NAME: KALULUSHI MUNICIPAL COUNCIL
2025 BI ANNUAL PERFORMANCE REPORT

Period: 01-Jan-2025 to 30-Jun-2025

REVENUE

#	Receipts	Budget a ZMW	Actual as at 30-June 2025 b ZMW	Varinace c=a-b ZMW	Performance b/a %
1	**National Support**				
	1.1 Local Government Equalisation Fund	12,213,813.50	3,551,775.27	8,662,038.23	29%
	1.2 Grants In Lieu of Rates	-	392,318.34	(392,318.34)	
	1.3 Sector Grants	21,193,025.65	11,790,052.76	9,402,972.89	56%
	1.4 ZDSP Capital Grants	8,200,000.00	-	8,200,000.00	0%
	1.5 Constituency Development Fund	36,058,150.60	14,472,323.32	21,585,827.28	40%
	1.6 Other Grants	-	-	-	
	Sub - total	77,664,989.75	30,206,469.69	47,458,520.06	39%
2	**Own Source Revenue**				

	2.1 Local Taxes	118,719,726.81	55,036,204.90	63,683,521.91	46%
	2.2 Fee & Charges	5,836,322.68	2,807,323.74	3,028,998.94	48%
	2.3 Licences	1,498,873.10	578,260.17	920,612.93	39%
	2.4 Levies	210,500.00	71,440.40	139,059.60	34%
	2.5 Permits	1,067,250.00	600,975.60	466,274.40	56%
	2.6 Commercial ventures	-	-	-	
	2.7 Others OSR	30,000.00	521,937.17	(491,937.17)	1740%
	Sub - total	127,362,672.59	59,616,141.98	67,746,530.61	47%
3	**Other revenue**				
	4.1 Bank interest received	-	-	-	
	4.2 Borrowings - Loans	-	-	-	
	4.2 Borrowings - Overdraft	-	-	-	
	4.3 Others	-	-	-	
	Sub - total	**-**	**-**	**-**	
Total		**205,027,662.34**	**89,822,611.67**	**115,205,050.67**	**43.81**

PAYMENTS

#	Receipts	Budget a ZMW	Actual as at 30-June 2025 b ZMW	Varinace c=a-b ZMW	Performance b/a %
1	Personal emoluments	61,435,796.96	30,481,693.96	30,954,103.00	50%
2	Use of goods and services	70,899,000.75	30,777,749.24	40,121,251.51	43%
3	Financial charges	-	-	-	
4	Social benefits	22,776,620.38	16,910,851.99	5,865,768.39	74%
5	Non-financial assets	46,179,308.63	20,598,946.81	25,580,361.82	45%
6	Financial assets	3,736,935.61	-	3,736,935.61	0%
7	Loan repayments	-	-	-	
8	Other repayments	-	-	-	
Total payments		**205,027,662.34**	**98,769,242.00**	**106,258,420.34**	**48%**

BUDGET PROGRAMME
OUTPUT PERFORMANCE

Name: of Budget Programme:					
S/N	**Key Output/Project & Indicator**	**Unit of Measure**	**Target**	**Actual**	**Variance**
1	Environment and Waste Management	No. of Tones	51813	41197	10616
2	Maintenance of Towship Roads	No. of Kms	20	6	14
3	Fire Management Services	No. of Calls	100	92	8
4	Installation and Maintenance of Street Lights	No. of Lights	50	62	-12
5	Burial Site Services	No. of Burials	340	370	-30
6	Devolved Functions Integration		13	13	0

CAPITAL PROJECTS-OWN SOURCE REVENUE FUNDED

S/N	Project Name	Contract			Cumulative Payments As At 30th June	Balance	Source of Funds	Project Status
		Start Date	End Date	Amount (ZMW)	ZMW	ZMW		
1	Construction of New Office Block and council chamber	23.08.2024	30.09.2025	7,962,073.29	4,383,204.39	3,578,868.90	OSR	WIP
2	Drilling & Equipping of Boreholes	2.06.2025	31.10.2025	899,649.00	790,394.30	109,254.70	OSR	WIP
	TOTAL			**8,861,722.29**	**5,173,598.69**	**3,688,123.60**		

CONSTITUENCY DEVELOPMENT FUND

S/N	Project Name	Contract			Cumulative Payments	Balance	Source of Funds	Project Status
					As At 30th June			
		Start Date	End Date	Amount (ZMW)	ZMW	ZMW		
1	Construction of a MCH shelter at kalulushi urban clinic - Kalungwishi ward	16.04.25	03.09.25	793,012.00	198,253.00	594,759.00	MOF	Work in progress
2	Construction of water reticulation system in kafue ward	14.02.25	27.05.25	299,667.00	269,700.00	29,967.00	MOF	complete project under defect liability period
3	Drilling of boreholes in luapula ward	14.02.25	27.05.25	194,370.00	194,370.00	-	MOF	Complete

4	Construction of water reticulation system in dongwe ward	14.02.25	27.05.25	299,667.00	269,700.00	29,967.00	MOF	complete project under defect liability period
5	Construction of kabaso bridge in lulamba ward	9.06.25	31.10.25	4,489,803.78	1,122,450.95	3,367,352.83	MOF	excavation of Foundation
6	Construction of water reticulation system in kalengwa ward	14.02.25	27.05.25	299,667.00	269,700.00	29,967.00	MOF	complete project under defect liability period
7	Procurement of 1000 desks for public schools	2/6/2025	31/08/25	1,989,100.00	795,000.00	1,194,100.00	MOF	Work in progress
8	Construction of incinerator, placenta pit, installation of water reticulation system and installation of facility solar	2.06 .25	28.07.25	699,537.70	659,212.91	40,324.79	MOF	complete project under defect liability period

	system at chembe north health post chembe ward							
9	Construction of placenta pit and installation of facility solar system at musakashi health post - musakashi ward	13.05.2025	08.07.2025	399,395.91	359,456.32	39,939.59	MOF	complete project under defect liability period
10	Construction of incinerator, placenta pit, maintenance works of existing facility martenity and electricing connection at twaiteka health post - twaiteka ward	14.04.2025	16.06.2025	563,087.23	161,005.04	402,082.19	MOF	Work in progress
11	Procurement of medical equipment and ferniture for martenity annexes for chembe north,	06.06.2025	28.08.2025	1,728,336.00	854,050.00	874,286.00	MOF	Work in progress

	chembe, minsenga, musakashi, twaiteka and chibote martenity annexes							
12	Construction of the sitwe police post to national electricty grid and procument of furniture sitwe ward	15.04.2025	15.05.2025	454,261.32	454,261.32	-	MOF	Awaiting Zesco Connection
TOTAL				**12,209,904.94**	**5,607,159.54**	**6,602,745.40**		

Key Internal Audit Recommendation and Implementation

No	Subject Matter	Audit Finding	Audit Recommendation	Management Action Taken
1	**BUDGET EXECUTION**	**DELAY IN COMPLETION OF PROJECTS** (a) COMPLETION OF 1 X 3 CLASSROOM BLOCK AT MUSAKASHI COMBINED	Management should endeavour to implement construction projects within the set scheduled contract duration.	Four (04) out of the five CDF projects have since been completed. However, the construction of

		SCHOOL – ZMW 931,293.48 (b) CONSTRUCTION OF AN ABLUTION BLOCK WITH WATER RETICULATION SYSTEM AT KAMPWENA MARKET UNDER 2024 CONSTITUENCY DEVELOPMENT FUND – ZMW 1,129,232.16 (c) REHABILITATION OF ROADS IN LUBUTO WARD – ZMW 300,000.00 (d) CONSTRUCTION OF ABLUTION BLOCK AND WATER RETICULATION AT TWAYUKA PRIMARY SCHOOL -	Management should ensure that all contract provisions are enforced and that the projects are implemented without further delays.	ablution block and water reticulation at Twayuka Primary School is still in progress

		CONTRACT N0. KMC/PSU/TW/CDF/24/EK/2/25ZMW – ZMW 1,188,963.48			
		(e) CONSTRUCTION OF AN ABLUTION BLOCK AND WATER RETICULATION AT DONOVAN PRIMARY SCHOOL – CONTRACT NO. KMC/CDF/WKS/02/2024 - ZMW 1,125,003.26	-		
		UNIMPLEMENTED PROJECT - RURAL ELECTRIFICATION – ZMW 1,000,000.00			

		The Ministry of Local Government and Rural Development approved ZMW 1,000,000.00 for electricity provision as part of the twelve (12) projects. However, a review of the project files revealed that despite the project being approved, as at May 30, 2025 the project was yet to be implemented.	Management should ensure payment processes are expedited for contractors especially if all the necessary documents have been done to avoid delays in project implementation and risk of claims for interest for late payments.	Two sites of needy have been Identified namely Chisangwa School/ Clinic and Kaputula School. A Notification letter has since been generated and sent to REA over the same development. Further, a request to conduct site assessment and feasibility study by the authority has been made.

2	**INCOME – OWN SOURCE REVENUE**	**FAILURE TO COLLECT PLOT PREMIUMS** During the period under review (2024), the local authority issued 200 plots to the general public and a total amount of **ZMW 1,249, 000** was expected to be collected as plot **premiums**	Management should provide proof of the plots from the initial successful applicant list showing those that were not given and provide clear evidence of those that have been allocated plots to support the underperformance.	Management made efforts in reminding the applicants to pay for their plots of which 5 High-Cost plots have been paid for from the initial reconciled record of 34 leaving a balance of 29 High-cost Plots, which have not yet been paid for and offered. In the same vein, 4 Medium Cost plots have

		from successful applicants**.** However, as at 31 December 2024, only amounts totaling **ZMW 822,000.00.** was collected leaving a balance of **ZMW 427,000.00.**		been paid for from the initial reconciled record of 31 Leaving a balance of 27 Medium Cost Plots. So far, a total of K60,000.00 has been collected leaving a balance of K367,000. Management is making efforts to ensure that the outstanding amount of K367,000 for plots premium is collected as it is still looking for Land without encumbrances to issue out.
		MISSING RECEIPT BOOKS		

3	**ACCOUNTING PROCEDURES AND CONTROL**	During the period under review, an audit of accountable documents revealed that three (03) receipt books were not availed to audit therefore, deemed missing making it difficult to ascertain whether receipts books were been issued in accordance with the stipulated law.	Management must ensure that the remaining receipts are retrieved and appropriate action be taken on those that are completely missing.	The Officers responsible for Accountable documents have been tasked to conduct a sequential filling of accountable documents and ensure they are properly secured for Verification. Further Revenue collectors and cashiers who are still using the receipt books have been reminded to submit the serial Numbers and actual receipt books for verification. The Receipts books are now available for verification. The 03 missing receipt books were availed

				to audit for verication.
			Management should make use of the strong room for storage of Receipt books.	
		FAILURE TO CARRY OUT ROUTINE CHECKS OF ACCOUNTABLE DOCUMENTS	The responsible officer to carry out monthly audits so as to keep track of the all-accountable documents and to allow for prompt retrieval of documents and reporting if the accountable documents are not retired.	Managements has since redesigned the Template being used in line with the Public Finance Management Act 2018, and the Public finance Management (General)

					Regulations of 2020 to ensure compliance with the act and as well conduct Monthly checks of Accountable documents.
		During the period under review, contrary to the act, no monthly checks of accountable documents by both the office holder in charge of receipt books and the supervisor to the office holder were being done.	Supervisors to ensure the register is signed and also availed for audit verification		
		DUPLICATE RECEIPT BOOKS WITH IDENTICAL			

		SERIAL RANGE NUMBERS			
		During the period under review, an audit of accountable documents revealed eighteen (18) **BUS** receipt books were found to be duplicates with identical serial range numbers.	Management should always adhere to the provisions of the act and circular regarding the acquisition of the receipt books to avoid acting against the law. **Refer to circular MLG/71/6/119 of 10th August 2018, MLG/71/47/1of 8th July 2020, MLG/101/6/1 of 13th May 2021 and 13th May 2021.**	Management took note of the findings and made immediate measures to ensure that the first batch that was procured from Mission Press was exhausted and retired before continuing using the batch that came from Government Printers. The last receipt book Which was ordered from mission press was retired on 21st October 2024 and the First receipt book under those who were procured from Government printers was issued on 21st October 2024.

				The current status is that all these receipt books have since been retired and none of these receipt books are in circulation.
4	**PAYROLL MANAGEMENT**	**PAYMENT OF SALARIES TO DECEASED OFFICERS** A review of the payroll and other records for the period under review revealed that deceased officers were being paid	Management must ensure that deceased officers who do not qualify for posthumous retirement are deleted from the payroll immediately.	Management has since removed the late Pepino Kapembwa and was removed from the payroll effective

		salaries in amounts totalling ZMW 116764.79 after the date of demise.		November 2024 and the late Kalezhi Hellen effective December, 2024.
		FAILURE TO CONFIRM OFFICERS A verification conducted through the payroll and staff returns revealed that eight (08) officers had not yet been confirmed after saving for more than three (03) months.	Management should facilitate the process of staff confirmation.	Seven (07) of the eight officers have since been confirmed.
		HEAD COUNT EXERCISE		

		During the period under review, **Internal Audit Unit** together with the **Department of Human Resource and Administration** conducted a head count of contractual employees to ascertain their physical existence. Out of the **three hundred thirty-three (333)** contractual employees, **sixteen (16)** contractual employees did not show up for the head count, therefore making it difficult to ascertain their existence.	Management should compel the contractual employees who stayed away from the head count exercise to avail themselves failure to which they should be treated as ghost employees and deleted from the payroll.	Management could not afford to suspend all operations and recall all workers for head count at once. However, the workers who were not available during head count presented themselves later and were verified.
			Management should ensure that only employees with valid contracts and report for	

			work should be maintained on payroll.	

DEBT AND ARREARS AS AT 30TH JUNE 2025

Narration	OUTSTANDING AMOUNTS	OUTSTANDING AMOUNTS
PE'S	-	824,888.90
ZAMTEL	357,846.90	357,846.90
ZESCO	-	-
WATER	1,269,608.69	974,846.47
LEGAL COSTS	-	-
NAPSA ARREARS	1,190,484.56	1,237,211.24
NAPSA ARREARS - PENALTIES	40,883,992.00	40,883,992.00

LASF ARREARS	-	-
NHIMA	48,465.44	0.24
LASF ARREARS - PENALTIES	-	-
OTHER PENSION ARREARS	-	-
OTHER PENSIONS ARREARS - PENALTIES	-	-
ZRA PAYE	10,566,299.23	10,181,720.12
ZRA - PENALTIES	-	-
GOODS & SERVICES	810,359.10	-
CAPITAL	-	-
Total	**55,127,055.92**	**54,460,505.87**