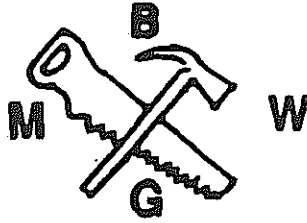


## PROFESSIONAL FEES ON ARCHITECTURAL AND BILLS OF QUANTITIES PAID TO MACALDER BUILDERS WORK GROUP

Riksrevisionen brought also up another issue which was outside the programs they had come to audit. They claimed that Maranatha Faith Assemblies had paid an amount to a former contractor and there was no documents to be found on the payment. The payment was from the year 2000 and it took our staff some time to trace the documents.

The payment was made after negotiations with Macalder Builders concerning professional fees ( 3%) on a number of nursery school buildings between 1994 – 1999. This according to an agreement signed 1994. Many of us were not aware about this agreement signed by the MFA director in Kenya and Macalder Builders. After seeing the agreement we came to a final settlement of paying K.Shs. 200,000 to Macalder Builders for all the projects undertaken during this period. The nursery school projects were SIDA-sponsored and we paid the fees out of the nursery school project budget.

Please, find included the documentation of this payment.



# MACALDER BUILDERS WORK GROUP

Building Contractors, Furniture Makers, Bill of Quantity Estimates and Architectural works  
P.O. Box 617, Tel: 20487 SUNA - MIGORI

Our Ref: .....

Your Ref: .....

Date .....18/2/2000.....

**THE MANAGER SIDA PROJECT.  
MARANATHA MISSION OF KENYA.  
P.O. Box 61.  
SUNA - MIGORI.**

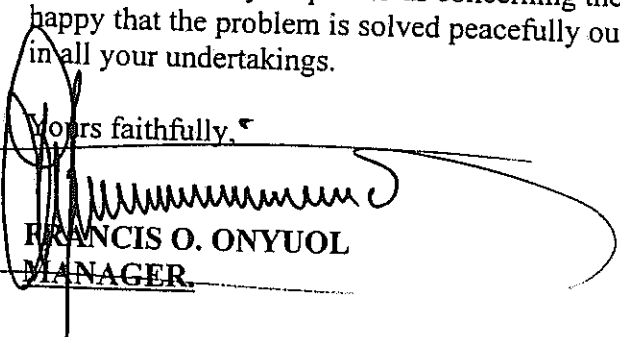
Dear Sir,

**RE: PROFESSIONAL FEES ON ARCHITECTURAL, AND BILLS OF QUANTITIES.**

We hereby acknowledge the receipt of your payment of **Kshs.200,000/=** being the professional fees charged towards the above mentioned works rendered to you. The receipt No. **01385** is attached. The payment above covers all the works rendered to you between the years 1994 and 1999 including the five Nursery schools as per the contract agreement dated **7<sup>th</sup> July 1994** and ending **July 1999**.

Lastly we highly appreciated the Meeting held at the M.M.K Offices between ourselves the project Manager Bro. K.G. and the International Director Bro. Kurt Johanssen which proved to be very helpful to us concerning the above mentioned matter. We are also happy that the problem is solved peacefully outside the courts; thank you God bless you in all your undertakings.

Yours faithfully,

  
**FRANCIS O. ONYUOL  
MANAGER.**

**MACALDER BUILDERS WORK GROUP**

**PO BOX 67 DEL 20487 SUNA**

**Feb 18 FEB 11 2000**

**MARANAKA SINA PROJECT**

**the sum of Kenya Shillings TWO HUNDREN NIGOSAKI**

**ONLY**

**Be payment of ARCHITECTURAL BILL OF QUANTITIES**

**ON FIVE HUNDREN NIGOSAKI**

**SHEKELS MACALDER BUILDERS**

**WORK GROUP**

**PO BOX 67 DEL 20487 SUNA**

**Shs. 2,000.00**

110-641 recd.  
111112000.  
of  
11/11/2000

# OSORO & AYACKO ADVOCATES

Mrembo House  
Opp. Stadium/Showground  
Court Road  
P.O Box 526  
SUNA - MIGORI

LEONARD ONKOBA OSORO LLB (Hons) NAG Dip. Law (KSL)  
OCHILO M. AYACKO LLB (Hons) NRI Dip. Law (KSL)

Our Ref: .....

Your Ref: .....

Date: 11.JAN. 2000

✓ Maranatha Mission Of Kenya  
P O BOX 61  
SUNA

Dear Sir,

RE: MACALDER BUILDERS WORK GROUP OUTSTANDING INVOICES KES

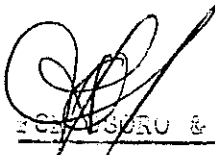
We act for the above refered Macalder Builders work Group who have instructed us to write to you as follows.

That you entered into an architectural contract with our clients on 7.7.1994 requiring them to render various services to yourselves all facts well within your knowledge that our client subsequently rendered the services as agreed and raised invoices for the same amounting to Ksh 820,732 which ought to have been paid on or before 7.7.1999.

Our instructions are that you have refused and/or neglected to settle the amount despite several requests and that the income Tax Department has already taxed our clients for the same.

We now have very firm instructions to demand from you the sum of Ksh820,732 plus our collection charges of Ksh. 8,207 which should be paid to our offices within FOURTEEN(14) DAYS from date hereof failure upon which we shall institute legal proceedings in the High Court at Kisii for recovery of thesame at your detriment as to costs.

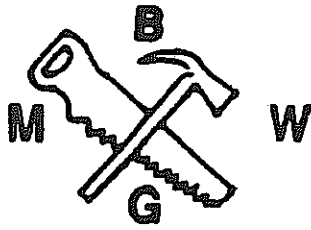
Yours faithfully



OSORO & AYACKO ADVOCATES

C.C. Client

RECEIVED  
25/11/99  
P.O. Box 61  
SUNA



# MACALDER BUILDERS WORK GROUP

Building Contractors, Furniture Makers, Bill of Quantity Estimates and Architectural works  
P.O. Box 617, Tel: 20487 SUNA - MIGORI

Our Ref: .....

Your Ref: .....

Date ..... 19TH NOV. 1999

THE S.I.D.A PROJECT MANAGER,  
MARANATHA MISSION OF KENYA,  
P.O. Box 61  
SUNA.


Dear Sir,

## RE: REMINDER INVOICES ON 3% ARCHITECTURAL AND PROFESSIONAL FEES

I wish to remind you of the above-mentioned matter of which you are fully aware of. The three invoices are hereby attached for your quick action in order to avoid embarrassment to your organization. I would like also to let you know that, the contract agreement between your organization and the Macalder Builders concerning the above works rendered to you expired on the 7/7/99 and we request for another extension if possible, the copy of the agreement is attached.

Lastly we would like you to consider clearing all those invoices for payment as soon as possible before 10<sup>th</sup> Dec. 99 as we had promised our Auditors and the Income Tax Department.

Can we hear from you so that we could know what reply we can give to the above mentioned authorities. Thank you wishing you Merry Christmas, prosperous happy New Year and a new century.

Yours faithfully,  
  
Wilson Onyango  
ACCOUNTANT

Encs.

Cc.

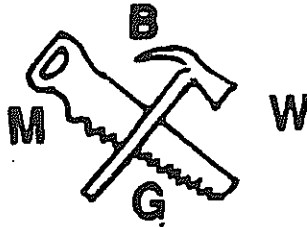
DIRECTOR M.M.K  
P.O. Box 61  
SUNA

COMPANY ADVOCATE  
P.O. Box 666  
SUNA.

LEONARD  
P.O. Box 0387

**LIST OF THE PROJECTS UNDERTAKEN BY MACALDER BUILDERS**

NAME OF PROJECTS		P/VALUE	3% ARC/FEES CHARGED.
		KSHS.	KSHS.
1.	KILGORIES M.M.K PROJECT	2,382,677	71,480
2.	LODWA PR. SCHOOL BY HOLBOM X	-	-
3.	ELDORET LANGAS M.M.K X	-	-
4.	NYAMIRA M.M.K. NURSERY SCHOOL X	1,066,942	44,682
5.	LEE NURSERY SCHOOL X	1,280,266	38,408
6.	LEE STAFF HOUSE X	99,2700	19,854
7.	NYANDIWA STAFF HOUSE X	9,23200	27,696
8.	NYANDIWA NARSERY SCHOQL X	13,70067	41102
9.	KASEMBO PRIMARY SCHOOL X	3,131,340	84,289
10.	KOMOTOBO HANDICAP X	<u>1,589,133</u>	<u>47,674</u>
<b>TOTAL</b>		<b>KSHS: <u>12,736,355</u></b>	<b><u>375,185</u></b>
<b><u>LIST OF THE NEWLY SURVEYED PROJECTS.</u></b>			
1.	LOICHOROMOIT PR. SCHOOL X	2,021,563	60,647
2.	LOICHOROMOIT PR. JUNIOUR STAF HOUSE X	5,45151	16,355
3.	LOMICHOROMOIT NURSERY SCHOOL X	1,752,233	52,567
4.	FIVE NURSERY SCHOOLS (BQs AND MOBILIZATAION ONLY)	2%	80,000
5.	RURAL NURSERY SCHOLS - 2.5%	1,822,892	45,572
6.	URBARN NURSERY SCHOOL - 2.5%	2,418,873	60,471
7.	BIBLE TRAINING COLLEGE OFFICE BLOCK 2.5%	1,788,483	40,,317
8.	SCHOOL ROOFING PROJECTS - 2.5%		
9.	THE DISPENSARY PROJECTS - 2.5%	95,031	2,375
10.	EDUCATION OFFICES - 2.5%	2,400,000	60,000
		<u>2,303,062</u>	<u>32,551</u>
<b>TOTAL</b>		<b>KSHS. <u>15,146,288</u></b>	<b><u>450,855</u></b>



# MACALDER BUILDERS WORK GROUP

Building Contractors, Furniture Makers, Bill of Quantity Estimates and Architectural works  
P.O. Box 617, Tel: 20487 SUNA - MIGORI

Our Ref: .....

Your Ref: .....

Date 14/10/1999

TO BROTHER KARL GUNNAR LUNGS,  
MARANATHA MISSION OF KENYA,  
P.O. BOX 61,  
SUNA - MIGORI.

Dear Sir,

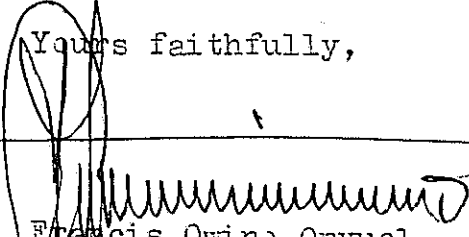
RE: INVOICES FOR THE PROJECT 1994 AND OF PROJECT 1999\_2000 YEAR.

I wish to give you the statement of Account invoiced by us as follows:-

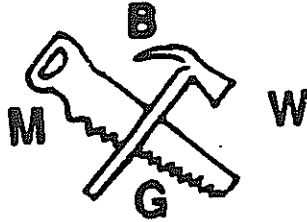
1. In the year 1994-95 the amount invoiced for payment is  
Kshs. .... 303,705/=  
Add 20% interest of Kshs..... 60,741/=
  2. In the year 1999 to 2000 the amount invoiced for payment  
is Kshs..... 321,286/=
- GRAND TOTAL INVOICED DUE FOR PAYMENT..... 685,732/=

As the amount mentioned above would you please make payment to our office in shorter time as possible to avoid some suspicion.

Yours faithfully,

  
Francis Owino Onyuel  
Manager.

**MACALDER BUILDERS**  
**WORK GROUP**  
P.O. BOX 617 TEL. 20487  
SUNA-MIGORI



# MACALDER BUILDERS WORK GROUP

Building Contractors, Furniture Makers, Bill of Quantity Estimates and Architectural works  
P.O. Box 617, Tel: 20487 SUNA - MIGORI

Our Ref: .....

Date 14/10/1999

Your Ref: .....

ATT. TO BROTHER KARL GUNNAR LUNGS.  
MARANATHA MISSION OF KENYA  
P.O. BOX 61  
SUNA - MIGORI.

Dear Sir,

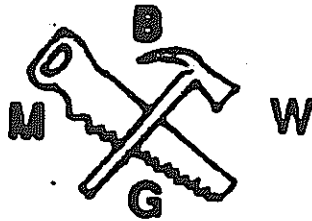
RE: INVOICE FOR THE WORK DONE ON ARCHITECTURAL AND SURVEY  
FEES FOR THE PROJECT INVOICED ON 18TH APRIL, 1994.

Following the work done to you as requested by your Mission concerning the above mentioned works, I would like to send to you a reminder Invoice as per the previous copy attached.

Following our Invoice it was agreed between Macalder Builders and the out going Co-ordinator by that time REV. DAVID DUVESKOG that the above mentioned Invoice be paid when the project funds are approved by S.I.D.A., upto now the projects were approved but we have not been paid, can you now make arrangement to pay us the said amount in full.

The following is the statement of Account.

1. Nyamira Nursery School	3%	Architectural fee	Kshs. 44,682.
2. Lee Nursery School	3%	" "	Kshs. 38,408.
3. Lee Staff house	2%	" "	Kshs. 19,854.
4. Nyandiwa Nursery School	3%	" "	Kshs. 41,102.
5. Nyandiwa Staff House	3%	" "	Kshs. 27,696.
6. Kasembo Pr. School	3%	" "	Kshs. 84,289.
7. Komotobo Handicap	3%	" "	Kshs. 47,674.
GRAND TOTAL DUE TO US.....			KSHS. 303,705/=
ADD 20% INTEREST.....			KSHS. 60,741/=
TOTAL DUE.....			KSHS. 364,446/=



P.O. Box 617  
Tel: 20487  
SUNA - MIGORI

## MACALDER BUILDERS WORK GROUP

Building Contractors, Furniture Makers, Bill of Quantity Estimates and Architectural Works

Our Ref:

Date 13/4/94

Your Ref:

ATT. TO BRO. DAVID.  
Maranatha Mission of Kenya  
P.O. BOX 61  
SUNA - MIGORI.

Dear Sir,

RE: INVOICE FOR THE WORK DONE ON ARCHITECTURAL AND SURVEY FEES ON PROJECTS.

Following the work done to you as requested by your Mission concerning the above mentioned works, I would like to send to you an invoice as follows and also to keep records up to date.


1.	Nyamira Nursery School	3% Architectural fee	-	Ksh	44,682/=
2.	Lee Nursery School	3% Architectural fee	-	Ksh	38,408/=
3.	Lee Staff House	2% Architectural fee	-	Ksh	19,854/=
4.	Nyandiwa Nursery School	3% Architectural	-	Ksh	41,102/=
5.	Nyandiwa Staff House	3% Architectural	-	Ksh	27,696/=
6.	Kasembo Primary School	3% Architectural Fee	-	Ksh	84,289/=
7.	Komotobo Handicap	3% Architectural Fee	-	Ksh	47,674/=

GRAND TOTAL DUE TO US IS KSH.

303,705/=

We now ask you kindly to make the possible arrangement to pay us part of that amount to help us solve some of our debts, I also inform you that the two Projects left out namely Sakuri School and Primary School Projects didn't involve some Architectural works so they were not invoiced. Please make arrangement and let us get something.

Yours, faithfully

  
Francis Owino Onyuel  
Manager.

C.C  
SIDA PROJECT  
CO-ORDINATOR  
BRO. MARTS.



# MARANATHA MISSION OF KENYA

Maranatha - 'Our Lord Cometh'  
1 Cor. 16:22

P. O. Box 61  
SUNA,  
Tel. Suna 11

FORM OF CONTRACT WHERE THERE IS NO ARCHITECT DIRECTLY IN CHARGE OF THE PROJECT. AND WHERE SUPERVISION IS GIVEN LOCALLY OR FROM MARANATHA MISSION OF KENYA.

This contract is between the Maranatha Mission of Kenya . EMPLOYER  
and..MACALDER BUILDERS WORK GROUP .....( name)  
of... SUNA - MIGORI .....  
P.O. BOX 617 SUNA - MIGORI. ....(Address) -CONTRACTOR

The employer requires the following building(s) WORKS TO BE CARRIED OUT  
1. SITE SURVEY 2. MAKING ARCHITECTURAL DRAWINGS AND BILL OF QUANTITIES

AT( location or centre). NYANZA PROVINCE, WESTERN PROVINCE & RIFT VALLEY  
TO THE DRAWINGS listed ( drawing numbers) NOT-APPLICABLE  
And specification ( reference) NOT APPLICABLE  
The cost of the contract is Kshs. 3% OF THE PROJECT .....(CONTRACT SUM.....

IT IS HEREBY AGREED AS FOLLOWS: (Conditions of Contract)

1. That the contractor will carry out the works according to the contract drawings and/or specification, and directives of the client
2. The employer will have paid to the Contractor the contract sum on successful completion of the contract providing that the work meets the standard expected in the specification and/or other instructions from the Employer, and the work is of a quality normally understood to be of a good standard.
3. The Employer will pay progress payments to the Contractor as agreed ( see appendix ).
4. The contract period is 5 YEARS
5. The contract commencement date is 7TH JULY 1994
6. The expected completion date is 7TH JULY 1999
7. If the expected completion date is exceeded then the date of completion is taken to be the date when the work has been fully completed and the building is fit for use.
8. In the event of an extension of time to the Contract Period being required by the Contractor notification must be given to the Employer in writing before the end of the Contract Period.

9. The Employer shall ~~inform~~ the Contractor before the contract commences who his representatives shall be and who is ~~is~~ authorised to give instructions relating to the Contract.

10. In the event of an alteration to the design/specification/work the Contractor must be instructed by the Employer or his known representative and must submit the cost of the alteration to the Employer in writing before the work is done. (Unless agreed by the Employer in writing to the contrary).

11. In the event of alterations amounting to more than 10% of the Contract Sum notification must be given to the Employer of any extension required in the Contract Period.

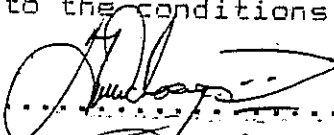
12. In the event of poor progress not due to delays caused by instructions from the Employer, nor other factors which may reasonably extend the Contract period, the Employer can terminate the Contract providing at least one months warning has been given prior to a written notice of termination.

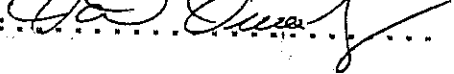
13. 95% of the Contract Sum will have been paid on satisfactory completion of the project at the Completion date, usually after an inspection by the Employer or his representative. In the event of the work being overdue a penalty clause will come into force, (see note 15).

14. A Defects Liability Period will normally operate unless notification is given in writing to the contrary. This Period will extend for 6 months after the Completion Date, (see note 7). ~~The Employer will retain 5% of the Contract Sum until defects have been satisfactorily completed.~~

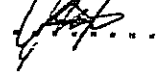
15. Penalty Clause. A penalty of Kshs. 500/= per week will be paid by the Contractor to the Employer in the event of failure to complete the Contract by the agreed Completion date. This amount will be deducted from the final payment, (see note 13).

We agree to the conditions set out above.

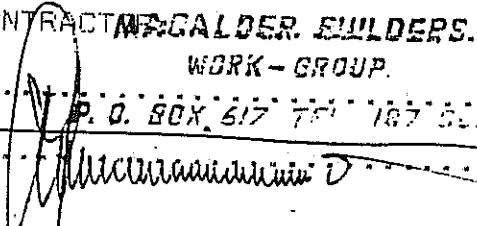
EMPLOYER:   
Director M.M.K.

Witness: 

CONTRACTOR: GALDER EULDERS  
WORK-GROUP

Witness: 

P. O. BOX 617 TEL 187 5000



Date: .....

PROPERTY BOARD STAMP

MARANATHA MISSION  
OF KENYA Box 61  
TEL: 20011 SUNA

THIS FORM TO BE COMPLETED IN  
DUPLICATE