KATETE TOWN COUNCIL

ANNUAL FINANCIAL REPORT FOR THE YEAR END 31st DECEMBER 2025

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REPUBLIC OF ZAMBIA
OFFICE OF THE AUDITOR GENERAL
CHIPATA PROVINCIAL AUDIT OFFICE
REGIONAL HEAD OF AUDITS
P.O. Box 511159, CHIPATA

REPORT OF THE COUNCIL

The Council has the pleasure of presenting the report together with the financial statements for the year ended 31st December 2025 which disclose the sources, utilization, and balances of cash for Katete Town Council during the period under review.

Background and Location of the Council

Dating back to 1950, Katete was a small settlement with a filling station at the Great East Road that also acted as a bus station for the Thatcher Robson service and had a few shops at the junction run by Indians. The town had a technical secondary school run by Europeans whose aim was to help men with technical skills in brick laying, sugar making, leather tanning and agriculture. This school was known as Area School with its main focus on adult education and mass literacy in Chichewa. The technical school was in the southern part of Katete while St Francis Church Mission and an Agriculture Research Station lay to the north.

Katete is one of the fifteen (15) districts in Eastern Province of the Republic of Zambia. The town is at the foot of the rocky hills which lie to its east including Mphangwe Hill and Kangwerema Hill. It is situated between longitudes 31.450 and 32.300 East and latitudes 13.800 and 14.450 South. Katete district shares boundary with Chadiza District in the southeast, Chipata City and Kasenengwa District in the northeast, Mambwe in the north, and Sinda District in southwest. The district covers a land area of about 2,433 Square Kilometres (Km2).

The population of Katete according to the 2022 Census of Population and Housing was 222,595 comprising of 113,317 females and 109,278 males with annual growth rate of 2.4%. The Population Density is 87.99 persons per square kilometre. As at 2022 in terms of urbanization, the majority of people are in the rural areas i.e., with rural population of 190,139 and urban population of 23,933.

The address of the registered office of Katete Town Council (KTC) is as follows:

The Civic Centre

P.O Box 550023

KATETE

Composition of the Council

Katete Town Council is a body corporate established under Article 152 of the Constitution of Zambia (Amendment) Act No.2 of 2016 and Section 6 of the Local Government Act No. 2 of 2019. As a Local Authority, the Town Council administers the Katete District.

The Council is composed of an elected Chairperson, twenty-two (22) elected councilors from twenty-two (22) wards, and three (3) chiefs as provided for under Article 153 (2)(c) of the Constitution of Zambia (Amendment) Act No.2 of 2016. The current Council was elected to office in 2021 to serve a five-year term up to 2026. The Deputy Chairperson was re-elected from among the councilors in 2024 for the period of two and half year's term up to 2026. The Deputy Chairperson was re-elected from among the councilors in 2024 for the period of two and half years.

S/N	NAME	GENDER	POSITION	WARD
1	Fanuel Chama	Male	Chairpersom	Not applicable
2	Zulu Lumankio	Male	Deputy Chairperson	Dole
3	Banda Andford	Male	Councillor	Yowoyani
4	Banda Benjamin	Male	Councillor	Chavuka
5	Banda Davyson	Male	Councillor	Vulamkoko
6	Banda Derick	Male	Councillor	Milanzi
7	Banda Francis	Male	Councillor	Katuila
8	Banda Happy	Male	Councillor	Mkaika
9	Banda Odrick	Male	Councillor	Chindwale
10	Banda Peter	Male	Councillor	Kafumbwe
11	Lungu Simon	Male	Councillor	Kasambandola
12	Lungu Kachonka	Male	Councillor	Chimtende
13	Mbewe Anderson	Male	Councillor	Kadula
14	Mbewe Felix	Male	Councillor	Kapangulula
15	Mbewe Jason	Male	Councillor	Lukweta
16	Mbewe Salatiel	Male	Councillor	Chilongamawe
17	Mwale Yelesani	Male	Councillor	Kapoche
18	Mwenda Elijah	Male	Councillor	Kamphambe
19	Nyirenda Elita	Female	Councillor	Mphangwe
20	Phiri Edward	Male	Councillor	Kamiza
21	Phiri Daniel . P	Male	Councillor	Kazakaloba
22	Phiri Veronica	Female	Councillor	Matunga
23	Tembo Chemist	Male	Councillor	Kazala
24	Banda Kambandya	Male	His Royal Hifhness(Chief Katumba)	
25	Phiri Lemison	Male	His Royal Hifhness(Chief M'banombe)	
26	Phiri Vainess	Female	Her Royal Highness(Chieftainess Kawaza)	

The district also has two (2) elected Members of Parliament one for Mkaika constituency and the other for Milanzi Central Constituency. The Members of Parliament that held office during the year were:

S/N	NAME	GENDER	CONSTITUENCY
1	Hon.Melesiana Phiri	Female	Milanzi
2	Hon. Peter Phiri	Male	Mkaika

The affairs of Central Government in the district are coordinated by the District Commissioner. During the year under review Mr. Paul Ngongolo was the Acting District Commissioner for Katete District.

The Council Secretariat

The Secretariat of Katete 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) Directors responsible for Finance, Planning, Engineering, Human Resource and Administration and two (2) units namely Procurement and Internal Audit.Following the devolution of central government functions, the following Heads of Departments for Health, Agriculture, Fisheries and Livestock, Youth, Sports and Arts, District Archives, Tourism, Community Development and Social Services and Transport and Logistics report to the Council Secretary:.

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 Second Schedule of Cap 281 of the Laws of Zambia 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

	2025 Kwacha	2024 Kwacha
Cash Receipts	128,640,836	53,176,467
Payments	140,932,425	76,924,287
Increase/(decrease) in Cash and Cash Equivalents	- 12,291,589	- 23,747,820

Key Policies Adopted During the Year

The Council did not adopt any key policies during the year:

Related Party Transactions

There Council incurred cost paid to Elected management Salaries -F3, Senior management and Councilors during the financial year ended 2025.

Property, Plant and Equipment

The Council incurred K60,861,480 on asset acquisition during the financial year

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 Council had 154 employees at the beginning of the year was 164 at end of the year. The total amount spent on employees' remuneration and welfare during the year was K13,892,800.

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.

Recreation

The Council during the financial year incurred K56,076.00 towards sponsoring various sporting activities.

National Events

The Council during the financial year incurred K86,055.00 towards sponsoring various national events activities e.g Labour Day, Women's Day, Independence Day and Youth Day.

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

Name:…… **Name:……..……**

Signature:……. **Signature:……..**

Position: Council Chairperson **Position: Council Secretary**

Name:……
Signature……
Position: Director of Finance

STATEMENT OF RESPONSIBILITIES FOR ANNUAL FINANCIAL STATEMENTS

The Katete Town Council is responsible for preparing the financial statements for the year ended 31st December 2025 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) Amendment No. 3 of 2025 and Treasury and Financial Management Circular No. 18 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 7 to 10.

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, the Public Finance Management Act No.1 of 2018 and Local Authorities Accounting Policies (LAAPs) Amendment No. 3 of 2025.

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 Katete Town Council will not remain a going concern for at least twelve 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 Municipal Council for the financial year ended 31st December 2025.

Signed on behalf of the Council ……, 2026 by;

Name:…… **Name:……..……**

Signature:……. **Signature:……..**

Position: Council Chairperson **Position: Council Secretary**
Name:……
Signature……

Position: Director of Finance

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 and Rural Development (MLGRD)

Report on the Audit of the Financial Statements for Katete Town Council for the Financial Year Ended 31st December 2025

Opinion

I have audited the financial statements of the Katete Town Council for the financial year ended 31st December 2025 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, Statement of Cash Receipts and Payments for Constituency Development Fund (CDF), Statement of Cash Receipts and Payments for Zambia Devolution Support Programme, Statement of Cash Receipts and Payments for Cash for Work, 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 of Katete Town Council present fairly, in all material respects, its 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 , the Statement of Cash Receipts and Payments for Constituency Development Fund (CDF), Statement of Cash Receipts and Payments for Zambia Devolution Support Programme, Statement of Cash Receipts and Payments for Cash for Work, Statement of Cash Receipts and Payments for Sector Grant (Devolved Functions) and balances for the year ended 31st December 2025 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 Katete 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 Katete Town Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Katete Town Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's

report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, the going concern of Katete Town Council is dependent on the government policy decision.

- 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

Katete Town 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 of Comparison of Budget and Actual Amounts, Statement of Cash Receipts and Payments for Local Government Equalization Fund (LGEF), the Statement of Cash Receipts and Payments for Constituency Development Fund (CDF), Statement of Cash Receipts and Payments for Zambia Devolution Support Programme (ZDSP) Statement of Cash Receipts and Payments for Cash for Work 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: ……**

STATEMENT OF CASH RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025

	Note	2025 Kwacha	2024 Kwacha
RECEIPTS			
Local taxes	**2**	700,863	977,914
Fees and Charges	**3**	1,319,324	2,179,182
Licences	**4**	59,509	151,960
Levies	**5**	892,675	619,082
Permits	**6**	984,452	1,065,344
Local Government Equalisation Fund	**7**	12,964,631	11,278,864
Constituency Development Fund	**8**	67,930,840	10,491,702
Zambia Devolution Support Program	**9**	-	2,694,737
Cash for Work	**10**	32,651,798	-
Sector Grants (Delvoved Function)	**11**	8,104,729	15,216,452
Other Grants	**12**	2,970,376	8,423,881
Borrowings	**13**	-	-
Commercial Venture	**14**	61,639	77,349
Other Receipts	**15**	-	-
TOTAL RECEIPTS		**128,640,836**	**53,176,467**
PAYMENTS			
Personnel Emoluments	**16**	13,892,800	11,173,355
Use of goods and services	**17**	47,975,293	27,475,227
Financial Charges	**18**	-	-
Social benefits	**19**	12,923,684	18,997,769
Non-financial assets acquisition	**20**	60,861,480	10,753,668
Financial Assets	**21**	4,999,766	7,681,250
Loan Repayments	**22**	-	-
Other payments	**23**	279,402	843,018
TOTAL PAYMENTS		**140,932,425**	**76,924,287**
Increase/(decrease) in Cash		**(12,291,589)**	**(23,747,820)**
Foreign Exchange Losses	**24**	**-**	**-**
Cash at beginning of the year	**25**	26,495,043	50,242,863
Cash at the end of the year	**25**	**14,203,454**	**26,495,043**

Name:…… **Name:…….……**

Signature:……. **Signature:……..**

Position: Council Chairperson **Position: Council Secretary**

Name:……

Signature……

Position: Director of Finance

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2025

	Original Budget Kwacha	Adjustments Kwacha	Final Budget Kwacha	Actual Amounts Kwacha	% Performance	Variance Kwacha	% Variance
RECEIPTS							
Local taxes	1,173,669	-	**1,173,669**	700,863	60%	(472,806)	**-40%**
Fees and Charges	2,163,061	-	**2,163,061**	1,319,324	61%	(843,737)	**-39%**
Licences	142,480	-	**142,480**	59,509	42%	(82,971)	**-58%**
Levies	657,355	-	**657,355**	892,675	136%	235,320	**36%**
Permits	973,780	-	**973,780**	984,452	101%	10,672	**1%**
Local Government Equalisation Fund	11,958,616	-	**11,958,616**	12,964,631	108%	1,006,015	**8%**
Constituency Development Fund	72,116,301	-	**72,116,301**	67,930,840	94%	(4,185,461)	**-6%**
Zambia Devolution Support Program	8,340,000	-	**8,340,000**	-	0%	(8,340,000)	**-100%**
Cash for Work	31,926,896	-	**31,926,896**	32,651,798	102%	724,902	**2%**
Sector Grants (Devolved Functions)	8,915,091	-	**8,915,091**	8,104,729	91%	(810,362)	**-9%**
Other grants	4,451,539	-	**4,451,539**	2,970,376	0%	(1,481,163)	**0%**
Borrowings	-	-	-	-	0%	-	**0%**
Commercial Venture	120,000	-	**120,000**	61,639	51%	(58,361)	**-49%**
Other receipts	-	-	-	-	0%	-	**0%**
TOTAL RECEIPTS	**142,938,788**	**-**	**142,938,788**	**128,640,836**	**90%**	**(14,297,952)**	**-10%**
PAYMENTS							
Personnel Emoluments	14,132,670	-	14,132,670	13,892,800	98%	239,870	2%
Use of goods and services	57,430,937	-	57,430,937	47,975,293	84%	9,455,644	16%
Financial Charges		-	-	-	0%	-	0%
Social benefits	17,439,032	-	17,439,032	12,923,684	74%	4,515,349	26%
Non-financial assets acquisition	45,747,278	-	45,747,278	60,861,480	133%	(15,114,202)	-33%
Financial Assets	7,473,871	-	7,473,871	4,999,766	67%	2,474,105	33%
Loan Repayments		-	-	-	0%	-	0%
Other payments	715,000	-	715,000	279,402	39%	435,598	**61%**
TOTAL PAYMENTS	**142,938,788**	**-**	**142,938,788**	**140,932,425**	**99%**	**2,006,363**	**1%**
Increase/(Decrease in Cash	**0**	**-**	**0**	**(12,291,589)**		**(16,304,315)**	

The composition of budget adjustments and explanations of major variances are provided in note 26

Signed on behalf of the Council ……, 2026 by;

Name:…… **Name:……..……**

Signature:…… **Signature:……..**

Position: Council Chairperson **Position: Council Secretary**

Name:……

Signature……

Position: Director of Finance

STATEMENT OF CASH RECEIPTS AND PAYMENTS FOR THE LOCAL GOVERNMENT EQUALISATION FUND FOR THE YEAR 31 DECEMBER 2025 (LGEF)

		2025 Kwacha	2024 Kwacha
RECEIPTS			
Funding	7(a)	12,964,631	11,278,864
TOTAL RECEIPTS		**12,964,631**	**11,278,864**
PAYMENTS			
Operational Expenditure Payments:	7(b)		
Salaries and Wages		11,164,631	8,521,602
Terminal Benefits		-	-
Utility bills		-	-
Service Provision		-	-
Goods and Services		-	-
Administrative Costs		1,641,041	1,725,000
Other Costs		-	-
Sub-Total		**12,805,672**	**10,246,602**
Capital Expenditure Payments:	7(c)		
Infrastructure Development		-	311,097
Rehabilitation Works		-	-
Asset Acquisition		-	-
Other Costs		-	25,077
Sub-Total		-	336,174
TOTAL PAYMENTS		**12,805,672**	**10,582,776**
Increase/(decrease) in cash		**158,959**	**696,088**
Cash at beginning of the year		**938,019**	**241,931**
Cash at the end of the year		**1,096,978**	**938,019**

The closing and opening balances were in District Fund Account.

Signed on behalf of the Council ……, 2026 by;

Name:…….. **Name:…….……**

Signature:…….. **Signature:……..**

Position: Council Chairperson **Position: Council Secretary**

Name:…….

Signature……

Position: Director of Finance

STATEMENT OF CASH RECEIPTS AND PAYMENTS FOR THE CONSTITUENCY DEVELOPMENT FUND (CDF) FOR YEAR ENDED 31ST DECEMBER 2025

Signed on behalf of the Council ……, 2026 by;

	Note	2025 Kwacha	2024 Kwacha
RECEIPTS			
Funding	8(a)	66,655,011	10,000,000
Loan Repayments	8(b)	1,275,829	237,624
Other sources	8(c)	-	254,078
TOTAL RECEIPTS		**67,930,840**	**10,491,702**
PAYMENTS			
Infrastructure Development	8(d)	39,640,965	3,327,371
Rehabilitation Works	8(e)	9,582,076	3,329,277
Asset Acquisition	8(f)	10,336,157	2,520,249
Social Benefits	8(g)	3,245,000	6,643,593
Loans	8(h)	4,999,766	7,681,250
Secondary Boarding Schools and Skills Development Bursaries	8(i)	9,678,683	12,354,176
Rural Electrification	8 (j)	-	-
Administrative Costs	8(k)	4,319,717	4,336,620
Other Costs	8(l)	1,107,199	1,140,732
TOTAL PAYMENTS		**82,909,563**	**41,333,268**
Increase/(decrease) in Cash		**- 14,978,723**	**- 30,841,566**
Cash at beginning of the year		17,837,835	48,679,401
Cash at the end of the year		**2,859,112**	**17,837,835**

Name:……..Name:……..……

Signature:…….. Signature:……..

Position: Council Chairperson **Position: Council Secretary**

Name:…….

Signature…….

Position: Director of Finance

STATEMENT OF CASH RECEIPTS AND PAYMENTS FOR ZAMBIA DEVOLUTION SUPPORT PROGRAMME (ZDSP) CAPITAL GRANT FOR YEAR ENDED 31st DECEMBER 2025

Note

	Note	2025 Kwacha	2024 Kwacha
RECEIPTS			
Funding	9(a)	-	2,694,737
Other Receipts	9(b)	-	
TOTAL RECEIPTS		**-**	**2,694,737**
PAYMENTS			
Non Financial Asset Acquisition	9(c)	-	-
Infrastructure Development	9(d)	42,935	-
Rehabilitation Works	9(e)	-	-
Other Costs	9(f)	-	24,600
TOTAL PAYMENTS		**42,935**	**24,600**
Increase/(decrease) in Cash		**- 42,935**	**2,670,137**
Cash at beginning of the year		2,697,940	27,803
Cash at the end of the year		**2,655,005**	**2,697,940**

- ZDSP amount for 2024 was brought forward into 2025 and this figure was recognized under other grants in 2024 but has been moved into this statement.
- The opening and closing balances were in Indo Zambia Bank Capital Projects Account.

Signed on behalf of the Council ……, 2026 by;

Name:……..… Name:…….……..…

Signature:…….. Signature:……..

Position: Council Chairperson **Position: Council Secretary**

Name:……...…

Signature…….……

Position: Director of Finance

STATEMENT OF CASH RECEIPTS AND PAYMENTS FOR CASH FOR WORK FOR THE YEAR ENDED 31st DECEMBER 2025

	Note	2025 Kwacha	2024 Kwacha
RECEIPTS			
Funding	10(a)	32,651,798	-
Other Sources	10(b)	-	-
TOTAL RECEIPTS		**32,651,798**	**-**
PAYMENTS			
Road maintenance	10(c)	24,841,251	-
Construction	10(d)	270,000	-
Rehabilitation works	10(e)	270,000	-
Drainages	10(f)	507,600	-
Enviromental control	10(g)	-	-
Gabbage collection	10(h)	-	-
Administrative costs	10(i)	2,872,776	-
TOTAL PAYMENTS		**28,761,627**	-
Increase/(decrease) in Cash		**3,890,171**	-
Cash at beginning of the year		826,112.05	
Cash at the end of the year		**4,716,283**	

Note

The amount for cash for work of K4,716,283 is held in INDO bank salaries account as at the end of year.

Signed on behalf of the Council ……, 2026 by;

Name:…… **Name:……..……**

Signature:……. **Signature:……..**

Position: Council Chairperson **Position: Council Secretary**

Name:……

Signature……

Position: Director of Finance

STATEMENT OF CASH RECEIPTS AND PAYMENTS FOR THE SECTOR GRANT (DEVOLVED FUNCTION) FOR YEAR ENDED 31st DECEMBER 2025

	Note	2025 Kwacha	2024 Kwacha
RECEIPTS			
Funding	11(a)	8,104,729	4,034,080
Other Sources	11(b)	-	11,182,372
TOTAL RECEIPTS		**8,104,729**	**15,216,452**
PAYMENTS			
Goods and Services	11(c)	7,762,869	12,816,477
Non Financial Asset Acquisition	11(d)	152,148	73,640
Infrastructure Development	11(e)	-	26,225
Rehabilitation works	11(f)	-	-
TOTAL PAYMENTS		**7,915,017**	**12,916,342**
Increase/(decrease) in Cash		**189,712**	**2,300,110**
Cash at beginning of the year		2,300,110	-
Cash at the end of the year		**2,489,822**	**2,300,110**

Note:
Cash for work for the year 2024 was recognised under sector Grant as other sources.

Signed on behalf of the Council ……, 2026 by;

Name:…… **Name:…….……**

Signature:……. **Signature:……..**

Position: Council Chairperson **Position: Council Secretary**

Name:……

Signature……

Position: Director of Finance

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. 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) as required by the 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

Katete 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. 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: 2024/1 – Applicability of International Public Sector Accounting Standards (IPSASs)
This pronouncement issued by the Zambia Institute of Chartered Accountants (ZICA) pursuant to the Accountants Act No. 13 of 2008 requires the adoption of Accrual Basis of Accounting by public entities by 1st January 2025 with a transition period of three (3) years. The Council is preparing to adopt Accrual Basis IPSASs on 1st January 2028.

(c) Treasury and Financial Management Circular No.18 of 2022 issued by the Secretary to the Treasury pursuant to the Public Financial Management Act, No. 1 of 2018.

The Treasury and Financial Management Circular provide 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 2028 by following the guidelines provided in IPSAS 33 – "First Time Adoption of Accrual Basis IPSASs".

iv. That the three (3) year transition period provided under IPSAS 33 should commence on 1st January 2027 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 No. 2 of 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.

The Financial Statements have been prepared in accordance with Part 2 of 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) Amendment No. 3 o 2025.

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.

1.2 Comparatives

In line with the Local Authorities Accounting Policies (LAAPs) and the Treasury and Financial Management Circular No. 8 of 2026 issued prior but applicable to finalisation of these financial statements, the starting point for preparation of financial statements using Cash Basis IPSAS *Financial Reporting under the Cash Basis of Accounting* is 2018. The IPSAS allows that in the year of first application, comparative financial statements for the previous year may not be included. In this regard, these financial statements for Zambia Devolution Support Programme and Cash for Work do not include such.

1.3 Reporting Entity

The Financial Statements are prepared for Katete Town Council. 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 Local Government Equalization Fund, Constituency Development Fund, Zambia Devolution Support Program (ZDSP), Cash for work, Sector Grant (Devolved Functions) in the District.

1.4 Authorisation Date

The financial statements were authorized for issue on ……. by the ordinary Council.

1.5 Revenue

Revenue is recognised 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 Kasama Municipal 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 No. 3 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 No. 3 of 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;
- 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.

1.6 Expenditure

Expenditure is recognised 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.

1.7 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

1.8 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 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.

1.9 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 Equalisation Fund which shall be disbursed by the Ministry responsible for finance to Local Authorities.
Receipts under LGEF supplement revenue generated by the Council.

1.10 Constituency Development Fund

The Constituency Development Fund (CDF) was established under Article 162(1) of the Constitution of Zambia (Amendment) Act No. 1 of 2024.

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.

1.11 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.

1.12 Presentation Currency

The presentation currency is Zambian Kwacha.

1.13 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.

1.14 Borrowings

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

1.15 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.

1.16 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:

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
- Motor vehicle — Cost
- Fixtures and Fittings — Cost
- Improvement to lease hold — 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.

The key management personnel of the Council are:

(a) The mayor, elected councillors, Co-opted members of the Audit and
(b) The Principal Officers and Chief Officers.

Spouses, children, 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 of loans and grants from multilateral and bilateral agencies provided under agreements specifying the purposes for which the assistance will be utilized.

Kasama Municipal 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 Kasama Municipal 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

2. Local Taxes

During the year, the Council generated K700,863 as local tax cash receipts as follows:

Local Tax Type	2025 Kwacha	2024 Kwacha
Residential Rates	202,393	271,208
Industrial / Commercial Rates	476,909	678,778
Mining Rates	-	-
Personal Levy	21,561	27,928
TOTAL	**700,863**	**977,914**

The Council relied on the Valuation Roll updated for the period 2020-2025 to determine the property rates receivable.

3. Fees and Charges

The Council generated 1,319,324 cash receipts in form of fees and charges arising from offering various services as follows.

		2025 Kwacha	2024 Kwacha
Fees and charges	a)	1,237,824	2,140,682
Land Development Charges	b)	81,500	38,500
Total		**1,319,324**	**2,179,182**

a. Fees and charges

The Council generated K1,319,324. in fees and charges as follows: -

Fees and Charges Type	2025 Kwacha	2024 Kwacha
Consent Fees	-	50
Survey Fees	-	-
Building Inspection fees	1,200	9,925
Plan Scrutiny Fees	1,400	5,215
Change of premise use	6,758	18,800
Container Ntemba Fees	44,959	51,664
Rentals/Lease of Council's properties	35,572	227,056
Application Form Fees	48,578	293,433
Rentals from houses	83,640	102,420
Sketch Fees	-	-
Search Fees	977	2,656
Market Fees	76,271	133,475
Parking Fees	11,687	25,324
Bus Station Fees	68,523	86,121
Affidavit Fees	6,761	10,456
Hire of Halls	6,300	7,500
Hire of Grounds	-	-
Gym Fees	-	-
Franchise Fees	-	-
Grave Reservation	-	-
Recommendation Fees	-	-
Course fees	-	-
Refuse Disposal Fees	53,739	103,322
Home Craft Registration	-	-
Library Membership Fees	-	-
Notice of Marriage	6,350	6,922
Minute Extract	-	-
Abbattoir/Meat Inspection Fees	30,504	41,149
Registration of Clubs and Societies	-	-
Registration of Suppliers	-	-
Farm Produce Levy	492,815	474,396
Certification of Documents	7,635	-
Communication Mast Levy	-	-
Billboard and Banner	61,961	80,458
Lease of Council Transport	24,232	167,837
Penalties	20,224	11,678
Site Rent	-	-
Change of ownership of plot	-	21,476
Medical Fees	-	-
Booth levy	67,277	-
Repairs of Cars/Garage/Car wash Levies	-	11,800
Other Fees and Charges	80,461	247,549
Total	**1,237,824**	**2,140,682**

b. Land Development Charges

The Council collected K81,500.00 from the following land development relate

Charges Type	2025	2024
	Kwacha	Kwacha
Service charges - residential plots	10,000	-
Service charges - Industrial plots	-	-
Premium plots - Residential	8,000	38,500
Premium plots - Commercial	51,200	-
Sub Division	-	-
Change of ownership	12,300	-
Other Charges (Service Charges Debtors)	-	-
TOTAL	**81,500**	**38,500**

Disclose adequately the composition of other charges

4. Licences

A total of K59,509.00 cash receipts was raised from issuance of various licenses.

Licence Type	2025	2024
	Kwacha	Kwacha
Business Levy	-	-
Manufacturers licence	-	-
Retail licence	-	-
Wholesale licence	-	-
Liquor licence	38,739	37,496
Stall Licence	-	-
Financial Institution	-	-
Firearm and ammunition licence	6,288	15,510
Petroleum licence	-	-
Dog licence	1,432	930
Occupancy licence	13,050	-
Other licences	-	98,024
TOTAL	**59,509**	**151,960**

5. Levies

The Council generated K892,675 as cash receipts by charging levies as follows:

Type of Levy	2025 Kwacha	2024 Kwacha
Bird Levy	1,650	672
Pole Levy	-	400
Telecommunication mast	105,000	193,124
Business Levy	662,097	397,861
Quary Levy	1,359	360
Retail licence	-	-
Livestock Movement Levy	40,374	-
Stall Licence	-	-
Financial Institution	-	-
Commercial Banks	-	-
Miscellaneous levies	82,195	26,665
TOTAL	**892,675**	**619,082**

6. Permits

The Council generated K984,452 as cash receipts from issuing various permits as follows:

Type of Permit	2025 Kwacha	2024 Kwacha
Health Permit	303,213	251,789
Opaque Permit	7,870	3,208
Opeque Transportation Permit	4,645	8,691
Fire Certificates	648,053	11,797
Burial Permits and Grave sites	4,646	699,630
Extension of business hours permits	3,308	1,900
herbalist Permit	-	-
Public permits (social gatherings, etc)	2,106	2,900
Other Permits	10,611	85,429
TOTAL	**984,452**	**1,065,344**

7. Local Government Equalization Fund

a. Funding

Detailed report for Local Government Equalisation Fund received in 2025

No.		2025 Kwacha	2024 Kwacha
1	1st Funding	960,489	919,038
2	2nd Funding	922,518	953,665
3	3rd Funding	905,486	926,044
4	4th Funding	922,820	914,758
5	5th Funding	826,154	961,524
6	6th Funding	771,410	899,001
7	7th Funding	1,423,920	931,638
8	8th Funding	1,427,233	963,033
9	9th Funding	1,325,618	961,783
10	10th Funding	1,183,392	963,245
11	11th Funding	1,218,718	962,730
12	12th Funding	1,076,873	922,405
13	13th Funding	-	-
		12,964,631	**11,278,864**

b. Operational Expenditure

The Council applied amounts totalling K12,805,672 of LGEF receipts towards Personnel emoluments and administrative cost 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 had no expenditure of a capital nature from the LGEF.

8. Constituency Development Fund

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

(a) CDF Funding

Constituency	2025 Kwacha	2024 Kwacha
Mkaika Total		
Community Projects	20,374,747	142,500
Social Benefits	2,279,568	380,000
Loans	3,419,351	3,442,164
Bursaries	5,698,919	785,336
Admin Costs	1,499,716	250,000
Mkaika Total	33,272,301	5,000,000
Milanzi Total		
Community Projects	20,437,691	49,256
Social Benefits	2,287,957	380,000
Loans	3,431,935	950,000
Bursaries	5,719,892	3,370,744
Admin Costs	1,505,235	250,000
Milanzi Total	33,382,710	5,000,000
CDF Grants	**66,655,011**	**10,000,000**

(b) Empowerment Loan Repayments

Constituency	2025 Kwacha	2024 Kwacha
Mkaika Revolving		
Principal	1,071,405	-
Interest	15,257	-
Mkaika Revolving Total	1,086,662	-
Milanzi Revolving		
Principal	165,018	237,624
Interest	24,149	-
Milanzi Revolving Total	189,167	237,624
Total Empowerment Loan Funding	**1,275,829**	**237,624**

(c) Other CDF Sources of Funding

Other CDF Sources of funding consisted of interest earned on the amounts held CDF bank accounts

Constituency	2025 Kwacha	2024 Kwacha
Milanzi		
Interest	-	66,214
Refunds	-	-
Total	-	66,214
Mkaika		
Interest	-	187,864
Refunds	-	-
Total	-	187,864
Total CDF Other Sources of Funding	**-**	**254,078**

(d) Infrastructure Development

Constituency	2025 Kwacha	2024 Kwacha
Mkaika	14,678,352	2,437,364
Milanzi	24,962,613	890,007
Total Rehabilitation Works	**39,640,965**	**3,327,371**

(e) Rehabilitation Works

Constituency	2025 Kwacha	2024 Kwacha
Mkaika	4,054,152	2,547,381
Milanzi	5,527,924	781,896
Total Rehabilitation Works	**9,582,076**	**3,329,277**

(f) Asset Acquisition

Constituency	2025 Kwacha	2024 Kwacha
Mkaika	6,497,486	1,894,346
Milanzi	3,838,671	625,903
Total Assets acquired	**10,336,157**	**2,520,249**

(g) Social Benefits

Constituency	2025 Kwacha	2024 Kwacha
Mkaika	1,200,000	3,463,888
Milanzi	2,045,000	3,179,705
Total Social benefits	**3,245,000**	**6,643,593**

(h) Loans

Constituency	2025 Kwacha	2024 Kwacha
Mkaika	4,019,292	4,229,130
Milanzi	980,474	3,452,120
Total Empowerment Loans	**4,999,766**	**7,681,250**

(i) Skills and Bursaries

Constituency	2025 Kwacha	2024 Kwacha
Mkaika	4,281,803	6,507,502
Milanzi	5,396,880	5,846,674
Total Skills and Bursaries	**9,678,683**	**12,354,176**

(j) Administrative Costs

Constituency	2025 Kwacha	2024 Kwacha
Mkaika	1,980,244	2,003,519
Milanzi	2,339,473	2,333,101
Milanzi Revolving	-	-
MKaika Revolving	-	-
Total Administrative Costs	**4,319,717**	**4,336,620**

(k) Other Costs

Note; During the year the Council procured materials to use at ablution block for Katete primary School amounting to K9,997 under Mkaika and procured materials to use at Katuila primary school rehabilitation of 1*3 CRB amounting to K1,097,202.

	2025	2024
Constituency	**Kwacha**	**Kwacha**
Mkaika	9,997	665,136
Milanzi	1,097,202	475,596
Total Other Costs	**1,107,199**	**1,140,732**

(l) Rural Electrification

The council did not incur any cost on rural electrification.

9. Zambia Devolution Support Program

RECEIPTS		2025	2024
a) Funding	**a)**	-	2,694,737
b) Other Receipts	**b)**	-	-
TOTAL		-	2,694,737
EXPENDITURE			
Non Financial Asset Acquisition	**c)**		
Equipment		-	-
Plant & Machinery		-	-
Specialised Motor Vehicles		-	-
Non Financial Asset Acquisition Total		-	-
Infrastructure Development	**d)**		
Const. of Feeder Roads		25,602.00	-
Const. of Market Shelters		-	-
Const. of Bus Stations		-	-
Const. of Boreholes		-	-
Const. of Ablution Blocks		-	-
Const. of Community Halls		-	-
Const. of Street Lights		-	-
Const. of Water Schemes		17,333	-
Const. of Radio Station		-	-
Const. of Storage Shades		-	-
Infrastructure Development Total		42,935	
Rehabilitation Works	**e)**		
Rehab. of Feeder Roads		-	-
Rehab. of Market Shelters		-	-
Rehab. of Bus Stations		-	-
Rehab. of Boreholes		-	-
Rehab. of Ablution Blocks		-	-
Rehab. of Community Halls		-	-
Rehab. of Street Lights		-	-
Rehab. of Water Schemes		-	-
Rehab. of Radio Station		-	-
Rehab. of Storage Shades		-	-
Rehabilitation Works Total		-	-
TOTAL EXPENDITURE		**42,935**	-

Note:

Zambia Devolution Support Programme was recognized under grants in 2024 and since it has a separate statement. The funding has been captured under its own statements.

10. Cash for Work

	Note	2025 Kwacha	2024 Kwacha
RECEIPTS			
Funding	(a)	32,651,798	-
Other Sources	(b)	-	-
TOTAL RECEIPTS		**32,651,798**	**-**
EXPENDITURE			
ROAD MAINTAINANCE	(c)		
Vegetation control		7,452,375	-
Culvert unblocking		6,210,314	-
Pothole patching		1,242,062	-
Drainage clearing		-	-
Road widening		9,936,500	-
TOTAL PAYMENTS		**24,841,251**	**-**
CONSTRUCTION	(d)		
Community Toilets		-	-
Public Houses		270,000.00	-
Flood Control Infrastracture		-	-
TOTAL PAYMENTS		**270,000.00**	**-**
REHABILITATION	(e)		
Community Toilets		-	-
Community Bridges		270,000.00	-
TOTAL PAYMENTS		**270,000.00**	**-**
DRAINAGES	(f)		
Canel Clearing		-	-
Slit and Sediment Removal		-	-
Debri Clearing		507,600.00	-
TOTAL PAYMENTS		**507,600**	**-**
ENVIRONMENTAL RESTORATION	(g)		
Tree & Grass Planting		-	-
Gully Reclamation		-	-
TOTAL PAYMENTS		-	-
GABBAGE COLLECTIONS	(h)		
Cleaning of Markets		-	
Cleaning of Bus Stations		-	-
Cleaning of Community Places		-	-
TOTAL PAYMENTS		-	-
ADMINSTRATION COST	(i)		
PPE		-	-
Tools		-	-
Fuel & Lubricants		-	-
Allowances		-	-
Refreshment's		-	-
Transportation		-	-
Others Cost		2,872,776	-
TOTAL PAYMENTS		**2,872,776**	**-**
GRAND TOTAL PAYMENTS		**28,761,627**	**-**

NOTES TO THE FINANCIAL STATEMENTS

11. Sector Grants (Devolved Functions)

The Council received Grants totaling K8,104,729 in its bank accounts from the Treasury for the Devolved Functions of the Central Government broken down as follows:

(a) Funding

DEPARTMENT	2025	2024
Devolved Function	**Kwacha**	**Kwacha**
District Health Services including Ambulance Services	3,540,359	2,360,572
Vehicle Licensing	3,199,413	1,403,568
Pontoons, Harbors, Ferries, Jetties and Piers	-	-
Community Sport	258,621	129,310
Cultural Matters	4,147	8,017
District Archives	14,431	6,414
Veterinary Services	40,277	126,199
Livestock services	-	-
Fisheries services	445,883	-
Community development	32,537	-
Social welfare	25,926	11,182,372
Agricultural services	543,135	-
TOTAL	**8,104,729**	**15,216,452**

(b) Other Sources

There were no other sources of income

(c) Good and Services

	Kwacha	Kwacha
District Health Services including Ambulance Services	3,817,449	3,500,000
Vehicle Licensing	2,532,814	3,400,000
Pontoons, Harbors, Ferries, Jetties and Piers	-	-
Community Sport	285,875	400,000
Cultural Matters	-	-
District Archives	34,415	150,000
Veterinary Services	131,840	-
Livestock services	56,809	-
Fisheries services	599,954	5,366,477
Community development	-	-
Social welfare	-	-
Agricultural services	303,713	-
TOTAL	**7,762,869**	**12,816,477**

(d) Non -Financial Asset Acquisition

	2025 Kwacha	2024 Kwacha
District Health Services including Ambulance Services	**152,148**	**73,640**
Vehicle Licensing	-	-
Pontoons, Harbors, Ferries, Jetties and Piers	-	-
Community Sport	-	-
Cultural Matters	-	-
District Archives	-	-
Veterinary Services	-	-
Livestock services	-	-
Fisheries services	-	-
Community development	-	-
Social welfare	-	-
Agricultural services	-	-
TOTAL	**152,148**	**73,640**

(e) Infrastructure Development

Vehicle Licensing	-	-
Pontoons, Harbors, Ferries, Jetties and Piers	-	-
Community Sport	-	-
Cultural Matters	-	-
District Archives	-	-
Veterinary Services	-	-
Livestock services	-	-
Fisheries services	-	-
Community development	-	-
Social welfare	-	-
Agricultural services	-	-
TOTAL	**-**	**26,225**

(f) Rehabilitation

	2025 Kwacha	2024 Kwacha
District Health Services including Ambulance Services	-	-
Vehicle Licensing	-	-
Pontoons, Harbors, Ferries, Jetties and Piers	-	-
Community Sport	-	-
Cultural Matters	-	-
District Archives	-	-
Veterinary Services	-	-
Livestock services	-	-
Fisheries services	-	-
Community development	-	-
Social welfare	-	-
Agricultural services	-	-
TOTAL	-	-

12. Other Grants

During the year, the Council received the following grants:

Revenue Source	2025 Kwacha	2024 Kwacha
Grants in Lieu of Rates	202,500	360,000
Grants from Cooperating Partners	-	-
ECZ	2,114,555	-
UNICEF	653,321	8,063,881
TOTAL	**2,970,376**	**8,423,881**

Note:

Zambia Devolution Support Programme was recognized under grants in 2024 and since it has a separate statement. The funding has been captured under its own statements and note 9.

13. Borrowings

During the year the Council did not borrow any funds.

14. Council Commercial Venture

This consists of receipts and payments relating to operations of Mphangwe Motel owned by Katete town Council. However, the Council had a surplus of K**61,639**

Receipts	2025 Kwacha	2024 Kwacha
Restuarant Sales Receipt	289,456	309,446
Bar Sales Receipt	88,458	91,127
Lodging Motel Receipts	798,500	771,316
Truck parking	-	-
Fish sales	-	-
Others	-	-
TOTAL	**1,176,414**	**1,171,889**
Payments		
General Administration	202,460	168,313
Bar Stocks	400,937	421,927
Accommodation	258,464	309,692
Wages	51,006	49,266
Others	201,908	145,342
TOTAL	**1,114,775**	**1,094,540**
Surplus/deficit	**61,639**	**77,349**

15. Other Receipts

There were no other receipts in year under review.

16. Personal Emoluments

Personal Emoluments consist of actual amounts of salaries and wages paid to staff of the Council from Local Government Equalisation Fund and Own Source Revenue amounting to K13,892,800. Other Wages encompasses money paid as Long Service bonus, Terminal benefits, and Gratuity as well as Leave days to former and current employees respectively. The Council had categories of staff that were paid as follows:

Grade	2025	2024
	Kwacha	Kwacha
Salaries Division 1	2,625,445	2,703,500
Salaries Division 2	4,590,434	2,936,683
Salaries Division 3	4,396,225	3,480,246
Wages- Division 4	2,280,696	2,052,926
Other wages	-	-
Long Service Bonus	-	-
Terminal benefits	-	-
Gratuity	-	-
Settling in Allowance	-	-
Cash in lieu of Leave	-	-
Leave Travel Benefits	-	-
TOTAL	**13,892,800**	**11,173,355**

17. Use of Goods and Services

Use of Good and services consist of expenditure incurred on administrative activities

Expenditure Type	2025	2024
	Kwacha	Kwacha
Office Running Costs	204,288	122,178
Building, Repair and Maintenance Costs	123,829	167,200
Plant, Machinery and Vehicle Running and Maintenance Cost	488,175	533,257
Other Administrative operating costs	2,001,292	141,973
Requisites	25,186	52,573
Services	44,431,799	20,221,637
Travel expenses	244,594	-
Training	456,130	-
Medical costs	-	-
Other costs	-	6,236,409
TOTAL	**47,975,293**	**27,475,227**

18. Financial Charges

There were no financial charges during the year under review.

19. Social Benefits

During the year under review, the Council paid an amount totalling K12,923,684 as social benefits to various beneficiaries for Youth and Women empowerment grants, skills Developments and Secondary bursaries under Milanzi and Mkaika constituencies

Revenue Source	2025	2024
	Kwacha	Kwacha
Youth and Women Empowerment grants	3,245,000	6,643,593
Secondary & Skills bursaries	9,678,684	12,354,176
TOTAL	**12,923,684**	**18,997,769**

20. Non-financial Asset Acquisition

Acquisition of assets involved the following payments: -

	2025	2024
	Kwacha	Kwacha
Office Equipment	-	-
Purchase of motor vehicles & cyc	-	-
Plant, Machinery & Equipment	-	-
Produced Assets	-	-
Buildings and Structures	-	-
Office furniture, fixtures & Fitting	-	
Infrastructure development	46,205,606	8,233,419
Rehabilitation works	10,336,157	2,520,249
Specialised vehicles	-	-
Other Assets	4,319,717	-
TOTAL	**60,861,480**	**10,753,668**

21. Financial Assets

During the period under review, the council gave out empowerment loans amounting to K4,999,766

	2025 Kwacha	2024 Kwacha
Purchase of Long term investments	-	-
Collections from debtors	-	-
VAT refunds	-	-
Other financial (Empowerment loan)	4,999,766	7,681,250
TOTAL	**4,999,766**	**7,681,250**

22. Loan Repayments

During the period under review, the council did not make any loan repayments.

23. Other Payments

During the period under review, the Council made payments that relate to sundry items such as K279,402.00

	2025 Kwacha	2024 Kwacha
LGAZ	32,250	29,300
Legal Fees	9,000	18,000
Staff Creditors	207,216	213,605
Other Creditors	30,936	20,050
Staff Development	-	446,547
Travel Expenses	-	115,516
Remmittance to ECZ	- -	-
TOTAL	**279,402**	**843,018**

24. Foreign Exchange Losses

These arise from transactions made in other currencies and determined by reconciling opening cash to closing cash balances

25. Cash Balances

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

		2025 Kwacha	2024 Kwacha
Cash on hand	(a)	-	-
Demand Deposits	(b)	14,203,454	26,495,043
Cash equivalents	(c)	-	-
TOTAL		**14,203,454**	**26,495,043**

a. Cash on hand

The Council's cash on demand was made of cash collections and petty cash:

	2025 Kwacha	2024 Kwacha
Cash collections undeposited	-	-
Petty Cash	-	-
TOTAL	-	-

b. Demand Deposits – Bank Balances

The Council had the following reconciled bank account balances as at the 31st December 2025:

		Kwacha	Kwacha
District Fund A/c	Atlas Mara -0160100902006	1,096,978	938,019
Salaries A/c	Atlas Mara -0160100901005	5,422	1,199
Capital Projects	Investrust-0700291885026	-	-
Mphangwe Motel A/c	Atlas Mara-0159259300153	-	19,472
Market and Bus A/c	Atlas Mara-0160100908015	638	375
Milanzi Constituency A/c	Investrust-030710108755029	-	-
Mkaika Constituency A/c	Investrust-030710108755039	-	-
Mkaika CDF Revolving A/c	Atlas Mara-016611012017	552,172	161,489
Milanzi CDF Revolving A/c	Zanaco-5837781300170	1,212,682	909,710
Fire Station A/c	Atlas Mara -0165900509013	838	478
Land Development Fund A/c	Atlas Mara -0160478553012	332,813	1,121,064
ECZ A/c	Atlas Mara-0160432222012	43,918	-
Dwashe	Atlas Mara-0160100779003	224	28,066
Rural Water A/c	Atlas Mara-0161100909005	107	157,175
NRWSSP A/c	Atlas Mara-0160005919018	2,295	2,297
Sector A/c	Atlas Mara-0166158251015	2,489,822	2,300,110
Salaries A/c	Indo Zambia Bank-0159261300373	4,716,283	1,391,013
Milanzi CDF Main A/c	Atlas Mara-0166163829027	1,035,928	785
Mkaika CDF Main A/c	Indo Zambia Bank-01220220000111	57,285	15,709
Capital Projects A/c	Indo Zambia Bank-01220220000109	2,655,005	2,697,940
Mkaika CDF Main A/c	Zicb-1010107828008	105	3,083,423
Milanzi CDF Main A/c	Zicb-1010148379511	939	13,666,719
		-	-
		-	-
TOTAL		**14,203,454**	**26,495,043**

The council does not have an overdraft facility or loan with any bank.

c. Cash Equivalents

The Council didn't hold any treasury bill at the end of the year under review.

26. Budget Adjustments and Variances

a. Budget Adjustments

The original budget was approved by the Minister responsible for Local Government on 6th January 2025, there was no budget variation made in the year under review.

b. Budget Variance

- **Local Taxes**

  The Council budgeted to collect K1,173,669 from Personal levy, residential and commercial property rates but collected K700,863 giving a variance of K472,806 representing 40%. The negative variance is due to the drought the district faced in 2024 which spilt over to 2025.

- **Fees & Charges**

  The Council budgeted to collect K2,163,061 from fees and charges but collected K1,319,324 giving a negative variance of K843,737 representing 39%. The negative variance was due to the temporary closure of the bus station and market which are undergoing renovations.

- **Licenses**

  The Council budgeted to collect K142,480 from Licenses but collected K59,509 giving a negative variance of K82,971 representing 58%. The negative variance was due to the temporary closure of the bus station and market which are undergoing renovations

- **Levies**

  The Council budgeted to collect K657,355 from Levies but collected K892,675 giving a favorable variance of K235,320 representing 36%. The positive variance was due to efficient follow up.

- **Zambia Devolution Support Program (ZDSP)**

  In the financial year 2025 the council planned to receive K8,340,000 Zambia Devolution Support Program but did not receive resulting into a variance of K 8,340,000 representing 100%.

- **Commercial Venture**

  The Council budgeted to collect K120,000 from commercial venture but collected K61,639 giving a negative variance of K58,361 representing 49%. The negative variance was due to the opening up of model lodges in the district hence a split in customers.

- **Social Benefits**

  The Council budgeted to spend K17,439,032 from social benefits but spent K12,923,684 giving a negative variance of K4,515,349 representing 26%. The negative variance was due to inadequate funding of 2024 CDF.

- **Non- Financial asset Acquisition**

  The Council budgeted to spend K45,747,278 from Non-Financial Acquisition but spent K60,861,480 giving a favorable variance of K15,114,202 representing 33%. The favorable

variance was due to the implementation of 2023,2024&2025 Constituency development fund projects.

- **Financial Assets**
  The Council budgeted to spend K7,473,871 from Financial Assets but spent K4,999,766 giving a negative variance of K2,474,105 representing 33%. The negative variance was due to inadequate funding of 2024 CDF.

- **Other Payments**
  The Council budgeted to spend K715,000 from other payments but spent K279,402 giving a negative variance of K435,598 representing 61%. The negative variance was due to inadequate fund to settle staff and other.

27. Provision of Services

The Town Council incurs expenditure to offer services. The Council is mandated to provide service to the residents of Katete District. The following were the services rendered:

	Kwacha	Kwacha
Wages - Div IV	-	-
Building Maintenance (Maitenance,consumables,Cleaning)	123,829	-
Petrol ,Oil and Lubricants	125,980	-
Servicing of Grader/Fire Tender	-	-
Spare Parts	-	-
Tyres	-	-
Repairs	-	-
Insurance	-	-
Boards Councils and Committees allowances	-	-
Hand tools and equipment	-	-
Protective Wear, Clothing and Uniforms	25,186	-
Street light equipment	-	-
Road maitenance materials	-	-
Insectcides	-	-
Veterinary Materials	-	-
Nuseries	-	-
Mayors donation	-	-
Audit fees	-	-
Printing	-	-
Advertising and Publicity.	-	-
Public functions and ceremonies	-	-
Public libraries and community	-	-
State Fuctions	-	-
Board,Council and Committee expenses	143,200	239,047
Relief,Repatriation and Burial of Destitutes	17,067	10,536
Cultural Promotions	-	-
Staff Welfare and Recreation	-	-
Land Demarcation and Survey	-	-
Bush Clearing and Grass cutting/Wards	190,143	-
Development & Maitenance of Cementaries	-	-
Valuation of properties	-	-
Labour day expenses and Awards	55,847	
Creation and Maitenance of Parks	-	-
Provision of Fire services	70,498	46,306
Waste and Refuse collection	102,726	128,926
In and outdoor Spraying and disfection	-	-
Conferences,Seminars and Workshops	456,130	-
Bank charges	-	-
Ward Development Funding	-	-
Drainage System	-	207,767
Market facilities	128,489	52,573
Other services(CDF)	-	-
Industrial Buildings	-	-
Other Machinery and Equipment	-	-
Other specialised Vehicles	-	-
	1,439,095	**685,155**

28. Property, Plant and Equipment

The Council had property, Plant and Equipment valued at **K127,096,058.**

	Office and Fixtures	Land and Buildings	Plant & Machinery	Intangible Assets	Motor vehicles	TOTAL
	K	K	K	K	K	K
Opening balance	**90,040**	**53,318,331**	**12,201,953**	**299,254**	**325,000**	**66,234,578**
Additions		46,205,606	10,336,157	-	4,319,717	**60,861,480**
Revaluation	-	-	-	-	-	-
Re-classfication	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Total	**90,040**	**99,523,937**	**22,538,110**	**299,254**	**4,644,717**	**127,096,058**
Depreciation	-	-	-	-	-	-
Closing balance	**90,040**	**99,523,937**	**22,538,110**	**299,254**	**4,644,717**	**127,096,058**

29. Investments in Other Entities

The Council had no investments held in any entity for the period under review.

30. Administered Transactions

The Council did not administer any transaction with other institutions in the period under review.

31. Related Party Disclosures

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

a. Fringe Benefits Disclosures

There were no fringe benefits during the period under review.

b. Remuneration of the Councillors

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

Aggregate Remuneration K1,725,000.00

Number of persons, there were 23 Councillors during the period under review.

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 K2,625,445.29

Number of persons, there were 19 members of senior management during the period under review.

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

32. External Assistance

During the period under review the Council did not receive any external assistance.

33. Third Party Payments

Katete town Council during the period under review did not engage in any third party's transactions as shown below:

APPENDICES

*****Lists of items should not be restricted to the items shown in the tables*

APPENDIX A – LIST OF PAYABLES

1. SUPPLIERS OF GOODS AND SERVICES – OUTSTANDING LIABILITIES

As at 31st December 2025 the Council owed different suppliers of goods and services a total amount of K12,766.

S/N		2024 B/F	ACCRUED	BALANCE	PAYMENT	ARREAR
1	EWSC- Water Bills	5,967	6,799	12,766		12,766

2. STATUTORY OBLIGATIONS

As at 31st December 2025 the Council had unremitted statutory obligations amounting to **K23,552,720.00**

Details	**2025**	**2024**
Staff Creditors		
Long Service Bonus	457,350	-
Retirees Benefits	5,389,491	-
Settling In Allowance	342,088	-
Sub Total	**6,188,929**	**-**
Statutory Obligations		
Madson Life	-	-
Zulawu	287,120	-
Lasf	804,914	-
Napsa	7,694,028	-
Napsa-Interest/Penalties	-	-
Zra	8,184,626	-
Fftuz	-	-
Zctu	-	-
Nhima	393,102	-
Muvi Tv	-	-
Madson Grz	-	-
Sub Total	**17,363,790**	**-**
Grand Total	**23,552,719**	**-**

APPENDIX B – LIST OF RECEIVABLES

DEBTORS

The council has a total of K**328,602.14** as at 31st December 2025 from Owners rates, Rentals levies, Plots and Bill Boards as per schedule below: -

No.	Details	B/F From 2024	Accruals In 2025	Total	Payment	Balance
1	**DEBTORS**	-	-	-		-
1	Owners Rates	240,120.00	78,051.00	318,171.00	-	318,171.00
2	Rentals (All Tenants)	-	-	-	-	-
3	Levies	-	3,825.00	3,825.00	-	3,825.00
4	Plots (All Categories)	-	-	-	-	-
5	Bill Boards	-	6,606.14	6,606.14	-	6,606.14
	Sub Total	**240,120.00**	**88,482.14**	**328,602.14**	**-**	**328,602.14**

APPENDIX C – LIST OF ASSETS ACQUIRED DURING THE YEAR

ASSETS

Assets acquired in the year under review include the following**: _**

No.	Asset Name	Asset Identification Number	Location	Amount Spent
1	COMPUTER- LAPTOP	CNC12270X04	INSTITUTION	27,000.00
2	Construction of Arena at Gawa Undi Palace In Mkaika		Undi palace	1,287,638.50
3	Variation Construction of Arena at Gawa Undi Palace In Mkaika		Undi palace	221,360.50
4	Contruction of staff house at kamasa Health post in mkaika		kamasa Mkaika	548,196.58
5	Construction of the staff -house at walubwe health post		Walubwe Health post	550,360.00
6	Construction of ablution block at kachele primary school		kachele Primary School	708,496.98
7	Completion of maternity Annex at Zinaka health post in Chilongamawe		ChilongamaweWard	221,116.50
8	Construction of 1*3 CRB Block at Katete Day Secondary School		katete day Secondary School	939,031.72
9	Construction of health post at kamasa		kamasa health post	936,089.00
10	Construction of the health post at Walubwe		Walubwe	887,838.60
11	Construction of Health post at kamiza		Kamiza Health post	887,838.60
12	Construction of 1*3CRB at Kafunkha day Secondary School		Kafunkha day	980,276.00
13	Construction of a bridge at UNDI Chiefdom		Undi Chiefdom	826,801.50
14	Construction of water scheme at Kamasa Health post		Kamasa Health post	455,601.30
15	Construction of water scheme at katete Day secondary		katete day Secondary School	395,430.00
16	Construction of ablution block at katete day Secondary Sch		katete day Secondary School	496,947.00
17	Construction of Walira Crossing Point		Walira Crossing Point	765,849.70
18	Supply of 200 Double Seater Desks		Chimutende 60, Mkangazi 100 & Umodzi 4	470,000.00
19	Supply of 200 Double Seater Desks		Matunga Day Secondary School	470,000.00
20	Supply of 200 Double Seater Desks		Kagoro 10, Dole 120, Lupando 70 Primary	280,000.00
21	Supply of 200 Double Seater Desks		Waseka 80 and Kanyelele 120 Primary Sch	270,000.00
22	Supply of 200 Double Seater Desks		Walubwe 60, Kaseka 80 and Chankhanga P	290,000.00
23	Supply of 200 Double Seater Desks		Mnthipa 150 & Kafumbwe 50 Primary Sch	268,000.00
24	Supply of 250 Double Seater Desks		Imena 50, Chimtende 50, Kafunbwe 60, Ka	369,750.00
25	Supply of 200 Double Seater Desks		Katete Primary School 200	280,000.00
26	Supply of 200 Double Seater Desks		Nkhunga 100 and Tosa 100 Primary Schoo	259,800.00
27	Supply of 200 Double Seater Desks		Katawa 100 and Chilingodi 100 Primary Sc	292,000.00
28	Supply of 200 Double Seater Desks		Vulamkoko 100, Mphangwe 100 Primary S	280,000.00
29	Installation of Water Scheme at Azele Guze Health Post		Azele Guze Health Post	431,948.00
30	Construction of Ablution Block at Kanjeza Secondary School		Kanjeza Secondary School	707,827.37
31	Installation of water scheme at Makwenda Health Post		Makwenda Health Post	464,404.48
32	Supply and Delivery of 50 solar street Lights		Mkaika Ward	899,964.00
33	Construction of Health Facility in Chibolya Zone		Chibolya Zone	989,337.80
34	Construction of 1X2 CRB at Tosa Primary School		Tosa Primary School	794,526.00
35	Completion of Health Post , Staff House, Placenta Pit and Water supply at Mkale		Mkale - Chimutende Ward	812,802.04
36	Installation of water scheme at Kamiza Rural Health Centre		Kamiza Rural Health Centre	433,601.52
37	Construction of Maternity Annex, Placenta Pit and Incinerator at Kwenje Health Post		Kwenje Health Center	1,143,901.65
38	Construction of Maternity Annex, Placenta Pit and Incinerator at Makwenda Health Post		Makwenda Health Post	1,158,611.12
39	Construction of Ablution Block at Azele Guze Health Post		Azele Guze Health Post	301,333.45
40	Rehabilitation of Roads in Mkaika		Mkaika Constituency	1,500,000.00
41	Installation of Water Scheme at Kanjeza School		Kajeza School	421,890.00
42	Installation of Water Scheme at Chankhanga		Chankhanga in Chavuka Ward	457,128.00
43	Rehabilitation of Azele Health Post and Staff house		Azele Health Post and Staff house	241,148.24
44	Installation of water scheme at Chimutende Day		Chimutende Day	578,287.50
45	Drilling of 11 boreholes at Chilongamawe, Matunga, Mtsanya, Sonkhani, Simpha and Tondola Villages		Chilongamawe, Matunga, Mtsanya, Sonkh	768,554.00
46	Construction of Maternity Annex, Placenta Pit and Incinerator at Mthipa Health Post		Mthipa Health Post	1,169,931.98
47	Construction of Local Court & Litigant Shelter at Kathumba Village		Kathumba Village	1,214,393.89
48	Construction of Local Court & Litigant Shelter at Kathumba Village		Mthipa in Kafumbwe Ward	465,391.50
49	Construction of one Low-Cost Staff house at Chibondo primary School		Chibondo primary School	524,202.52
50	Construction of 1X3 CDR at Kathumba Primary School		Kathumba Primary School	1,167,451.00
51	Installation of Water Scheme at Kakula Clinic		Kakula Clinic	463,330.00
52	Supply of 200 Double Sitter Desks		Milanzi 1	480,000.00
53	Supply of 200 Double Sitter Desks		Kalimeta 100, Chavuka 46 & Chankhanga 5	370,000.00
54	installation of Water Scheme at Kadoti Clinic		Kadoti Clinic	584,697.76
55	Construction of Ablution Block at Kathumba Village		Kathumba Village	714,044.00
56	Supply of 200 Double Seater Desks		Lunga Primary School	268,000.00
57	Construction of Police Staff House at Kagoro		Kagoro	891,349.48
58	Supply of 200 Double Seater Desks		Kazulabowa 50, Mlemeka 50 & Kagoro 100	280,000.00
59	Supply of 200 single Seater Desks		Matunga 73 Kanjeza 50, Katete 40 & Beth	477,000.00
60	Supply of 200 single Seater Desks		Chiwoza and Bvunda Primary School	370,000.00
61	Supply of 200 single Seater Desks		Lunga 100 & Tosa 100 Primary School	559,800.00
62	Supply of 200 single Seater Desks		Kazala 60, Kanjeza 140	470,000.00
63	Construction of water scheme at Mukhumbanji Village		Mukhumbanji Village	406,318.50
64	Supply of 200 Double Seater Desks		Mwandafisi 100 & Umodzi 100 Primary Sc	269,980.00
65	Supply of 200 Double Seater Desks		Kawaza 150, and Chamimkango 50 Primar	261,020.00

66	Supply of 200 Double Seater Desks		Pachulu 50 & Mkhazik	446,219.35
67	Construction of of Police Post at Kagoro		Kagoro	906,438.04
68	Construction of of Police Post at Kagoro		Kagoro	878,000.00
69	Supply of 200 Double Seater Desks		Supply of 200 Double S	270,000.00
70	Supply of 200 Double Seater Desks		Kakula and Kapepe Pri	280,000.00
71	Supply of 200 Double Seater Desks		Bethel 47, Kanjeza 13	188,599.00
72	Supply of 200 Double Seater Desks		Kaputa 80, Bombwe 6(	270,000.00
73	Supply of 200 Double Seater Desks at Nyambe Primary School		Nyambe 50, Kafumbw	270,000.00
74	Installation of water scheme at Kachele School		Kachele School	349,162.00
75	Assorted Medical Equipment for Kagoro Health Centre Admission Ward		Kagoro Health Centre	386,180.00
76	Construction of Maternity Annex, Placenta Pit & Incinerator at Mzime Health Pos		Mzime Health Post	1,201,889.41
77	Bumwi Enterprises		Mindola Health Post	1,219,165.12
78	Drilling of 4 boreholes		Kazipalile, Kaputu, Tika	263,350.00
79	Construction of a Clinic & 1 Staff House at Dole		Dole Community	2,172,695.00
80	Construction of Maternity Annex, Placenta Pit and Incinerator at Mthipa Health F		Mthipa	1,169,931.98
81	Construction of Local Court & Litigant Shelter at Kathumba Village		Kathumba Village	1,214,393.89
82	Construction of Local Court & Litigant Shelter at Kathumba Village		Mthipa	465,391.50
83	Construction of one Low-Cost Staff house at Chibondo primary School		Chibondo	524,202.52
84	Construction of 1X3 CDR at Kathumba Primary School		Kathumba	1,167,451.00
85	Construction of 1 X 4 CRB at Kamphambe School		Kamphambe	807,901.79
86	Construction of2 Staff house at Umodzi Primary School		Kadzakalowa	707,760.00
88	Purchase of a Sony camera		institution managem	39,900.00
89	Lown Mowers		Council and Motel	133,500.00
90	Chairs for health		Health	9,600.00
91	Laptops		Health	8,750.00
92	Mifis for clinics		Health	14,970.00
93	Full Dstv		Health	28,000.00
94	laptops		Health	7,105.00
95	HP printers		Health	23,750.00
96	Laptop for procurement office		Procurement	41,598.00
97	Construction of staff house at kamasa			137,049.15
98	Supply of 200 Double Seater Desks at Chimutende, Mkangazi & Umodzi Primary School			256,500.00
99	Retention			13,500.00
100	Supply of 200 Double Sitter Desks at Umodzi 100 & Mwansafisi P School			13,499.00
101	Supply of 200 Double Sitter Desks at Umodzi 100 & Mwansafisi P School			188,986.00
102	Katete Primary School 200			14,000.00
103	Supply of 250 Double Seater Desks at Katete Primary School			266,000.00
104	Retention			13,500.00
105	Construction of 1 X 2 CRB at Kaseka Primary School			62,910.88
106	Construction of 1 X 2 CRB at Kaseka Primary School			51,089.00
107	Construction of 1 X 2 CRB at Kaseka Primary School			41,263.75
108	Construction of works at CRB at kaseka primary school			39,989.37
109	Construction of 1*2 CRB at kaseka primary school			75,593.79
110	Crossing points in walubwe -gaven ward			111,210.00
111	Construction of 4 crossing points in walubwe-Gaven roads			79,436.03
112	Construction of 4 crossing points in walubwe-Gaven roads			111,210.40
113	Construction of Health post at Kamasa			234,022.25
114	Supply of 200 Double Sitter Desks at Gileya 30, Jersey 50, & Chisale 120 Primary School			207,200.00
115	Rehabilitation of a 1 X 2 CRB at Kafunkha Community School			67,500.00
116	Rehabilitation of a 1 X 2 CRB at Kafunkha Community School			126,307.25
117	Supply of 200 Double Sitter Desks at Gileya 30, Jersey 50, & Chisale 120 Primary School			14,800.00
118	Installation of Water Scheme at Kwenje Health Center			107,496.70
119	Installation of Water Scheme at Kwenje Health Center			128,697.30
120	Construction of 1 X 2 CRB at Chankhanga Primary School			108,474.25
121	Construction of 1 X 2 CRB at Chankhanga Primary School			65,637.20
122	Construction of 1 X 2 CRB at Chankhanga Primary School			68,465.90
123	Construction of 1 X 2 CRB at Chankhanga Primary School			199,313.59
124	Construction of 1*4 CRB at Kanjeza day			8,590.94
125	Rentation			13,400.00
126	Construction of Arena at gawa undi palace			210,292.95
127	Construction of ARENA VIP			1,223,256.58
128	Supply of 200 Double Seater Desks at Walubwe, Kaseka and Chankhanga Primary School			275,500.00
129	Supply of 200 Double Seater Desks at Walubwe, Kaseka and Chankhanga Primary School			14,500.00
130	Installation of water scheme at chimtende day			345,538.13
131	Installation of water scheme at Chimtende day and surrounding villages			203,300.00
132	Construction of staff house at walubwe health post			137,590.00
133	Construction of staff house at walubwe health post			82,932.50
134	Construction of staff house at walubwe health post			49,432.50
135	Supply of desks			13,500.00
136	procurement of solar street lights			416,233.35

137	Supply and Delivery of 50 solar street Lights in Mkaika CBD			224,991.00
138	procurement of salor street lights			212,054.02
139	Supply of 250 Double Seater Desks at Imena, Chimtende, Kafunbwe, Kapoche and Bethel S			351,262.50
140	Construction of Ablution Block at Chibolya Zanal			59,517.00
141	Construction of Ablution Block at Chibolya Zanal			42,114.24
142	Construction of water scheme at Chankhanga in Chavuka ward			319,989.60
143	Construction of water scheme at Chankhanga in Chavuka ward			114,282.00
144	Supply of 200 Double Seater Desks at Matunga Day Secondary School			96,049.00
				-
		Total Cost		**60,861,480.00**

APPENDIX D – STATEMENT OF CASH RECEIPTS AND PAYMENTS OWN SOURCE REVENUE FOR THE YEAR ENDED 31ST DECEMBER 2025

	Note	2025 Kwacha	2024 Kwacha
RECEIPTS			
Local taxes	**2**	700,863	977,914
Fees and Charges	**3**	1,319,324	2,179,182
Licences	**4**	59,509	151,960
Levies	**5**	892,675	619,082
Permits	**6**	984,452	1,065,344
Borrowings	**13**	-	-
Commercial Venture	**14**	61,639	77,349
Other Receipts	**15**	-	-
TOTAL RECEIPTS		**4,018,462**	**5,070,831**
PAYMENTS			
Personnel Emoluments	**16**	2,728,169	2,651,753
Use of goods and services	**17**	1,439,095	475,227
Financial Charges	**18**	-	-
Social benefits	**19**	-	-
Non-financial assets acquisition	**20**	-	-
Financial Assets	**21**	-	-
Loan Repayments	**22**	-	-
Other payments	**23**	279,402	843,018
TOTAL PAYMENTS		**4,446,666**	**3,969,998**
Increase/(decrease) in Cash		**(428,204)**	**1,100,833**
Foreign Exchange Losses	**24**	-	-
Cash at beginning of the year	**25**	3,631,092	2,530,259
Cash at the end of the year	**25**	**3,202,888**	**3,631,092**