.2,252,431 which had not been refunded as at 30 June, 2020. However, it was noted that such borrowing arrangement is done in breach of both the Public Finance Management (County Assembly Members Car Loan Scheme Fund) Regulations, 2018 and the Public Finance Management (County Assembly Members Mortgage Fund, Regulations, 2018, which state that the object and purpose of the Fund is to provide a loan scheme for purchase of vehicles and development, renovation or repair of residential property by members of the scheme.

In the circumstances, the County Assembly Management is in breach of law.

2. Non-Recovery and Remittance of Fringe Benefit Tax

It was noted that the County Assembly Management did not remit to Kenya Revenue Authority (KRA) fringe benefit tax accrued from the low interest loans extended to its members during the year amounting to Kshs.2,542,650 as detailed below:

Interest @ 3%P.A (Kshs.)	Interest at KRA Rate of 7% (Kshs.)	Taxable Fringe Benefit (Kshs.)	FBT @ 30% (Kshs.)
6,356,625	14,832,125	8,475,500	2,542,650

Thus, the Fund did not comply with Section 12(B1) of the Income Tax Act, 2010, which requires an employer to pay fringe benefit tax in respect of a loan provided to an employee or director at an interest rate lower than the market interest rate. Further, the Fund contravened of Section 12(3) of the Act, which requires that fringe benefit tax to be charged on the total taxable value of a fringe benefit provided by an employer in a month and remitted on or before the tenth day of the following month to KRA.

In the circumstances, the County Assembly Management is in breach of 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 EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, 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 2315 and ISSAI 2330. 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 overall 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, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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 resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how the Management 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 overall 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 audit is planned and performed to express a conclusion about 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 and that public resources are applied in an effective way, 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.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall 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 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 applicable 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 Fund's ability to continue 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 Fund 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 Fund 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.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

11 February, 2022

11. FINANCIAL STATEMENTS

11.1. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30th JUNE 2020

	Note	FY2019/2020	FY2018/2019
		KShs	KShs
Revenue from exchange transactions			
Interest income	1	5,922,321	6,862,394
Total revenue		5,922,321	6,862,394
Expenses			
General expenses	2	3,682,793	8,524,432
Total expenses		3,682,793	8,524,432
Surplus/(deficit) for the period		2,239,528	- 1,662,038

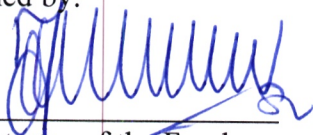
The notes set out on pages 29 and 31 form an integral part of these Financial Statements

BUNGOMA COUNTY ASSEMBLY – CAR LOAN AND MORTGAGE SCHEME FUND
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11.2. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	FY2019/2020	FY2018/2019
		KShs	KShs
Assets			
Current assets			
Cash and cash equivalents	3	55,522,325	11,750,072
Current portion of long term receivables from exchange transactions	4A	67,079,846	36,722,914
Non-current assets			
Long term receivables from exchange transactions	4B	177,533,117	248,988,469
Other Long term Receivables	4C	20,859,110	21,293,414
Total assets		320,994,399	318,754,869
Net assets			
Revolving Fund		315,000,000	315,000,000
Accumulated surplus		5,994,397	3,754,869
Total net assets and liabilities		320,994,397	318,754,869

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on _____ 2020 and signed by:



Administrator of the Fund
 Name: John Ongwae Mosongo

11.3. STATEMENT OF CHANGES IN NET ASSETS AS AT 30 JUNE 2020

	Revolving Fund	Accumulated surplus	Total
		KShs	KShs
Balance as at 1 July 2018	315,000,000	5,416,907	320,416,907
Surplus/(deficit) for the period	-	1,662,038	1,662,038
Balance as at 30 June 2019	315,000,000	3,754,869	318,754,869
Balance as at 1 July 2019	315,000,000	3,754,869	318,754,869
Surplus/(deficit) for the period	-	2,239,528	2,239,528
Balance as at 30 June 2020	315,000,000	5,994,397	320,994,397

11.4. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	Note	FY2019/2020 KShs	FY2018/2019 KShs
Cash flows from operating activities			
Receipts			
Interest received	1	5,922,321	7,368,980
<i>Adjustment</i>			
<i>Less:-Insurance Repayment</i>			(506,586)
Total Receipts		5,922,321	6,862,394
Payments			
General expenses	2	3,682,793	8,524,432
Total Payments		3,682,793	8,524,432
Cash flows from operating activities		2,239,528	(1,662,038)
Adjustments;			
Debtors Borrowings	4A	(72,289,089)	(26,880,000)
Debtors Repayments	4A	41,932,158	63,686,501
Insurance Repayments	4C	434,304	506,586
		(29,922,628)	37,313,087
Net Cash flows from Operating Activities		(27,683,099)	35,651,049
Cash flows from investing activities			
Proceeds from loan principal repayments	4B	77,305,353	67,946,106
<i>Adjustment</i>			
<i>Add:- Loan Principal repayments for the month of June 2019</i>			6,167,047
			74,113,152
Loan disbursements paid out	4B	(5,850,000)	(102,273,477)
Net cash flows used in investing activities		71,455,353	(28,160,325)
Net increase/(decrease) in cash and cash equivalents		43,772,253	7,490,725
Cash and cash equivalents at 1 JULY	3	11,750,072	4,259,347
<i>Cash and cash equivalents at 30 June 2019</i>			4,973,973
<i>Adjustment</i>			
<i>Add:-Loan recoveries deductions for the month of June 2019</i>			6,776,099
Cash and cash equivalents at 30 JUNE	3	55,522,325	11,750,072

Adjustments in prior year 2018/2019:-

- a) The adjustment is meant to correct the insurance received not recognised in the Previous year's Financial statements yet was included in the figure of interest income from Loans.*
- b) The adjustment is meant to correct the amount of Loan Principal repayments for the prior year whereby the figure for June 2019 was left out of the FS.*
- c) The adjustment in cash and cash equivalents as at 30th June 2019 is due to Loan recoveries deductions for the month of June 2019 left out of the prior FS.*

11.5. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED 30th JUNE 2020

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% utilisation
	2020	2020	2020	2020	2020	2020
Revenue	KShs	KShs	KShs	KShs	KShs	
Interest income	5,922,321	-	5,922,321	5,922,321	-	100%
Other income		-	-	-	-	-
Total income	5,922,321	-	5,922,321	5,922,321	-	100%
Expenses						
General expenses	5,922,321	-	5,922,321	3,682,793	2,239,528	62%
Total expenditure	5,922,321	-	5,922,321	3,682,793	2,239,528	62%
Surplus for the period	-	-	-	2,239,528	(2,239,528)	

**BUNGOMA COUNTY ASSEMBLY – CAR LOAN AND MORTGAGE SCHEME
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11.6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Statement of compliance and basis of preparation

The Fund's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Fund. The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

2. Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements.

3. Changes in accounting policies and estimates

The Entity recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

4. Related parties

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the Fund Administrator and the Fund Accountant.

5. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash Imprest and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

6. Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

7. Events after the reporting period

There were no material adjusting and non-adjusting events after the reporting period.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

8. Ultimate and Holding Entity

The entity is a County Public Fund established by Section 167 of the Public Finance Management (PFM) Act 2012. Its ultimate parent is the County assembly of Bungoma.

9. Currency

The financial statements are presented in Kenya Shillings (Kshs).

10. Financial risk management

The Fund's activities expose it to a variety of financial risks including credit and liquidity risks. The Fund's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Fund does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

BUNGOMA COUNTY ASSEMBLY – CAR LOAN AND MORTGAGE SCHEME FUND

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11.7. NOTES TO THE FINANCIAL STATEMENTS

1. Interest income

Description	FY2019/2020	FY2018/2019
	KShs	KShs
Interest income from loans(mortgage or car loans)	5,922,321	7,368,980
<i>Adjustment</i>		
<i>Insurance Received</i>		(506,586)
Total interest income	5,922,321	6,862,394

2. General expenses

Description	FY2019/2020	FY2018/2019
	KShs	KShs
Hospitality (Allowances)	3,614,700	8,447,800
Other expenses-Bank Charges	68,093	76,632
Total	3,682,793	8,524,432

3. Cash and Cash Equivalentents

Description	FY2019/2020	FY2018/2019
	KShs	KShs
Current account	55,522,325	11,750,072
Total cash and cash equivalentents	55,522,325	11,750,072

Detailed analysis of the cash and cash equivalentents are as follows:-

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Financial institution	Account number	FY2019/2020	FY2018/2019
		KShs	KShs
Current account			
Kenya Commercial bank .	1220563730	21,680,986	4,958,866
<i>Adjustment</i>			
<i>Loan Recoveries for the month of June 2019</i>			
			6,776,099
			11,734,965
Kenya Commercial bank Collection	1265050945	33,826,233	-
Bank Of Africa	2624950004	6,260	6,260
Bank Of Africa	2624950017	8,847	8,847
Total		55,522,325	11,750,072

4.

		FY 2019/2020	FY2018/2019
		KShs	KShs
4A	Current Receivables		
	Balance b/f	36,722,914	73,529,415
	Interest receivable		609,052
	<i>Adjustment</i>		
	<i>Less:-Interest for the month of June 2019</i>		<i>(609,052)</i>
			-
	Add:- Additional borrowings	72,289,089	26,880,000
		109,012,003	100,409,415
	Less:- Loan repayments	41,932,157	63,686,501
	Less: impairment allowance	-	-
	Total Current receivables	67,079,846	36,722,914
4B	Non Current receivables		
	Balance b/f	248,988,469	220,828,145
	Add:- Additional borrowings	5,850,000	102,273,477
		254,838,469	323,101,622
	Less:- Loan repayments	77,305,352	67,946,106

(i)

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	<i>Adjustment</i>			
	<i>Add:- Loan Principal repayments for the month of June 2019</i>			6,167,047
				74,113,152
	Long term loan repayments due	177,533,117	248,988,469	
4C	Other exchange debtors-Insurance Receivable			
	Balance b/f	21,293,414	21,800,000	
	Less:-Insurance received	(434,304)		
	<i>Adjustment</i>			
	<i>Less:-Insurance received</i>			(506,586)
	Other Exchange Debtors	20,859,110	21,293,414	
	Total Non current receivables	198,392,227	270,281,883	
	Total receivables from exchange transactions	265,472,073	307,004,797	

(ii)

(iii)

(i). The adjustment is meant to correct the amount of Interest receivable which is already included in the interest amount received and reported in the prior Financial year.

(ii) The adjustment is meant to correct the amount of Loan Principal Repayments for the prior year whereby the figure for June 2019 was left out of the FS.

(iii) The adjustment is meant to recognise Insurance deducted and received during the prior financial year not recognised yet included in the interest received.

5. Related party balances

Due from related parties

	FY2019/2020	FY2018/2019
	KShs	KShs
Due from the County Assembly Board	67,079,846	36,722,914
Total	67,079,846	36,722,914

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12. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue/ Observations from Auditor	Management comments	Focal person to resolve the issue	Point in time	Status	Timed out
1.	Cash and Cash Equivalents It was noted the cash and cash equivalents balance of Kshs.4,973,973 which is detailed under note 4 to the financial statements reflects a bank balance of Kshs.4,973,973 as at 30 June, 2019. However, review of the bank reconciliation statements revealed that the management used the bank certificates of balance for the three (3) bank accounts instead of the reconciled cash book balances totaling Kshs.10,598,566, resulting into an unreconciled variance of Kshs.5,624,893	Adjustments have been made in the current Financial year statements (FY2019/2020) to reflect the Bank reconciliation statement and cash book. For the Bank of Africa Accounts, The Bank certificate balance is equal to the Cash book balance. i.e. there are no unreconciled effects. See also attached Bank reconciliation statements for reference. (Appendix 1)			Resolved	
2.	Non-Current Receivables Included in the figure of non-current receivables of Kshs.276,955,516 under note 5B is long term loan repayments due of Kshs.255,155,516. However,	The figures agree to the supporting schedules. See the summary,recasted plus schedules attached in Appendix 2.			Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal person resolve issue	Point to the	Status	Timeframe
	recasting of the reported long term loan repayments balance yielded a figure of Kshs.255,137,120 leading to an unexplained variance of Kshs.18,396. As a result, the accuracy of the long term loan repayments balance of Kshs.255,155,516 could not be confirmed					
3.	<p>Lack of Security on Loan Disbursed to Members</p> <p>It was noted that the long term loan repayments due totaling Kshs.276,955,516 under note 5(b) to the financial statements, include a balance of Kshs.255,155,516 for both car loan and mortgages which are not secured with registration of logbooks and title deeds on joint ownership of the acquired assets contrary to regulations which require joint registration of ownership and placing the title document in custody of fund administration.</p> <p>In the circumstances, the Fund contravened Regulation 8(2) of the Public Finance (County Assembly Car Loan (Members) Scheme Fund)</p>	The management is facing challenges in the implementation of the recommendation due to budgetary constraints. The titles have been submitted to the fund and the request to charge through an advocate has been launched. However, there has been delay in implementation of the instructions at the lands office due to management instability and COVID 19.			On-going	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal person resolve issue	Point to the	Status	Timeframe
	<p>Regulations, 2018 that requires the log-book of a vehicle subject to a loan from the Fund to be issued jointly between the County Assembly and the member of the Scheme and be kept in the custody of the officer administering the Fund until the loan is repaid in full by the member of the Scheme.</p> <p>Further, the Fund failed to adhere to Regulation 15(1) of the Public Finance Management (County Assembly Mortgage (Members) Scheme Fund) Regulations, 2018, which requires the Fund to have a charge registered on the property financed through a loan granted and its name entered in all documents of title for such property.</p>					
4.	<p>Un-collected Loans Arrears</p> <p>It was noted that included in the long term loan repayments due of Kshs.276,955,516 under note 5(b) in the financial statements is a non-recovered amount of Kshs.33,900,825 relating to loans advanced to members of the first county assembly who did not make it to the current parliament. It was noted that no progress had been made to initiate</p>	<ul style="list-style-type: none"> The Fund administrator noted this and gave demand notices to affected members. Attached herewith are copies of cash deposits to the fund accounts which show effort by members towards repayment. And further the delayed recoveries were largely occasioned by delayed 	Fund Administration Committee		On-going	

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Reference No. on the external audit Report	Issue/ Observations from Auditor	Management comments	Focal person to resolve the issue	Status	Timeframe
	<p>recovery of the outstanding loans held by former members in absence of formal security documentation.</p> <p>Consequently, the Fund was not in compliance with Regulation 12 of the Public Finance (County Assembly Car Loan (Members) Scheme Fund) Regulations, 2018 states that a loan advanced shall be repaid in full over a maximum period of sixty (60) months and Regulation 13 (1) of the Public Finance Management (County Assembly Mortgage (Members) Scheme Fund) Regulations, 2018 which states that a loan granted shall be fully repaid at the end of the term of that Assembly.</p> <p>In the circumstances, it was not possible to ascertain the recoverability of the loan balance of Kshs.33,900,825 reported as at 30 June, 2019.</p>	<p>exchequer releases</p> <ul style="list-style-type: none"> • Today the current reason for uncollected loan arrears is because the members of the Assembly term came to an end eight months earlier and this was not foreseen during disbursement 			
5.	<p>Lack of an Approved Budget</p> <p>Review of the Fund’s loan management committee minutes and financial statements for the year under review revealed that operation of the Fund were not guided by an approved budget. Therefore, administration of the Fund</p>		Fund Administrator	Resolved	

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Reference No. on the external audit report	Issue / Observations from Auditor	Management comments	Focal person resolve issue	Point to the	Status	Timeframe
	<p>was not conducted in compliance with Section 149(2h) of the Public Finance Management Act 2012, which requires the accounting officer to prepare estimates of expenditure of the entity in conformity with the strategic plan.</p> <p>In the circumstances, the Fund conducted its business during the year under review in breach of the law.</p>					
6.	<p>Outstanding Borrowings by County Assembly Service Board</p> <p>The statement of the financial position of the Fund reported a figure of Kshs.36,722,914 in respect of un-refunded borrowings by the County Assembly Service Board under note 5(a) in contravention of Regulation 4 of both the Public Finance Management (County Assembly Members Car Loan Scheme Fund) Regulations, 2018 and the Public Finance Management (County Assembly Members Mortgage Fund) Regulations, 2018 which states that the object and purpose of the fund is to provide a loan scheme for the purchase of vehicles by members of the</p>	<p>We wish to confirm that reimbursements of the borrowings is on-going and please find attached schedule of repayment (bank statement).The entire Service Board borrowings were occasioned by delayed exchequer releases. Attached is the commitment letter from the County Assembly Service Board.</p>	<p>Fund Administration Committee</p>		<p>On-going</p>	

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Reference No. on the external audit report	Issue/ Observations from Auditor	Management comments	Focal person resolve issue	Point to the	Status	Timeframe
	scheme and for the purchase, development, renovation or repair of residential property by members of the scheme, respectively					
7.	<p>Non-Recovery and Remittance of Fringe Benefit Tax</p> <p>It was noted that the Fund did not remit to Kenya Revenue Authority (KRA) fringe benefit tax accrued from the low interest loans extended to its members during the year amounting to Kshs.2,947,592.</p> <p>Thus, the management of the Fund did not comply with the Section 12(B1) of the Income Tax Act, 2010 that requires an employer to pay fringe benefit tax in respect of a loan provided to an employee or director at an interest rate lower than the market interest rate. Further, the administrator was in contravention of Section 12(3) of the Act which requires that fringe benefit tax to be charged on the total taxable value of a fringe benefit provided by an employer in a month and remitted on or before the tenth day of the following month to KRA.</p> <p>Consequently, the Fund is exposed to</p>	<p>The management has been unable to remit the fringe benefit tax due to limitation of fund and the committee has written to the County Assembly Board to pay the related tax on its behalf. The previous amounts due has so far been remitted.</p>				

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Reference No. on the external audit report	Issue/ Observations from Auditor	Management comments	Focal person resolve issue	Point to the	Status	Timeframe
	penalties and interest due to non-compliance with provisions of the Income Tax Act.					

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B.

BANK RECONCILIATION STATEMENT	
ACCOUNT NAME:-	COUNTY ASSEMBLY OF BUNGOMA-CAR & MORT
BANK:-	BANK OF AFRICA
ACCT NO.	02624950017
MONTH:-	JUNE 2018
Balance as per Cash Book	8,846.87
Add Payments in Cashbook not in the Bank	-
Receipts in the BS not in the CB	-
Less Payments in the BS not in the CB	-
Receipts in the CB not in the BS	-
Balance as per the Bank Statement	<u>8,846.87</u>
PREPARED BY:-	VERIFIED BY:-
Name:-	Name:-
Signature:-	Signature:-
Date:-	Date:-

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C.

BANK RECONCILIATION STATEMENT		
ACCOUNT NAME:-	BGM ASSEMBLY CAR & MORTGAGE	
BANK:-	KENYA COMMERCIAL BANK	
ACCT NO.	1220563730	
MONTH:-	JUNE 2019	
Balance as per Cash Book		11,734,965.00
Add	Payments in Cashbook not in the Bank	-
	Receipts in the BS not in the CB	-
Less	Payments in the BS not in the CB	-
	Receipts in the CB not in the BS	6,776,098.95
Balance as per the Bank Statement		<u>4,958,866.05</u>
PREPARED BY:-	VERIFIED BY:-	
Name:-	Name:-	
Signature:-	Signature:-	
Date:-	Date:-	

WORKINGS		
DATE	DESCRIPTION	AMOUNT
30/6/2019	Loan deductions receipts from members for the month of June 2019	6,776,098.95
		6,776,098.95

BUNGOMA COUNTY ASSEMBLY – CAR LOAN AND MORTGAGE SCHEME FUND
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APPENDIX 2

2018/19		
Bal b/f	220,828,144.51	NOTE
<i>Loan issues</i>		
Previous loan offset-Old loans for Current MCA's	5,194,841.67	A
Additional issues-Current MCA's	97,028,635.45	B
Cash issue	50,000.00	C
	102,273,477.12	
Repayments		
Old loans (Offset plus Cash Deposits)	6,257,026.78	D
Current Loans	61,689,078.96	E
June 2019 deductions Loan Repayment	6,167,046.70	Left out of FS
	74,113,152.44	
Outstanding Balance 2018-19	248,988,469.19	
	248,988,469.19	
	6,167,046.70	
	255,155,515.89	

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LOAN ISSUES:- A,B & C

NAME	Jul-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Total
HON.AGGREY MULONGO	1,000,000	500,000			500,000							2,000,000
HON.ALI MACHANI	700,000							200,000				900,000
HON.ANTHONY LUSENEKA	1,000,000	500,000			500,000							2,000,000
HON.BEATRICE WEKESA	1,000,000								1,000,000			2,000,000
HON.BEN KIPKUT	1,000,000											1,000,000
HON.BETHWELL MWAMBU	1,000,000			500,000								1,500,000
HON.CAVINY LUKOSI	1,000,000	500,000						500,000				2,000,000
HON.CHARLES NANGULU	1,000,000						500,000					1,500,000
HON.CHEPROT CHESIBOK	1,000,000	500,000										1,500,000
HON.CHRISPINUS WAMUSAI												-
HON.CHRISTINE NGELECH	1,000,000		500,000				500,000					2,000,000
HON.DANIEL SITATI MAKHANDIA	500,000								500,000			1,000,000
HON.DAVID BARASA	1,500,000											1,500,000
HON.ELLY TINDI										100,000		100,000
HON.ELVIS ABUKA	1,000,000						500,000					1,500,000
HON.EMMANUEL SITUMA				2,000,000	1,000,000	500,000		1,000,000	500,000	500,000	500,000	6,000,000
HON.ERICK KIMINGICHI	1,000,000		300,000	200,000								1,500,000
HON.EUNICE KIRUI	1,000,000			1,000,000								2,000,000
HON.EVERLYNE MUTIEMBU	1,175,974											1,175,974
HON.EVERTON NGANGA	1,000,000	500,000						500,000				2,000,000

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HON.LUKE OPWORA													-
HON.MARTIN PEPELA	1,035,456				964,544								2,000,000
HON.MESHACK SIMIYU													-
HON.METRINE NANGALAMA	1,000,000			500,000					500,000				2,000,000
HON.MILLIA MASUNGO	1,000,000	1,000,000							100,000				2,100,000
HON.NATHANIEL ASENEKA	1,000,000	500,000						500,000					2,000,000
HON.PAUL WANYONYI	1,500,000							200,000					1,700,000
HON.PETER SINDANI	1,500,000								500,000				2,000,000
HON.REBAH WABWILE	1,000,000			500,000					500,000				2,000,000
HON.ROSE IMBEGA	1,000,000			500,000			500,000						2,000,000
HON.ROSEMARY KHISA	1,114,720		385,280										1,500,000
HON.SOPHIA MARUMBU	1,000,000						500,000						1,500,000
HON.SOSPETER NYONGESA	1,000,000	500,000						500,000					2,000,000
HON.STEPHEN WAMALWA	1,000,000								500,000				1,500,000
HON.TONY BARASA	700,000												700,000
HON.VIOLET NAMAEMBA	1,102,015			397,985									1,500,000
HON.VITALIS SIFUNA	1,000,000	500,000					500,000						2,000,000
HON.WINNIE NYAMBOK													-
ANTHONY MABELE									500,000	1,000,000			1,500,000
RAEL NEKESA				800,000					500,000	1,700,000			3,000,000
TOTAL	56,873,942	8,550,000	2,385,280	10,399,711	4,364,544	500,000	3,100,000	4,700,000	6,100,000	4,800,000	500,000		102,273,477

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Old loans (Offset plus Cash Deposits) D

NAME	Repayments
EDITH W. SHITANDI	29,585.00
MARTIN PEPELA WANYONYI	35,030.41
BEN JOSHUA KIPKUT	70,967.50
MAKHANU VIOLET NAMAEMBE	101,400.93
KHISA NAFULA ROSEMARY	114,382.04
KA WA JACK ZAKAYO	133,387.14
EVERLYNE MUTIEMBU NABOEL	175,127.18
W ABWILE MOSES NYONGESA	185,075.61
JANE KAMWANJA CHEBET	297,373.50
BONVENTURE OMUSOLO	398,404.53
PAUL WAMALWA	402,358.23
JULIUS JUMA WANJALA	467,247.33
HENRY MAJIMBO OKUMU	545,155.47
WEKESA FLORENCE FULANO	557,960.27
JOSEPH NYONGESA JUMA	575,620.43
BARASA DA VID MABONGA	655,386.80
MUKHONGO JAMES BARASA	698,585.55
MAGUDAH JOSEPH OKHABA	813,978.86
	6,257,026.78

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Current Loans E

NAME	2018-19 Repayments
HON. AGGREY MULONGO WALIAULA	1,008,716.62
HON. ALI MACHANI MUTOKA	940,636.06
HON. ANTONY NAMUNYU LUSENAKA	1,066,785.33
HON. BEATRICE NEKESA WEKESA	1,012,050.10
HON. BEN KIPKUT JOSHUA	1,001,569.72
HON. BETHWEL MWAMBU FWAMBA	1,019,151.57
HON. CAVINY LUKOSI SAKWA	1,045,394.01
HON. CHARLES NANGULU SIMIYU	1,031,428.82
HON. CHEPROT CHESIBOK	905,596.11
HON. CHRISPINUS WAMUSAI	1,181,880.11
HON. CHRISTINE CHEBET NGELECH	964,059.08
HON. DANIEL SITATI MAKHANDIA	1,087,950.72
HON. DAVID MABONGA BARASA	872,782.08
HON. ELLY TINDI MANASE	986,779.84
HON. ELVIS ABUKA AMUNAVI	1,086,658.68
HON. EMMANUEL SITUMA MUKHEBI	1,065,092.82

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HON. ERICK KIMINGICHI WAPANG'ANA	907,655.27
HON. EUNICE YEKO KIRUI	931,450.02
HON. EVERLYNE MUTIEMBU NABOELELA	910,398.07
HON. EVERTON NGANGA SIFUNA	1,046,758.13
HON. FLORENCE FULANO WESESA	773,634.04
HON. FRANCIS CHEMION	1,104,731.09
HON. FRANKLIN SIMOTWO KORIR	998,950.72
HON. FREDRICK JOHN MUSEBE	934,925.34
HON. GEORGE WASIKE MAKARI	1,141,986.72
HON. GODFREY MUKHWANA WANYAMA	984,179.67
HON. GRACE SUNDUKWA	1,020,213.33
HON. HAMPHREY SIFUNA WAMALWA	1,075,183.84
HON. HENRY OKUMU MAJIMBO	1,038,869.15
HON. HILDABEDAH KHAYELA SIANG'A	952,120.13
HON. HILLARY KIPTALAM	996,740.44
HON. ISAIAH SUDI BUSOLO	1,117,370.43
HON. JACK ZAKAYO KAWA	1,048,769.71
HON. JACKSON OUMA WAMBULWA	1,059,460.46

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HON. JAMES BARASA MUKHONGO	994,532.32
HON. JANE CHEBET KAMWANJA	1,054,070.70
HON. JANE CHEPERENGER INGO	1,040,864.48
HON. JERUSA ALEU SIKUKU	1,003,088.41
HON. JOAN KIRONG CHEMAYIEK	1,043,216.53
HON. JOAN NAFULA LUTKAI	1,028,235.10
HON. JORAM WANJALA	957,503.23
HON. JOSEPH JUMA NYONGESA	1,001,626.00
HON. JOSEPH MAGUDAH OKHABA	832,894.74
HON. LUKE OPWORA	1,080,901.40
HON. MARTIN WANYONYI PEPELA	975,481.51
HON. MESHACK SIMIYU WEKESA	997,624.58
HON. METRINE NANJALA NANGALAMA	986,873.21
HON. MILIA NANYOKA MASUNGO	1,115,332.37
HON. NATHANIEL ANYONGE ASENEKA LAWRENCE	966,932.70
HON. PAUL WAMALWA WANYONYI	1,037,164.54
HON. PETER SINDANI WAFULA	1,088,248.55
HON. REBBAH NABWILE	881,862.61

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HON. ROSE IMBEGA	1,004,000.04
HON. ROSEMARY NAFULA KHISA	1,041,954.21
HON. SOPHIE AKOTH MARUMBU	1,045,332.07
HON. SOSPETER ERASTUS NYONGESA	1,066,521.85
HON. STEPHEN WAFULA WAMALWA	1,082,326.70
HON. TONNY BARASA KHAOYA	1,065,712.43
HON. VIOLET NAMAEMBA NAKHANU	1,018,845.08
HON. VITALIS WANGILA SIFUNA	983,133.40
HON. WINNIE NYAMBOK	892,678.37
ANTHONY MABELE	22,457.87
RAEL NEKESA	59,735.73
TOTAL	61,689,078.96

