LIMULUNGA TOWN COUNCIL

Annual Financial Report for the Year Ended

31st December 2024

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT
AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P. O. BOX 910040, LIMULUNGA

REPORT OF THE COUNCIL

The Council has the pleasure of presenting the report together with the financial statements for the year ended 31st December 2024 which disclose the sources, utilization and balances of cash Limulunga Town Council during the period under review.

Background and Location of the Council

Limulunga District is one of the sixteen (16) districts in Western Province. The district was formally a constituency under Mongu District and was declared a district in 2013. The district covers an area of about 392,936.2 hectares and has one constituency and eleven (11) wards. The civic centre and district administration is located in Kate in Usha Ward, about 56 km away from Mongu. This is where the main District Council and administration are currently being constructed and will house all government departments.

The geographic co-ordinates of Limulunga District are 15'' 6'' 0' South, 23'' 9'' 0' East. It lies on the high ground at the edge of the Barotse Floodplain of the Zambezi River 20km north of Mongu Town and shares the Zambezi River with Kalabo on the Western side. It also shares its boundaries with Lukulu and Mitete Districts on the North, Kaoma District on the eastern side and Mongu on the southern side.

Limulunga District has an estimated total area of 3,929.20 square kilometres. The Census of Population undertaken by the Central Statistics Office in 2022 revealed that the population of Limulunga District had reached 61,102 people, with a growth rate of 1.6%, of which 31,694 are males and 29,408 are females with a total of 11,528 households. The recent estimated population stood at 61,102 in 2022.

Agriculture is the main economic activity particularly rice cultivation, maize and fishing. By and large, the district has a large population for beef production. The cattle population is in excess of 20,000 while Limulunga is also the highest rice producing district in Western Province. The high presence of cattle in the district has seen the opening of two (2) big abattoirs with capacity of 50-70 and 100 – 130 for each. To strengthen agro-processing, Limulunga is home to a milling plant with maximum production of 12,000 by 50kgs per day.

Other economic activities border on tourism. Besides the Kuomboka Ceremony, the district has great potential for Eco-tourism because of its abundant waters bodies that include two major lakes

The address of the registered office of Limulunga Town Council (LTC) is as follows:

The Civic Centre

P.O Box 910040

Mongu

Composition of the Council

Limulunga Town Council is a body corporate established under Article 152 of the Constitution of Zambia (Amendment) Act No.2 of 2016 and Part 2 of the Local Government Act No. 2 of 2019 of the laws of Zambia. As a Local Authority, the Limulunga Town Council administers the Limulunga District.

REPORT OF THE COUNCIL

The Council is composed of an elected Council Chairperson, thirteen (13) elected Councilors from thirteen (13) wards and one (1) chief. The current Council was elected to office in 2021 to serve a five-year term up to 2026.The Councilors who held office during the year were:

S/N	Name	Gender	Position	Ward
1	Masiye J Namakando	Male	Chairperson	Not applicable
2	Numba B Namonda	female	Councillor	Namboma
3	Mumbula Munalula	Male	Councillor	Ituku
4	Imaanga Libako	Male	Councillor	Simaa
5	Lubinda Muyunda	Male	Councillor	Limulunga East
6	Kaiko Musasa	female	Councillor	Limulunga West
7	Sicacani Simbuwa	Male	Councillor	Nangula
8	Muyangana Sikopo	Male	Councillor	Mabili
9	Inambao A Mate	Male	Councillor	Sitoya
10	Muyapekwa Mbumwae	Male	Councillor	Makuku
11	Mubita Mulako	Male	Councillor	Ndanda
12	Mubiana Litia	Male	Councillor	Ushaa
13	Akabonda Ndandula	Male	Councillor	Miulwe
14	Sitenga Ngenda	Male	Councillor	Ikwichi
15	Meebelo Sikuka	Male	Chief	Limulunga District

The District also has one (1) elected Member of Parliament for Luena constituency. The Member of Parliament who held office during the year was:

S/N	Name	Gender	Constituency
1	Mubita Anakoka	Male	Luena

The affairs of Central Government in the district are coordinated by the District Commissioner. During the year under review Mr. Lutangu Lutangu was the District Commissioner for Limulunga District.

The Council Secretariat

The Secretariat of Limulunga Town Council is headed by the Council Secretary. The Council Secretary and the rest of the Secretariat are appointed by the Local Government Service Commission.

The Council Secretary is assisted by four (4) heads of departments responsible for Finance, Planning, works and Administration and two (2) heads of sections responsible for Procurement and Internal Audit.

Functions of the Council

The main function of the Council is the delivery of local public goods and services to the people in the District and discharge all or any of the functions set out in Article 147 (2) (c) of the Constitution of Zambia (Amendments) Act No.2 of 2016 and First Schedule of the Local Government Act No. 2 of 2019 which include, among others, power to make By-Laws, power to make regulations, imposition of levies, fees and charges and to formulate local policies to promote, guide and regulate development in the district through various relevant departments of the Council.

Financial Results

	Kwacha 2024	Kwacha 2023
Cash Receipts	31,900,627	39,840,968
Payments	(40,026,900)	(32,672,427)
Increase/(decrease) in Cash and Cash Equivalents	(8,126,273)	7,168,541

Key Policies Adopted During the Year

The Council adopted the following depreciation policies during the year:

- ☑ Plant and Equipment 15%
- ☑ Council Building 2%
- ☑ Office Furniture 15%
- ☑ Office Equipment 10%
- ☑ Fixtures and Fittings 10%
- ☑ Motor Vehicle 15%

Related Party Transactions

There were no related party transactions during the financial year.

Property, Plant and Equipment

The Council purchased property, plant and equipment during the financial year was K13,120,521.

No property, plant and equipment were disposed of during the year.

Intangible Assets

There were no purchases of intangible assets during the year.

Employees

The number of employees at the beginning of the year was 54 and at the end of the year was 56 and the total amount spent on employees' remuneration and welfare during the year was K7,308,127.

Health and Safety of Employees

The Council is aware of its responsibilities regarding the safety and health of employees as prescribed in the Occupational, Health and Safety Act No.36 of 2010 and took appropriate measures to safeguard their safety and health.

Auditors

In line with Article 250 of the Constitution of Zambia (Amendment) Act No.2 of 2016, the Council is audited by the Auditor-General.

By order of the Council

....

Chairperson

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERNMENT
AND HOUSING
14 OCT 2025
COUNCIL CHAIRPERSON
LIMULUNGA DISTRICT COUNCIL
P. O. BOX 910040, LIMULUNGA

STATEMENT OF RESPONSIBILITIES FOR ANNUAL FINANCIAL STATEMENTS

The Limulunga Town Council is responsible for preparing the financial statements for the year ended 31st December 2024 which are free from material misstatement, whether due to fraud or error, and are prepared, in all material respects, in accordance with the Cash Basis International Public Sector Accounting Standard (IPSAS). In preparing the financial statements, the Council selected applicable policies from Local Authorities Accounting Policies (LAAPs) No. 2 of 2022, and then applied them consistently, making judgment and estimates that were reasonable and prudent.

The Council is also responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information. The Auditor General has audited the financial statements and his report is shown on pages 6 - 8.

The Council accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable estimates, in conformity with the Cash Basis IPSAS, the requirements of the Local Government Act No. 2 of 2019 of the Laws of Zambia, the Public Finance Management Act No.1 of 2018 and Local Authorities Accounting Policies (LAAP) No. 2 of 2022.

The Council further accepts responsibility:

- for the maintenance of accounting records that may be relied upon in the preparation of financial statements,
- For designing, implementing and maintaining systems of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Nothing has come to the attention of the Council to indicate that the Limulunga Town Council will not remain a going concern for at least twelve (12) months from the date of this statement.

In the opinion of the Council, proper books of accounts were maintained to support preparation of Financial Statements that present fairly the financial results of the Town Council for the financial year ended 31st December, 2024.

Signed on behalf of the Council 17TH OCTOBER 2025 by:

Name: NAMAKANDO JOEY MASIYE
Signature:
Position: Council Chairperson

REPUBLIC OF ZAMBIA
COUNCIL CHAIRPERSON
P. O. BOX 910040, LIMULUNGA.

Name: DAMEDA KAONGA
Signature:
Position: Council Secretary

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERNMENT AND RURAL DEVELOPMENT
17 OCT 2025
COUNCIL SECRETARY
LIMULUNGA TOWN COUCIL

Name: CHAPA KAMFWA
Position: Finance Director

Signature:

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P O. BOX 910040, LIMULUNGA

REPUBLIC OF ZAMBIA
OFFICE OF THE AUDITOR GENERAL

INDEPENDENT AUDITOR'S REPORT

STAND No.7951
HAILE SELASSIE AVENUE,
LONGACRES
P.O BOX 50071
LUSAKA, ZAMBIA

E-mail: auditorg@ago.gov.zm
Website: www.ago.gov.zm
Telephone: +260252611/252771

To the Minister – Ministry of Local Government & Rural Development

Report on the Audit of the Annual Financial Report for Limulunga Town Council for the Financial Year Ended 31st December 2024

Opinion

I have audited the financial statements for Limulunga Town Council for the financial year ended 31st December 2024 which comprise the Statement of Cash Receipts and Payments, the Statement of Comparison of Budget and Actual Amounts, Statement of Cash Receipts and Payments for Local Government Equalization Fund and the Statement of Cash Receipts and Payments for Constituency Development Fund (CDF), Statement of Cash Receipts and Payments for Zambia Devolution Support Programme (ZDSP) and Statement of Cash Receipts and Payments for Sector Grant (Devolved Functions) and a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements for Limulunga Town Council present fairly, in all material respects, its the Statement of Cash Receipts and Payments, the Statement of Comparison of Budget and Actual Amounts, Statement of Cash Receipts and Payments for Local Government Equalization Fund and the Statement of Cash Receipts and Payments for Constituency Development Fund (CDF), Statement of Cash Receipts and Payments for Zambia Devolution Support Programme (ZDSP) and Statement of Cash Receipts and Payments for Sector Grant (Devolved Functions) and balances for the year ended 31st December 2024 in accordance with the Cash Basis International Public Sector Accounting Standard (IPSAS) and the Local Authorities Accounting Policies (LAAPs).

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the Financial Statements section of my report. I am independent of Limulunga Town Council in accordance with the International Organisation of Supreme Audit Institutions (INTOSAI) Code of Ethics together with the ethical requirements that are relevant to my audit of the financial statements in Zambia, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the INTOSAI Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements. Key audit matters are selected from the matters communicated to those charged with governance but are not intended to represent all matters that were discussed with them.

However, I have determined that there are no key audit matters to communicate.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Cash Basis International Public Sector Accounting Standard, the Local Government Act No.2 of 2019, the Public Finance Management Act No.1 of 2018 and Local Authorities Accounting Policies (LAAPs) of 2019, and for such 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. Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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. 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 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.

As part of an audit in accordance with ISSAIs, I exercise professional judgment and maintain professional scepticism 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.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance 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.

In communicating with those charged with governance, I also determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Council is required, under Section 45 of the Local Government Act No. 2 of 2019 to prepare a Statement of Comprehensive Income and a Statement of Financial Position. However, the Council prepared the Statement of Cash Receipts and Payments, the Statement

REPUBLIC OF ZAMBIA
OFFICE OF THE AUDITOR GENERAL

of Comparison of Budget and Actual Amounts, Statement of Cash Receipts and Payments for Local Government Equalization Fund and the Statement of Cash Receipts and Payments for Constituency Development Fund (CDF), Statement of Cash Receipts and Payments for Zambia Devolution Support Programme (ZDSP) and Statement of Cash Receipts and Payments for Sector Grant (Devolved Functions) using Cash Basis IPSAS in line with the LAAPS.

Dr. Ron M. Mwambwa, FCMA, FZICA, CGMA, CFE

ACTING AUDITOR GENERAL
OFFICE OF THE AUDITOR GENERAL **DATE:** 10/11/2025

STATEMENT OF CASH RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024

	Note	2024 Kwacha	2023 Kwacha
RECEIPTS:			
Local Taxes	2	18,523	20,385
Fees and Charges	3	655,413	277,922
Licences	4	54,724	38,469
Levies	5	712,964	287,753
Permits	6	72,608	22,136
Local Government Equalisation Fund	7	12,097,150	10,359,481
Constituency Development Fund	8	4,924,719	27,473,155
Other Grants	9	2,694,816	450,000
Borrowings	10	-	-
Commercial Venture	11	45,340	18,328
Sector Grant (Devolved Function)	12	9,642,583	-
Other Receipts	13	981,787	893,339
TOTAL RECEIPTS		**31,900,627**	**39,840,968**
PAYMENTS:			
Personal Emoluments	14	7,308,127	6,957,623
Use of Goods and Services	15	6,152,144	3,509,278
Financial Charges	16	-	-
Social Benefits	17	7,187,949	2,236,950
Non-financial Asset Acquisition	18	13,120,521	10,356,497
Financial Asset	19	3,492,463	4,691,693
Loan Repayment	20	-	-
Other Payments	21	2,765,696	4,920,386
TOTAL PAYMENTS		**40,026,900**	**32,672,427**
Increase/(decrease) in Cash		(8,126,273)	7,168,541
Foreign Exchange Losses	22	-	-
Cash at beginning of the year	23	25,863,647	18,695,106
Cash at the end of the year	23	**17,737,374**	**25,863,647**

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERNMENT AND HOUSING
COUNCIL CHAIRPERSON
LIMULUNGA DISTRICT COUNCIL

Incorporated in the payments recognised in this Statement are those for Local Government Equalisation and Constituency Development Funds. However, the details of payments under each of these Funds are presented separately in each Fund's own Statement of Cash Receipts and Payments.

Signature: ....
Position: Council Chairperson

Signature: ....
Position: Council Secretary

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERNMENT AND RURAL DEVELOPMENT
17 OCT 2025
COUNCIL SECRETARY
LIMULUNGA TOWN COUNCIL
P.O. BOX 910040, LIMULUNGA

Signature: ....
Position: Finance Director

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P.O. BOX 910040, LIMULUNGA

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2024

	Original Budget	Adjustments	Final Budget	Actual Amounts	% Performance	Variance	% Variance
	Kwacha	Kwacha	Kwacha	Kwacha		Kwacha	
RECEIPTS							
Local Taxes	19,478	-	19,478	18,523	95%	(955)	-5%
Fees and Charges	440,880	-	440,880	655,413	149%	214,533	49%
Licences	56,535	-	56,535	54,724	97%	(1,811)	-3%
Levies	515,900	-	515,900	712,964	138%	197,064	38%
Permits	68,037	-	68,037	72,608	107%	4,571	7%
Local Government Equalisation Fund	12,451,884	-	12,451,884	12,097,150	97%	(354,734)	-3%
Constituency Development Fund	30,635,642	-	30,635,642	4,924,719	16%	(25,710,923)	-84%
Other Grants	3,800,000	-	3,800,000	2,694,816	71%	(1,105,184)	-29%
Borrowings	-	-	-	0	0%	-	0%
Sector Grant	9,029,207	-	9,029,207	9,642,583	107%	613,376	7%
Commercial Venture	23,800	-	23,800	45,340	191%	21,540	91%
Other Receipts	856,729	-	856,729	981,787	115%	125,058	15%
TOTAL RECEIPTS	**57,898,092**	**-**	**57,898,092**	**31,900,627**	**55%**	**(25,997,465)**	**-45%**
PAYMENTS							
Personal Emoluments	8,710,052	-	8,710,052	7,308,127	84%	1,401,925	16%
Use of Goods and Services	5,918,450	-	5,918,450	6,152,144	104%	(233,694)	-4%
Financial Charges	170,000	-	170,000		0%	170,000	100%
Social Benefits	7,200,000	-	7,200,000	7,187,949	0%	12,051	0%
Loan Repayment	-		-		-		
Non-financial Asset Acquisition	18,606,520		18,606,520	13,120,521	71%	5,485,999	29%
Financial Assets	3,492,463	-	3,492,463	3,492,463	100%	-	
Other Payments	10,000,607	-	10,000,607	2,765,696	28%	7,234,911	72%
TOTAL PAYMENTS	**54,098,092**	**-**	**54,098,092**	**40,026,900**	**74%**	**14,071,192**	**26%**
Increase/(Decrease) in Cash	**3,800,000**	**-**	**3,800,000**	**(8,126,273)**		**(40,068,657)**	

The composition of budget adjustments and explanations of major variances are provided in note 23

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT
AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P. O. BOX 910040, LIMULUNGA

STATEMENT OF CASH RECEIPTS AND PAYMENTS FOR THE LOCAL GOVERNMENT EQUALISATION FUND (LGEF) FOR THE YEAR ENDED 31ST DECEMBER 2024

		2024	2023
		Kwacha	Kwacha
RECEIPTS			
Funding	7(a)	12,097,150	10,359,481
TOTAL RECEIPTS		**12,097,150**	**10,359,481**
PAYMENTS			
Operational Expenditure Payments:	7(b)		
Salaries and Wages		5,797,015	5,107,612
Terminal Benefits		-	-
Utility bills		-	-
Service Provision		-	-
Goods and Services		2,681,860	3,610,177
Administrative Costs		-	-
Other Costs		-	-
Sub-Total		**8,478,875**	**8,717,789**
Capital Expenditure Payments:	7(c)		
Infrastructure Development		742,269	66,140
Rehabilitation Works		2,250	11,800
Asset Acquisition		39,059	183,743
Other Costs		37,199	207,354
Sub-Total		**820,777**	**469,037**
TOTAL PAYMENTS		**9,299,652**	**9,186,826**
Increase/(decrease) in cash		**2,797,498**	**1,172,655**
Cash at the beginning of the year		2,478,930	1,306,275
Cash at the end of the year		**5,276,428**	**2,478,930**

Note 7 explains the composition and other details relating to the various elements included in this Statement.

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT
AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P O. BOX 910040, LIMULUNGA

STATEMENT OF CASH RECEIPTS AND PAYMENTS FOR THE CONSTITUENCY DEVELOPMENT FUND (CDF) FOR THE YEAR ENDED 31ST DECEMBER 2024

RECEIPTS	Notes	2024 Kwacha	2023 Kwacha
Funding	8(a)	4,924,719	27,473,155
Loan Repayments	8(b)	503,613	188,569
Other Receipts	8(c)	237,795	703,024
TOTAL FUNDING		5,666,127	28,364,748
PAYMENTS			
Infrastructure Development	8(d)	7,857,030	8,127,390
Rehabilitation Works and Upgrades	8(e)	529,492	259,414
Asset Acquisition	8(f)	3,913,222	1,708,010
Rural Electrification	8(g)	-	-
Empowerment Loans	8(h)	3,492,463	4,691,693
Empowerment Grants	8(i)	2,377,729	2,136,000
Secondary Boarding Schools and Skill Development Bursaries	8(j)	3,346,372	2,236,950
Administrative Costs	8(k)	3,841,577	2,485,456
Disaster Component	8(l)	389,166	27,000
TOTAL PAYMENTS		25,747,052	21,671,913
Increase/(decrease) in Cash		(20,080,926)	6,692,835
Cash at beginning of the year		24,067,706	17,374,871
Cash at the end of the year		3,986,781	24,067,706

Note 8 explains the composition and other details relating to the various elements included in this Statement

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT
AND RURAL DEVELOPMENT
1 / OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P. O. BOX 910040, LIMULUNGA

STATEMENT OF CASH RECEIPTS AND PAYMENTS FOR ZDSP CAPITAL GRANT FOR THE YEAR ENDED 31ST DECEMBER 2024

		2024 Kwacha	2023 Kwacha
RECEIPTS			
Funding	9(b)	2,694,816	-
Other Receipts		-	-
TOTAL RECEIPTS		**2,694,816**	-
PAYMENTS			
Goods and Services		-	-
Non-finanancial Asset Acquisition			-
Infrastructure Development		-	-
Rehabilitation Works			
TOTAL PAYMENTS		-	-
Increase/(decrease) in cash		**2,694,816**	-
Cash at beginning of the year		-	-
Cash at the end of the year		**2,694,816**	-

As at 31st December, the Council had not spent the funds from Zambia Devolution Support Programme.

Name: NAMAKANDO DET MASIYE
Signature: ....
Position: Council Chairperson

Name: PAMELA KAONGA
Signature: ....
Position: Council Secretary

Name: CHAPA KAONGA
Signature: ....
Position: Director Finance

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERNMENT AND HOUSING
COUNCIL CHAIRPERSON
LIMULUNGA DISTRICT COUNCIL
P. O. BOX 910040, LIMULUNGA

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERNMENT AND RURAL DEVELOPMENT
17 OCT 2025
COUNCIL SECRETARY
LIMULUNGA TOWN COUNCIL
P. O. BOX 910040, LIMULUNGA

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P. O. BOX 910040, LIMULUNGA

STATEMENT OF CASH RECEIPTS AND PAYMENTS FOR THE SECTOR GRANT (DEVOLVED FUNCTIONS) FOR THE YEAR ENDED 31ST DECEMBER 2024

	Note	2024 Kwacha	2023 Kwacha
RECEIPTS			
Funding	12(a)	3,649,532	-
Other Receipts	12(b)	5,993,051	-
TOTAL RECEIPTS		**9,642,583**	-
PAYMENTS			
Goods and Services	12(c)	1,587,786	-
Non-finanancial Asset Acquisition	12(d)	-	-
Infrastructure Development	12(e)	-	-
Rehabilitation Works	12(f)	-	-
TOTAL PAYMENTS		**1,587,786**	-
Increase/(decrease) in cash		**8,054,797**	-
Cash at beginning of the year		-	-
Cash at the end of the year	22	**8,054,797**	-

Name: Namakando Joel Masule

Signature: ....

Position: Council Chairperson

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERNMENT AND HOUSING
17 OCT 2025
COUNCIL CHAIRPERSON
LIMULUNGA DISTRICT COUNCIL
P. O. BOX 910040, LIMULUNGA.

Name: Damenda Kaonga

Signature: ....

Position: Council Secretary

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERNMENT AND RURAL DEVELOPMENT
17 OCT 2025
COUNCIL SECRETARY
LIMULUNGA TOWN COUNCIL
P. O. BOX 910040, LIMULUNGA.

Name: Chipa Kampa

Signature: ....

Position: Director Finance

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P. O. BOX 910040, LIMULUNGA

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. Basis of the Preparation of the Financial Statements

The Financial Statements have been prepared in accordance with Cash Basis IPSAS, *Financial Reporting under the Cash Basis of Accounting*, issued by the International Public Sector Accounting Standards Board (IPSASB) and Local Authorities Accounting Policies (LAAPs).

These financial statements have been prepared in accordance with the historical cost convention as the basis of measurement, unless specified otherwise.

The accounting policies have been applied consistently throughout the period.

1.1 Migration to Accrual Basis Financial Reporting

Limulunga Town Council is required, under the Local Government Act No. 2 of 2019 to produce a Statement of Comprehensive Income and a Statement of Financial Position. The production of these statements entails adoption and application of Accrual Basis of Accounting in financial reporting. However, the Act does not specify which particular accrual basis of accounting to use. In applying Cash Basis of Accounting, the Council followed guidance listed below:

(a) Cash Basis IPSAS, *Financial Reporting under the Cash Basis of Accounting*.
This standard provides that public sector entities adopting Accrual Basis for the first time may apply Cash Basis IPSAS provisions as an intermediate step to assist them in the transition to Accrual Basis IPSASs. In this vein, the Council has produced these financial statements under Cash Basis IPSAS as part of its transition to Accrual Basis of Accounting.

(b) Accounting Pronouncement: 2018/3 – Applicability of International Public Sector Accounting Standards (IPSASs).
This pronouncement issued by the Zambia Institute of Chartered Accountants (ZICA) pursuant to the Accountants Act, 2008 requires the adoption of Accrual Basis of Accounting by public entities by 31st December, 2024. The Council is preparing to adopt Accrual Basis IPSASs on 1st January, 2025

(c) Treasury and Financial Management Circular No. 10 of 2019 issued by the Secretary to the Treasury pursuant to the Public Financial Management Act, No. 1 of 2018. The Treasury and Financial Management Circular provides as follows:

i. That in order to have a standard financial reporting framework, all Local Authorities should adopt the International Public Sector Accounting Standards (IPSASs) Cash Basis of Accounting as a first step in migration to IPSASs Accrual Basis of Accounting.

ii. Local Authorities shall use Part 2 of Cash Basis IPSAS which requires extra disclosures called 'Encouraged Additional Disclosures' in Cash Basis financial statements for the years ending 31st December 2025 up to 31st December 2027.

iii. All Local Authorities shall adopt and apply Accrual Basis IPSAS of Accounting starting 1st January 2025 by following the guidelines provided in IPSAS 33 – "First Time Adoption of Accrual Basis IPSASs".

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

iv. That the three (3) year transition period provided under IPSAS 33 should commence on 1st January 2025 and should end on 31st December 2027. Thereafter, all Local Authorities shall be required to comply fully with Accrual Basis IPSASs.

Based on these guidelines, the Council has not yet commenced production of Accrual Basis financial statements required by the Local Government Act, 2019. However, the Council has adopted Part 2 Cash Basis IPSAS, *Financial Reporting under the Cash Basis of Accounting* to help it transition its financial reporting to Accrual Basis IPSASs.

1.2 Reporting Entity

The Financial Statements are prepared for Limulunga Town Council (LTC). The financial statements encompass the Council as specified in the Constitution of Zambia (Amendment) Act No. 2 of 2016, the Local Government Act No.2 of 2019, and the Public Finance Management Act No.1 of 2018. It also includes projects and activities of the Constituency Development Fund and the Local Government Equalisation Fund in the district.

1.3 Authorisation Date

The financial statements were authorized for issue on 14TH OCTOBER by the Ordinary/Special Council.

1.4 Revenue

Revenue is recognized when cash is received. It is generated from various sources as explained below:

a. Local Taxes

Article 161 of the Constitution of Zambia (Amendment) Act No. 2 of 2016 authorizes Limulunga Town Council as a Local Authority to levy, impose, recover and retain local taxes. Further, the Local Government Act No. 2 of 2019 section 25(1) prescribes, subject to the Constitution and the Business Regulatory Act of 2014, a system of local taxes which Local Authorities can raise by passing by-laws imposing levies on:

- leviable persons owning or occupying property or premises situated within the area of the District;
- leviable persons carrying on a business, trade or occupation within the area of the District; or
- the purchase or sale of a commodity within the area of the District.

b. Fees and Charges

Section 27 (1) of the Local Government Act No.2 of 2019 empowers Local Authorities, subject to the Business Regulatory Act, 2014, to impose fees or charges payable to the Council:

- For any license or permit issued under any regulation or by-law made under the Act. These may include health permits, fire certificate licences, burial permits and extension of business hours permits;

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- For any service or facility provided or goods or documents supplied by the local authority in pursuance of or in connection with the performance of any function of the local authority. These may include survey fees, consent fees, building inspection fees, waste collection fees and parking fees.

1.5 Expenditure

Expenditure is recognized when payment is made for expenses incurred. The Council incurs expenditure relating to the discharge of its functions which includes expenses relating to personal emoluments, use of goods and services, social benefits and acquisition of non-financial assets.

Items of a capital nature are expensed at the time of payment and such transactions are depicted in the appropriate class and heading in the financial statements. Since capital expenditure is expensed when incurred, neither depreciation nor amortization is charged on non-current assets.

1.6 Reporting on Gross Basis

Transactions are reported on gross basis without netting off similar classes of receipts and payments. However, transactions may be reported on net basis when they relate to transactions the Council administers on behalf of other entities recognised in the Financial Statements

1.7 Cash in hand at the Beginning and the End of the Year

Cash at the beginning and end of the year consist of cash on hand, demand deposits and cash equivalents held at such dates.

Cash on hand refers to notes and coins held by the Council at the reporting date and it includes petty cash and cash collections not yet deposited into bank accounts. Demand deposits consist of reconciled balances held in the Council's bank accounts which it can use on demand. Cash equivalents, on the other hand, refer to short term high liquid investments that can easily be converted to known amounts of cash and are subject to insignificant risk of change in values.

The Council recognises all short-term high liquid investments having maturities of three months or less as cash equivalents.

1.8 Local Government Equalization Fund

Article 163(2) of the Constitution of Zambia (Amendment) Act No. 2 of 2016 provides that Parliament shall annually appropriate monies to the Local Government Equalization Fund which shall be disbursed by the Ministry responsible for finance to Local Authorities. Receipts under LGEF supplement revenue generated by the Council. The Council uses at least 20% of the funds received from the equalization fund, in any financial year, to finance capital expenditure and the balance to meet operational expenses.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.9 Constituency Development Fund

The Constituency Development Fund (CDF) was established under Article 162(1) of the Constitution of Zambia (Amendment) Act No. 2 of 2016.

The fund was set up to finance micro-community projects for poverty reduction in communities and it is financed by monies appropriated by Parliament.

The administration of CDF is regulated by the Constituency Development Fund Act No. 11 of 2018. The Council maintains separate bank accounts for each constituency. Transfers are made from CDF into constituency bank accounts from which payments are made to finance approved CDF projects.

1.10 Other Grants

These include grants in lieu of rates and support from Cooperating Partners. Grants in lieu of rates are paid by the Government to the Council to cover property rates of Government properties in the district. Support from Cooperating Partners may consist of cash receipts under bilateral and multilateral agreements.

1.11 Presentation Currency

The presentation currency is Zambian Kwacha.

1.12 Foreign Currencies

Transactions in other currencies are converted into Zambian Kwacha using the ruling Bank exchange rates at the time of payment. Balances expressed in foreign currencies at the year-end are translated into Kwacha at the ruling rate then. The resulting difference from the conversion and translation are charged to the Statement of Cash Receipts and Payments.

1.13 Borrowings

Borrowings comprise actual cash inflows received from financial institutions, bilateral and multilateral institutions.

1.14 Budgets and Actual Amounts

A final budget includes all adjustments (supplementary and re-allocations) made to the original approved budget during the year. Supplementary budgets consist of additional provisions beyond what was originally approved while re-allocations are approved budget variations.

The approved budget is developed on the same accounting and classification basis, and for the same period as for the financial statements. All material differences between final budgets and actual amounts are explained in the notes to the annual financial statements. Budget differences of 20% and above are considered material.

1.15 Encouraged Disclosures of Accrual Type of Items

During the year, the Council adopted Part 2 of Cash Basis IPSAS which provides extra Accrual Basis type of disclosures called Encouraged Additional Disclosures as follows:

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i. Property, Plant and Equipment

These are assets that have useful economic lives or service potential of more than one year. They are recorded and disclosed at either cost or valuation. Valuations are conducted by the Government Valuation Department and the Council's own Valuation staff. Where valuation has been undertaken, the applicable valuation bases are as follows:

• Land	Current Value
• Buildings	Cost or Market Value
• Plant and Equipment	Cost

ii. Investments in Other Entities

The Council discloses the following details about its investments in other entities:

(a) Name of the entity
(b) Principal activity of the entity
(c) Percentage of shareholding in the entity
(d) Receipts in form of dividends and other returns on the investments

iii. Administered Transactions

Administered transactions are cash flows resulting from transactions administered by the Council as an agent of Central Government and any of its agencies. All cash collected in this manner is deposited into an account of the Central Government or its appropriate agent and such accounts are not controlled by the Council. The Council deems as part of cash under its control any collections made and administered by the Council on behalf of the Central Government but are allowed to be deposited in any of its bank accounts prior to its transfer to the Central Government or any of its agents.

iv. Related Party Transactions

A related party is one that has the ability to control the Council or exercise significant influence over the Council in making financial and operating decisions. The related party entity is also any entity that is subject to common control with the Council.

Related parties include:

(a) Entities that directly, or indirectly through one or more intermediaries, control, or are controlled by the Council;
(b) Associates being entities over which the Council has significant influence
(c) Individuals that have significant influence over the Council, and close members of the family of any such individual;
(d) Key management personnel, and close members of the family of key management personnel; and
(e) Entities in which a substantial ownership interest is held, directly or indirectly, by any person described in (c) or (d), or over which such a person is able to exercise significant influence.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The key management personnel of the Council are:

(a) the Mayor/Chairperson, elected councillors, co-opted members of the Audit and Procurement Committees, chiefs who are part of the council representing other chiefs in the district, and

(b) The Principal Officers and Chief Officers.

Spouses, children and grandchildren, grandparents, brothers, sisters, parents in law, brothers in law, and sisters in law of key management personnel are related parties to the Local Authority

The Council discloses the nature of the related party relationship as well as information about those transactions and outstanding balances as a note to the financial statements. Such transactions may include remuneration, loans and contracts awarded to key management personnel and their close relatives.

v. External Assistance

External assistance comprises loans and grants from multilateral and bilateral agencies provided under agreements specifying the purposes for which the assistance will be utilized.

Limulunga Town Council discloses total external assistance received in cash during the period, total external assistance paid by the agencies for the benefit of the council, external assistance received in form of loans and grants, their classifications, purposes for which it was received and undrawn balances.

vi. Payments to Third Parties

Third party payments also known as direct payments are those that are made by third parties to construct or acquire property, plant and equipment and or pay for services on behalf of Limulunga Town Council. These do not constitute cash receipts and payments by the Council. They include payments for goods and services made by multilateral and bilateral aid agencies and non-governmental organizations and are included in the disclosures of external assistance.

NOTES TO THE FINANCIAL STATEMENTS

Local Taxes

During the year, the Council generated local tax cash receipts as follows:

Local Tax Type	2024 Kwacha	2023 Kwacha
Residential Rates	-	-
Industrial / Commercial Rates	-	-
Mining Rates	-	-
Personal Levy	18,523	20,385
	-	-
TOTAL	18,523	20,385

Fees and Charges

The local authority generated cash receipts in form of fees and charges arising from offering various services as follows.

	2024 Kwacha	2023 Kwacha
Fees and charges	655,413	277,922
Land Development Charges	-	-
Total	655,413	277,922

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT
AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P. O. BOX 910040, LIMULUNGA

NOTES TO THE FINANCIAL STATEMENTS

a. Fees and charges

The Council generated the following fees:

Fees and Charges Type	2024	2023
	Kwacha	Kwacha
Consent Fees	-	-
Survey Fees	-	-
Building Inspection fees	-	-
Plan Scrutiny Fees	-	-
Rentals/Lease of Council's properties	-	-
Application Form Fees	-	-
Sketch Fees	4,065	2,065
Search Fees	-	-
Market Fees	-	-
Parking Fees	-	-
Bus Station Fees	-	-
Affidavit Fees	-	-
Grave Reservation	-	-
Refuse Disposal Fees	-	-
Notice of Marriage	5,600	200
Abbattoir/Meat Inspection Fees	481,715	195,277
Home craft regist. / Club membership	65,415	45,415
Farm Produce Levy	8,100	5,100
container/ntemba fees	4,320	-
Communication Mast Levy	78,000	-
Land Record	-	-
Billboard and Banner	-	-
Lease of Council Transport	-	-
Ilegal Vending Fees	-	-
Penalties	8,198	6,198
Site Rent	-	-
Ground rent	-	-
Change of ownership of plot	-	-
Other Fees and Charges/other income	-	23,667
TOTAL	**655,413**	**277,922**

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT
AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P O. BOX 910040, LIMULUNGA

NOTES TO THE FINANCIAL STATEMENTS

b. Land Development Charges

The Council did not collect any revenue as land development related charges in the period under review.

4. Licenses

A total of K54,724 cash receipts was raised from issuance of various licenses.

Licence Type	2024 Kwacha	2023 Kwacha
Manufacturers licence	-	-
Retail licence	20,830	
Wholesale licence	-	-
Occupancy licence	-	
Commercial travellers licence	-	-
Hawkers licence	3,200	-
Peddlers licence	200	-
Stall licence	800	2,590
Liquor licence	1,440	900
Firearm and ammunition licence	5,600	16,400
Petroleum licence	-	-
Restaurant licence	15,000	8,000
Dog licence	-	-
Other licences	7,654	10,579
	-	-
TOTAL	**54,724**	**38,469**

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT
AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P. O. BOX 910040, LIMULUNGA

NOTES TO THE FINANCIAL STATEMENTS

5. Levies

The Council generated cash receipts by charging levies as follows:

Type of Levy	2024	2023
	Kwacha	Kwacha
Livestock Levy	662,471	97,030
Bird Levy	-	-
Fish Levy	14,098	14,098
Pole Levy	-	-
Charcoal Levy	2,670	2,670
Sand Levy	-	140,230
Srap Metal	2,100	2,100
Opaque Beer Levy	-	-
Miscellaneous levies	31,625	31,625
TOTAL	712,964	287,753

6. Permits

The Council generated cash receipts from issuing various permits as follows:

Type of Permit	2024	2023
	Kwacha	Kwacha
Health Permit	47,663	21,491
Burial Permits and Grave sites	1,645	645
Fire Certificates	22,500	-
Extension of business hours permits	-	-
Public permits (social gatherings, etc)	800	-
Other Permits	-	-
TOTAL	72,608	22,136

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT
AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P O. BOX 910040, LIMULUNGA

NOTES TO THE FINANCIAL STATEMENTS

7. Local Government Equalization Fund

a. Funding

	2024	2023
	Kwacha	Kwacha
1st Funding	1,012,239	863,769
2nd Funding	1,010,788	862,829
3rd Funding	1,011,654	842,829
4th Funding	976,304	855,929
5th Funding	1,010,203	867,436
6th Funding	1,010,929	867,436
7th Funding	1,010,929	867,436
8th Funding	1,010,929	867,436
9th Funding	1,010,389	867,436
10th Funding	1,010,929	867,436
11th Funding	1,010,929	867,436
12th Funding	1,010,929	862,071
Total	**12,097,150**	**10,359,481**

b. Operational Expenditure

The Council applied amounts totaling K7,172,600 of LGEF receipts towards meeting operational expenses of the total LGEF funding for the reporting period. These expenses are included in the amounts disclosed in notes accompanying the Statement of Cash Receipts and Payments.

c. Capital Expenditure

The Council applied amounts totalling K820,778 of Capital funds leaving a balance of K4,515,225 into the bank account. The funds are committed for the remaining uncompleted projects such as Bar and Restaurant, six rooms, Conference Hall and the world bank funds

8. Constituency Development Fund

The various elements constituting Statement of Cash Receipts and Payments for CDF are analysed as follows:

(a) CDF Funding

	2024	2023
	Kwacha	Kwacha
Constituency Funding	4,924,719	27,473,155
Total Funding	**4,924,719**	**27,473,155**

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT
AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P O. BOX 910040, LIMULUNGA

NOTES TO THE FINANCIAL STATEMENTS

(b) Loan Repayments

The Council received a total of K503,613 in soft loans re-payments.

	2024 Kwacha	2023 Kwacha
Principal	503,613	188,569
Interest		
Total Other Sources	**503,613**	**188,569**

(c) Other CDF Sources of Funding -Interest

Constituency	2024 Kwacha	2023 Kwacha
Luena	237,795	703,024
Total	**237,795**	**703,024**

Other CDF sources of funding consisted interest earned on the amounts held in CDF bank accounts and soft loan recoveries.

(d) Infrastructure Development

Constituency	2024 Kwacha	2023 Kwacha
Luena	7,857,030	8,127,390
Total	**7,857,030**	**8,127,390**

Infrastructure development works included construction of various staff houses, 1x3 classroom blocks at Sikenge Community School, Ndiki Primary School, Mupatu Primary School, Sisye Primary School, Mweeke Secondary School and Sitoya Secondary School, crossing points in Mweeke and Isambai, a 1x2 multipurpose centre, maternity ward and mortuary at Limulunga Clinic, VIP toilets at Nalulao Health Post and Sikongo Primary School, 1x2 Classroom blocks at Ichimba and Mulumba Community Schools and Nan'goko Primary School.

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT
AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P. O. BOX 910040, LIMULUNGA

NOTES TO THE FINANCIAL STATEMENTS

(e) Rehabilitation Works

	2024	2023
Constituency	**Kwacha**	**Kwacha**
Luena	529,492	259,414
Total Rehabilitation payments	**529,492**	**259,414**

Rehabilitation works included rehabilitation of Saa Kuta, Staff houses at Limulunga Clinic and Sikusi Primary School and 1x2 Classroom block at Macuu Primary School.

(f) Asset Acquisition

	2024	2023
Constituency	**Kwacha**	**Kwacha**
Luena	3,913,222	1,708,010
Total Asset Acquisition Payments	**3,913,222**	**1,708,010**

The assets acquired included procurement of desks for Mukola Community School, Muilwe Primary School and blankets and mattresses for Mwanawina Health Post.

(g) Rural Electrification

No expenditure was recorded under rural electrification.

(h) Soft Loans

	2024	2023
Constituency	**Kwacha**	**Kwacha**
Luena	3,492,463	4,691,693
Total	**3,492,463**	**4,691,693**

Money was given to community empowerment soft loans beneficiaries for various projects.

(i) Empowerment Grants

	2024	2023
Constituency	**Kwacha**	**Kwacha**
Luena	2,377,729	2,136,000
Total	**2,377,729**	**2,136,000**

(j) Secondary Boarding Schools and Skill Development Bursaries

	2024	2023
Constituency	**Kwacha**	**Kwacha**
Luena	3,346,372	2,236,950
Total	**3,346,372**	**2,236,950**

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT
AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P.O. BOX 910040, LIMULUNGA

NOTES TO THE FINANCIAL STATEMENTS

(k) Administrative Costs

	2024	2023
Constituency	**Kwacha**	**Kwacha**
Luena	3,841,577	2,485,456
Total	**3,841,577**	**2,485,456**

The administrative costs included project supervision costs and stationery.

(l) Disaster Component

	2204	203
Constituency	**Kwacha**	**Kwacha**
Luena	389,166	27,000
Total Other Costs	**389,166**	**27,000**

No money was spent from the disaster component during the year.

9. Other Grants

During the year, the Council received the following grants:

Revenue Source	**2024**	**2023**
	Kwacha	**Kwacha**
Grants in Lieu of Rates	-	450,000
Grants from Cooperating Partners	2,694,816	-
TOTAL	**2,694,816**	**450,000**

During the year, the Council did not receive grants in lieu of rates from Ministry of Local Government and Rural Development.

10. Borrowings

During the year, the Council did not borrow any cash for investment or recurrent expenditure.

11. Council Commercial Venture

This consists of receipts and payments relating to operations of Limulunga Town Council boat owned by the Council.

	2024	2023
Receipts	**Kwacha**	**Kwacha**
Cruise Sales Receipts	174,193	154,193
Beverages sales receipts	58,947	51,935
Others	-	-
TOTAL	**233,140**	**206,128**
Payments		
Fuel for cruise purchases	72,500	72,500
Beer and beverages	60,840	60,840
wages	17,752	17,752
Others	36,708	36,708
TOTAL	**187,800**	**187,800**
Surplus/deficit	**45,340**	**18,328**

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT
AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
LIMULUNGA

NOTES TO THE FINANCIAL STATEMENTS

12. Sector Grants (Devolved Functions)

The Council received Grants totaling K9,642,583 in its bank accounts from the Treasury for the Devolved Functions of the Central Government broken down as follows:

a. Devolved Functions

Grant Type	2024 Kwacha	2023 Kwacha
Health Grant	938,702	-
Roads Funds	1,715,472	-
Sport Fund	322,156	-
Veterinary Grant	81,378	-
Social Welfare	-	-
Abatoirs Collections in Sector Accout	591,825	-
TOTAL	3,649,532	-

b. Other Receipts

Grant Type	2024 Kwacha	2023 Kwacha
Cash for Work	5,993,051	-
TOTAL	5,993,051	-

c. Goods and Services for Devolved Functions

Expenditure	2024 Kwacha	2023 Kwacha
Cash for Work	342,845	-
Health Grant	680,778	-
Roads Funds	-	-
Sport Fund	2,404	-
Veterinary Grant	302,674	-
Social Welfare	-	-
Abatoirs Collections in Sector Accout	259,085	-
TOTAL	1,587,786	

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT
AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P.O. BOX 910040, LIMULUNGA

NOTES TO THE FINANCIAL STATEMENTS

13. Other Receipts

The Council received other receipts amounting to K981,787

Other Receipts	2024	2023
	Kwacha	Kwacha
Soft Loan Recoveries	503,613	188,569
Interest Received	237,795	704,770
Other Charges	240,379	
TOTAL	981,787	893,339

14. Personal Emoluments

Personal Emoluments consist of actual amounts of salaries and wages paid to staff of the Town Council. The Council had categories of staff that were paid as follows;

Grade	2024	2023
	Kwacha	Kwacha
Salaries Division 1	3,163,049	2,963,049
Salaries Division 2	1,939,406	1,839,406
Salaries Division 3	1,281,525	1,231,525
Wages- Division 4	924,147	923,643
Other wages	-	-
TOTAL	7,308,127	6,957,623

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT
AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P O. BOX 910040, LIMULUNGA

NOTES TO THE FINANCIAL STATEMENTS

15. Use of Goods and Services

General expenditure consists of expenditure incurred on administrative activities

Expenditure Type	2024 Kwacha	2023 Kwacha
Office Running Costs	85,933	125,933
Building, Repair and Maintenance Costs	32,510	52,510
Plant, Machinery and Vehicle Running and Maintenance Cost	341,197	441,197
Other Administrative operating costs	144,970	244,970
Requisites	3,443,459	235,267
Services	559,049	729,039
Travel expenses	513,726	313,726
Training	865,259	1,323,202
Medical costs	166,041	-
Bank Charges		43,434
Other costs	-	-
TOTAL	**6,152,144**	**3,509,278**

16. Financial Charges

The Council did not pay for any financial charges in form of interest on borrowings. However, it incurred some bank charges on the Council bank accounts which are included in Use of Goods and Services.

17. Social Benefits

During the year the Council did incurred expenditure amounting K7,187,949 towards social benefits. This was spent on both empowerment grants and soft loans.

	2024 Kwacha	2023 Kwacha
Boarding Schools and Skills Bursaries	7,187,949	2,236,950
TOTAL	**7,187,949**	**2,236,950**

NOTES TO THE FINANCIAL STATEMENTS

18. Non-Financial Assets

The Council procured non-financial asset worth K13,120,521 during the year.

	2024 Kwacha	2023 Kwacha
Office Furniture		-
Office Equipment-Computers	-	77,940
Other -bar	220,777	183,743
Intangible Fixed Assets	-	-
Constituency Development Fund-CDF	12,899,744	10,094,814
Total Acquisition payments	**13,120,521**	**10,356,497**

19. Financial Asset

The Council disbursed a total of K3,492,463 in loans for the fiscal year 2024, resulting in a financial asset of the same amount.

	2024 Kwacha	2023 Kwacha
Loans Disbursed	3,492,463	4,691,693
TOTAL	**3,492,463**	**4,691,693**

20. Loan Repayments

The Council did not make any loan repayments during the year.

21. Other Payments

	2024 Kwacha	2023 Kwacha
Long Service Bonus	-	-
Settling in Allowance	-	21,250
Meal Allowance	-	-
Leave Travel Benefits	-	-
Other Allowances	-	-
Constituency Development Fund Expenditure	2,765,696	4,899,136
TOTAL	**2,765,696**	**4,920,386**

22. Foreign Exchange Losses

These arise from transactions made in other currencies and determined by reconciling opening cash to closing cash balances. The Council did not have any foreign exchange gains and losses.

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT
AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL
P. O. BOX 910040, LIMULUNGA

NOTES TO THE FINANCIAL STATEMENTS

23. Cash Balances

The Council's Cash amounts consisted of cash on hand, demand deposits and cash equivalents.

	2024 Kwacha	2023 Kwacha
a. Cash on hand	-	-
b. Demand Deposits	17,737,374	25,863,647
c. Cash equivalents	-	-
TOTAL	17,737,374	25,863,647

a. Cash on hand

The Council did not have any cash on hand at the year end.

b. Demand Deposits – Bank Balances

The Council had the following reconciled bank account balances being closing reconciled bank balances as at 31st December:

Account Name	Account No	2024 Kwacha	2023 Kwacha
District Fund A/c	Zanaco - 5064484500113	1,134,344	876,071
Luena Constituency A/c	Zanaco - 0254900300144	3,384,289	23,112,941
Luena Constituency A/c - Revolving	Zanaco- 0254900300245	602,492	222,315
Capital Projects A/c	INDO - 0262020000058	4,142,084	1,602,859
Transit A/c	INDO - 0262020000074	321,966	4,880
Rural Water and Sanitation (Loan) A/c	INDO - 0262020000035	521	521
Rural Water and Sanitation (Grant) A/c	INDO - 0262020000038	4,241	292
Rural Water and Sanitation (SOMAP) A/c	INDO - 02620200000295	25,377	25,377
Limulunga PPCR A/c	Zanaco - 5066219300249	63	63
Commercial venture	Indo- 0002620000485	67,200	18,328
Sector Devolved A/c	Zanaco - 0254900300346	8,054,797	-
TOTAL		17,737,374	25,863,647

24. Budget Adjustments and Variances

a. Budget Adjustments

The original budget was approved by the Minister responsible for Local Government on 19th February 2024. The council had no subsequent budget adjustments.

b. Budget Variances

- **Local Tax**

  The information provided indicates that a local authority had budgeted to collect K19,478 but only managed to collect K18,523, achieving a 95% collection efficiency. The shortfall is attributed to unremitted Personal Levy payments that were received in 2025

NOTES TO THE FINANCIAL STATEMENTS

- **Fees and Charges**
  The Local Authority's impressive achievement of collecting K655,413 against a budgeted amount of K440,880 resulting in a 149% collection efficiency reflects a significant improvement in revenue generation. This success can be attributed to several strategic measures implemented at the two abattoirs under its jurisdiction.

- **Licenses**
  The information provided indicates that a local authority had budgeted to collect K56,535 but only managed to collect K54,724, achieving a 97% collection efficiency. The 3% under collection is attributed the shops that had not paid for the business licenses as at close of the year under review, which were received in 2025.

- **Levies**
  The Local Authority's impressive achievement of collecting K712,964 against a budgeted amount of K515,900 resulting in a 138% collection efficiency reflecting a significant improvement in revenue generation. This success can be attributed to several strategic measures implemented at the two abattoirs under its jurisdiction

- **Constituency Development Fund**
  The financial Statement shows that the Local Authority received K4,924,719 against a budgeted K30,635,642, achieving only 16% of its revenue target. This resulted in a shortfall of K25,710,923, which remained unfunded by the central government by the end of the year, highlighting an 84% underperformance relative to the budgeted target. This was mainly due to unutilised funds in the previous year 2023 which was in the account.

- **Other Grants**
  The financial Statement shows that the Local Authority received K2,694,816 against a budgeted amount of K3,800,000 achieving only 71% of its revenue target. This resulted in a shortfall of K1,105.,184, which remained unfunded by the central government (grants in lieu of rates) and World Bank by the end of the year, highlighting 29% underperformance relative to the budgeted target.

- **Commercial Venture**
  The Local Authority's achievement of collecting K45,340 against a budgeted K23,800 resulting in a 191% collection efficiency reflecting a significant improvement in revenue generation and the maximisation of revenue collected from Kuomboka activities.

- **Non- Financial Assets**
  The Council allocated K25,806,520 for various capital projects under the Constituency Development Fund (CDF) and capital funds but spent only K13,120,521, resulting in a 49% underspend. This shortfall is primarily due to ongoing projects that have been carried forward into the 2025 fiscal year.

NOTES TO THE FINANCIAL STATEMENTS

- **Financial Asset**
  The Council allocated K3,492,520 to be disbursed as loans to beneficiaries during the fiscal year 2024, and the Local Authority successfully disbursed the entire allocated amount, resulting in 100% expenditure.

- **Other Payments**
  The Council allocated in the fiscal year 2024, allocated K10,000,607 for disbursement under "Other Payments," including expenditures classified outside non-financial assets. The local authority spent K2,765,696, achieving an expenditure rate of approximately 28%.

25. Provision of Services

The Town Council incurs expenditure to offering services it is mandated to provide to the residents of the district.

Types of Services

	2024 Kwacha	2023 Kwacha
Solid Waste Management	182,000	690,589
Make Zambia Clean and Health Campaign	30,250	38,450
Management and Control of Markets	-	-
TOTAL	**212,250**	**729,039**

There were no funds which were spent on National Rural water and sanitation activities.

26. Property Plant and Equipment

The Council had property, plant and Equipment valued at K30,569,883 as at 31st December 2024.

	Land K	Land and Buildings K	Plant & Machinery K	Motor vehicles K	TOTAL K
Opening balance	20,000	16,205,150	1,224,212	-	17,449,362
Additions	-	13,120,521	-	-	13,120,521
Closing balance	20,000	29,325,671	1,224,212	-	30,569,883

27. Investments in Other Entities

The Council did not receive any dividends from its investments during the financial year.

28. Administered Transactions

The council did not administer any transaction on behalf of other entities.

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT
AND RURAL DEVELOPMENT
17 OCT 2025

NOTES TO THE FINANCIAL STATEMENTS

29. Related Party Disclosures

The following disclosures are made in the financial statements of Limulunga Town Council:

a. **Fringe benefits Disclosures**

The Council Chairperson was provided with a personal-to-holder car, an office and personal secretary.

b. **Remuneration of the Councilors**

The aggregate remuneration of members of the Council and the number of individuals determined on a full-time equivalent basis receiving remuneration from Limulunga Town Council are:

Aggregate Remuneration	**K595,000**
Number of persons	**11**

None of the councillors acquired loans from the Council during the period under review nor had any outstanding loans.

c. **Remuneration of Senior Management**

The aggregate remuneration of members of the Senior Management and the number of individuals determined on a full-time equivalent basis receiving remuneration from the Local Authority are:

Aggregate Remuneration	**K2,963,049**
Number of persons	11

None of the members of senior management acquired loans from the Council during the period under review nor had any outstanding loans.

30. External Assistance

The Council received financial support from World Bank through Zambia Devolution Support Programme to invest in business related capital projects.

REPUBLIC OF ZAMBIA
MINISTRY OF LOCAL GOVERMENT AND RURAL DEVELOPMENT
17 OCT 2025
DIRECTOR FINANCE
LIMULUNGA TOWN COUNCIL