

FINANCE

Your Ref:

Our Ref: LCC/FINANCE GENERAL



LILONGWE CITY COUNCIL

P.O. Box 30396

Lilongwe 3

MALAWI

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27th May, 2021

The Executive Secretary
National Local Government Finance Committee (NLGFC)
P.O. Box 31162
Lilongwe 3.

Dear Sir,

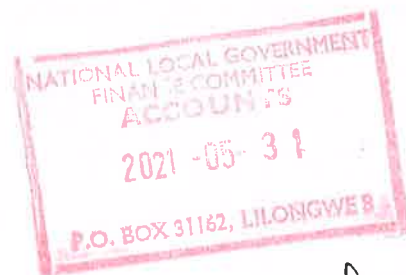
RE: SUBMISSION OF APRIL 2021 FINANCIAL REPORT

Find the attached Financial Report for April 2021.

Yours Faithfully,

A handwritten signature in black ink, appearing to be 'Eliam Chinkhokwe Banda'.

Eliam Chinkhokwe Banda
Director of Finance
FOR: CHIEF EXECUTIVE OFFICER



Received 31/05/2021
A handwritten signature in black ink, appearing to be 'Munira'.



**Lilongwe City
Council**

April 2021 Financial Report



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Chief Executive Statement

Introduction

Lilongwe City Council (LCC) has an approved budget of MWK 6.9 billion for 2020-2021 financial year of which MWK 6.2 billion is financed under Locally Generated Revenues and MWK 729,698,699 under Government Transfers. On 14th April 2021, the Council approved a revised 2020-2021 ceiling of MWK4.3 billion for Locally Generated Revenues bring the total revised budget to MWK5.1 billion from MWK6.9 billion. The revision of the Locally Generated Revenues budget has been necessitated because of low performance in revenue collection at an average of 35% as of 31st December 2021.

Performance for the month

Total revenues realized in the month of April 2021 amounted to MWK542,947,291.72 million. Actual cash collected and received amounted to MWK518,276,273 out of which MWK411,886,345.07 is from Locally Generated Revenues and MWK106,389,928 million is from Central Government Transfers.

Expenditures in the month of April 2021 amounted to MWK**385,474,685** million with MWK207million spent on personnel emoluments. Cumulative expenditure for the period July 2020 to April 2021 is at 55% of the budget. Apart from the expenses on personnel emoluments, the funds have been used on the following:

1. **Planning and Development Programs:** Twenty-five construction sites were inspected in both commercial and residential areas; issued three occupation certificates to a commercial building, mosque and dwelling house. Held one Town Planning Committee meeting.
2. **Finance, Administration and Human Resources Programs:** ensured adequate cash is available for provision of services by LCC; strengthened the operation systems for LCC including – installation of vehicle tracking system on utility vehicles; coordinated procurement of goods, supplies, services; ensured timely payment of salaries.
3. **Debt servicing:** MWK79,367,333.07 million was paid to service loans. MWK31 million was paid towards PAYE arrears, MWK30 million towards pensions, MK18.3 million towards FDH motor vehicle loan.



Outlook for May 2021

LCC is continuing with the provision of basic services under all its programs. Implementation of revenue collection strategies will continue with strict observance of covid-19 preventive measures. LCC shall continue to carry out inspections of construction sites as well as inspections for planning purposes and also work on addressing minibus parking challenges along the Likuni Road close to Golf Club.

A handwritten signature in black ink, appearing to read 'Eliam Chinkhokwe Banda'.

Eliam Chinkhokwe Banda
For: Chief Executive Officer



Notes to April 2021 Financial Report

1.0 Government Transfers

Total government transfers were budgeted at MWK769. Funding performance against the budget is as presented below:

1.1 General Resource Fund (GRF)

LCC has received MWK10,186,912.00 in the month of April 2021. Cumulatively MWK101,811,943.81 has been received representing 83.33% budget performance. These GRF funds are being used for fuel for refuse collection, maintenance of motor vehicles and HIV Aids intervention at work place.

1.2 Development funds (Water Structures)

Development funds are funds for provision of water resources for the four constituencies of the city

The budget provision for 2020-2021 Financial year is MWK48 million. LCC has received MWK48 million to date representing 100% budget funding performance. In July 2020, a total of MWK12,366,007 was brought forward from the 2019-20 as unused funds. Lilongwe City West and Lilongwe City South West Constituencies have not yet started spending their funds

Below is the summary report



Project Title	Location	Total Estimated Cost for 2020-21 Budget (MWK)	Actual Amount Spent in 2020-21 Financial Year (MWK)	Status of the Project (e.g. completed, or at foundation stage etc.)	Challenges & Action taken or To be taken To Address the Challenge (include where it is relevant)
Borehole drilling	Katantha 2 - Lilongwe City West Constituency (LCW)	2,985,895.00	2,985,895.00	Completed	delay due to dry hole
Borehole drilling	Landscape Sector- State House Ward- LCSE	2,985,895.00	2,985,895.00	Completed	delay due to dry hole and change of location
Borehole drilling	Zione Sector - State House Ward- LCSE	2,985,895.00	2,985,895.00	Completed	delay due to dry hole
Borehole drilling	Kamuloni Sitande - Tsabango 2- LCSE	2,985,895.00	2,985,895.00	Completed	collapse of borehole walls
Borehole Maintainance	Maintainance of two boreholes- new statehouse- LCSE	1,145,195.00	1,145,195.00	Completed	No challenges
		13,088,775.00	13,088,775.00		



1.3 Sector Funds

Sector funds are government transfers for programs under devolved sectors of: Education, Sports, Youth, Environment, Gender and Community development. Total sector funds budget for the year is MWK268 million and 86.5 % of the budget has been received.

1.3.1 Education urban sector

The sector has been funded MWK217,888,884.90 to April 2021 out of the annual budget of MWK 251,410,253.00 representing 86.67% budget funding performance. At the beginning of the year, Education Sector had MWK23,027,004 unused funds brought down from 2019-20 financial year. The sector has received MWK16,760,683.52 in the month of April 2021

1.3.2 Sports sector

Sports sector has received MWK5,417,053.36 to April 2021 against an annual budget of MWK6,500,466.32 representing 83.33% budget funding performance. Sports sector had MWK1,907,411 unused funds at the beginning of the current financial year. Funding for April 2021 is MWK541,705.00

1.3.3 Youth sector

The sector has received MWK 568,791.00 in the month of April 2021, and a total of MWK 5,687,908.10 has been received to date against an annual budget of MWK6,825,488.78 representing 83.33% budget performance. In July 2020, Youth Sector had MWK2,381,735 unused funds carried forward from the 2019-2020 financial year.

1.3.4 Environment sector

The sector has been funded MWK 264,189.00 in April 2021 and MWK 2,640,480.05 cumulative funding to April 2021 out of MWK3,168,856.00 annual budget. The funding performance is at 83.33% of the budget. In July 2020, the Environment Sector had an opening bank balance of unused funds amounting to MWK2,763,681.

1.3.5 Gender sector

The sector has been funded MWK15,562.00 in April 2021 and MWK155,616.00 cumulatively to April 2021. The sector funding was budgeted at MWK 186,739.00 for the 2020-2021 financial year



1.3.6 Community Development

Community development sector has an annual budget of MWK 186,739.00. The sector has been fully funded to date

1.4 Constituency Development Fund (CDF)

These are funds for micro infrastructure projects in the four constituencies of Lilongwe City. LCC has an annual budget of MWK160 million this amount has been fully funded to date representing 100% budget funding performance.

Lilongwe City South East Constituency: Out of MWK40,478,510.60 total project payments, MWK24,383,914.00 was paid from the current year receipts while MWK16,094,596.15 was paid from the Opening fund balances. Administrative costs amounting to MWK1,338,914.00 were paid from the current year receipts bringing total Payments to MWK41,817,220.60

Lilongwe City Centre Constituency: Out of MWK30,249,678.28 total project payments, MWK20,936,668.28 was paid from the current year receipts whereby MWK9,313,010.00 was paid from previous years closing balances. Administrative costs amounting to MWK789,605.00 were paid from the current year receipts making MWK31,039,283.28 total Payments. There is an outstanding commitment for LPO # PP104960 amounting to MWK5,548,312.50

Lilongwe City South West Constituency: Out of MWK26,366,542.99 total project payments, MWK20,366,542.99 was paid from the current year receipts while MWK6,000,000 was paid from the Opening fund balances. Administrative costs amounting to MWK918,345.00 have so far been paid from the current year receipts bringing total expenditure to MWK27,284,887.99

Lilongwe City South West Constituency: MWK11,916,554 total project payments and administrative costs amounting to MWK346,860.00 paid from the current year receipts bringing the total to MWK11,916,554 .00.

Details of receipts and expenditures for the period are presented in the table below.



Project Title	Location	Total Estimated Cost for 2020-21 Budget (MK)	Actual Amount Spent in 2020-21 Financial Year (MWK)	Balance (MWK)	Status of the Project (e.g. completed, or at foundation stage etc.)	Challenges & Action taken or To be taken To Address the Challenge (include where it is relevant)
Construction of Irish Bridge	CHIMOKA, DUBAI MVAMA STREAM - Lilongwe City Centre Constituency	20,558,031.96	16,783,918.28	3,774,113.68	completed	delays from contractor due to absence from site
Road Grading	Lilongwe City Centre Constituency	250,000.00	250,000.00	-	completed	no challenges
construction of irish bridge	Nankhaka-Area 25 Lilongwe City Centre Constituency	46,565,050.00	9,313,010.00	37,252,040.00	not completed (40%)	delays from skilled workmanship for river training
INSTALLATION OF CULVERT RINGS (600MM)	Shire Zone - Lilongwe City Centre Constituency	3,902,750.00	3,902,750.00	-	not completed (95%)	no challenges
Installation of Ring Culverts	Maria Ward - Lilongwe City Centre	5,548,312.50	-	5,548,312.50	not completed (95%)	no challenges



Project Title	Location	Total Estimated Cost for 2020-21 Budget (MK)	Actual Amount Spent in 2020-21 Financial Year (MWK)	Balance (MWK)	Status of the Project (e.g. completed, or at foundation stage etc.)	Challenges & Action To be taken To Address the Challenge (include where it is relevant)
for community development	Constituency - Area 49					
Construction of Box Culvert	Chakhoma Area 36- Lilongwe City West Constituency	11,916,554.00	11,916,554.00	-	completed	delays from poor workmanship from contractor
Roads Grading	Lilongwe City South East	1,500,000.00	1,500,000.00	-	completed	no challenges
Drainage works	Area 23- Majiga Roads- Lilongwe South East Constituency	15,018,615.00	15,018,615.00	-	completed	no challenges
Installation of Electricity	Area 23 Clinic- Lilongwe City South East Constituency	544,055.00	518,425.00	25,630.00	work completed	No challenges encountered



Project Title	Location	Total Estimated Cost for 2020-21 Budget (MK)	Actual Amount Spent in 2020-21 Financial Year (MWK)	Balance (MWK)	Status of the Project (e.g. completed, or at foundation stage etc.)	Challenges & Action taken or To be taken To Address the Challenge (include where it is relevant)
CONSTRUCTION OF 4M SPAN BRIDGES	Area 23 - Kumbweza - Lilongwe City South East Constituency	16,199,172.81	16,094,596.15	104,576.66	completed	no challenges
Construction of Drainage works	Along Paudala Kavala Road- State House - Lilongwe City South East Constituency	18,372,050.00	7,346,874.45	11,025,175.55	not completed (85%)	no challenges
Construction of Chicken Shade	Kawale Market - Lilongwe City South West Constituency	5,747,044.30	4,009,144.00	1,737,900.30	completed	no challenges
Payment for Construction of Box Curvert	Ngwenya - Lilongwe City South West Constituency	12,428,610.27	12,353,855.48	74,754.79	completed	delays from additional works ordered by the MP



Project Title	Location	Total Estimated Cost for 2020-21 Budget (MK)	Actual Amount Spent in 2020-21 Financial Year (MWK)	Balance (MWK)	Status of the Project (e.g. completed, or at foundation stage etc.)	Challenges & Action taken or To be taken To Address the Challenge (include where it is relevant)
Reconstruction of Brock fence	Livimbo FP School - Lilongwe City South West Constituency	13,073,265.94	6,000,000.00	7,073,265.94	not completed (80%)	no challenges
Construction of kawale toilet	Kawale Market	4,003,543.51	4,003,543.51	-	completed	no challenges
		175,627,055.29	109,011,285.87			

1.5 Infrastructure Development Fund (IDF)

The total budget for the year 2020-2021 is MWK171 million. LCC has received funding amounting to MWK171,234,387.81 to date representing 100% budget funding performance. MWK41,074,629 was brought forward from 2019-20 as unused funds. Total payments for the period July- March 2021 is MWK158,961,943.86 million. Out of MWK170,627,870.07 total payments, MWK135,664,153.82 was paid from the current year receipts while MWK34,963,716.25 was paid from the opening receipts balances

IDF has been used on the projects shown in the table below:



Project Title	Location	Total Estimated Cost for 2020-21 Budget (MK)	Actual Amount Spent in 2020-21 Financial Year	Balance (MK)	Status of the Project (e.g. completed, or at foundation stage etc.)	Challenges & Action taken or To be taken To Address the Challenge (include where it is relevant)
Construction of Building	Area 3 - DEM - Urban	28,147,455.91	28,147,455.91	-	completed	delays from construction material scarcity
Maintenance and Rehabilitation of Street Lights	Various Streets	29,826,912.50	29,826,912.50	-	Work completed	No challenges encountered
Construction of Building - Market Shade	Chilinde Market	986,484.25	986,484.25	-	completed	delays from payments
Maintenance and Rehabilitation of Street Lights	Various Streets	7,074,250.00	7,074,250.00	-	work completed	No challenges encountered
Maintenance and Rehabilitation of Street Lights	Area 10 Streets	822,326.00	822,326.00	-	Work completed	No challenges encountered
Maintenance and Rehabilitation	Various Streets	18,752,422.50	18,752,422.50	-	Work completed	No challenges encountered



n of Street Lights						
Maintenance and Rehabilitation of Electricity	Tsoka Market	6,176,713.50	6,176,713.50	-	Work completed	No challenges encountered
Installation of Ring Culvert	Area 49 New Shire	3,425,000.00	3,425,000.00	-	completed	no challenges
Installation of Ring Culvert	Area 49 New Shire	320,000.00	320,000.00	-	completed	no challenges
Maintenance and Rehabilitation of Street Lights	Various Streets	3,300,000.00	3,300,000.00	-	Work completed	No challenges encountered
Maintenance and Rehabilitation of Street Lights	Various Streets	99,000.00	99,000.00	-	Work completed	No challenges encountered
Maintenance and Rehabilitation of Electricity	Various Streets	1,345,808.00	1,345,808.00	-	Work completed	No challenges encountered
Maintenance and Rehabilitation of Street Lights	Various Streets	2,077,422.71	2,077,422.71	-	Work completed	No challenges encountered



Maintenance and Rehabilitation of building	LCC Works Yard Offices - Area 4	30,002,000.00	24,515,523.49	5,486,476.51	not completed (95%)	delays from abandonment of site by the contractor
Maintenance and Rehabilitation of Street Lights	Chitungo - Area 15	2,725,000.00	1,824,750.00	900,250.00	Work completed	No challenges encountered
Maintenance and Rehabilitation of Street Lights	Area 18 Streets	10,080,000.00	10,080,000.00	-	Work completed	No challenges encountered
Maintenance and Rehabilitation of Electricity	Tsoka Market	937,825.00	937,825.00	-	work completed	No challenges encountered
Construction of Building-Market Shades	Area 18 & Central Markets	6,449,516.25	6,449,516.25	-	completed	no challenges
Maintenance and Rehabilitation of Electricity	Central & Tsoka markets	2,330,500.00	2,330,500.00	-	work still in progress	No challenges encountered
Maintenance and Rehabilitation of Street Lights	Various Streets	1,386,350.00	1,386,350.00	-	work completed	No challenges encountered



Refuse Management	Cleansing	13,050,000.00	13,050,000.00	-	completed	no challenges
Maintenance and Rehabilitation of Street Lights	Area 18	2,483,200.00	2,483,200.00	-	work still in progress	No challenges encountered
Maintenance and Rehabilitation of Electricity	Tsoka Market	733,950.00	733,950.00	-	work completed	No challenges encountered
Maintenance and Rehabilitation of Street Lights	Chitungo - Area 15	850,000.00	683,000.00	167,000.00	work completed	No challenges encountered
Maintenance and Rehabilitation of Street Lights	Area 18	3,799,459.96	3,799,459.96	-	work still in progress	No challenges encountered
Total		177,181,596.58	170,627,870.07	6,553,726.51		



2.0 Locally Generated Revenues

LCC has a total of MWK4.3billion revised budget for the 2020-21 under locally generated revenues. Actual performance against budget is as below:

	BUDGET PROVISION	REV / EXP FOR CURRENT MONTH	REV / EXP TO DATE	BALANCE ON BUDGET (1-5)	BUDGET UTILIZATION % (5/1)*100
Locally Generated Revenues				0	
Central Government Property Rates	199,832,060		125,180,119	74,651,941	62.64
Other Property Rates	2,190,094,979	244,309,541	1,776,654,701	413,440,278	81.12
Income from Market Establishments	239,220,670	28,053,000	236,092,070	3,128,600	98.69
Fees and Service Charges	879,973,033	111,287,734	875,125,821	4,847,211	99.45
Licenses and Permits	672,633,893	8,844,820	497,108,832	175,525,061	73.90
Income from Commercial Undertakings	157,678,065	19,391,250	141,490,880	16,187,185	89.73
Total Locally Generated Revenues	4,339,432,699	411,886,345	3,651,652,423	687,780,276	

2.1 Property Rates

These are property rates charged on land and improvements for private properties in industrial, commercial, and residential housing areas and ground rents as well as for government owned properties.

2.1.1 Government property rates

Total budget ceiling for the year 2020-2021 is MWK199,832,060 million. MWK 33 million has been realized in April 2021 as a proportion of the total biannual billing. The total realized revenues to date total MWK 369,740,246.17 which is MWK 170 million more than the budget ceiling. This is so because government provided ceiling is less than the total government annual billing which is leading to increased arrears, hence the 185% budget performance in the report. No collection was made on Government properties for April 2021. Total amount received to date is MWK125,180,119.00



Collection schedule to date is as bellow

Month	Amount
Jul-20	0
Aug-20	0
Sep-20	0
Oct-20	0
Nov-20	0
Dec-20	92,651,941.00
Jan-21	0
Feb-21	32,528,178.00
Mar-21	0
Apr 2021	0
Total	125,180,119.00

2.1.2 Other property rates

Total budgeted revenues under other property rates for the 2020-2021 financial year are at MWK2.1 billion. MWK 240 million has been realized in the month of April 2021 as a proportion of the total biannual billing. Total realized revenues to date according to the annual billing is at MWK4 Billion, which is already twice the budgeted amount, this is the case considering the current collection efficiency. LCC therefore budgeted to collect at least half of its annual billing. With the current strategies in place LCC will go towards collection of 80% of its current bills. Actual collection on other property rates for April 2021 is MWK248,779,737.54.

Collection schedule to date is as below:

Lilongwe City Council		
Property Rates Monthly Performance		
Month	Other	Total
Jul-20	179,388,040.26	179,388,040.26
Aug-20	291,679,866.32	291,679,866.32
Sep-20	185,840,752.52	185,840,752.52
Oct-20	167,043,042.55	167,043,042.55
Nov-20	108,080,471.42	108,080,471.42
Dec-20	193,792,224.95	193,792,224.95
Jan-21	162,013,131.22	162,013,131.22
Feb-21	226,190,419.61	226,190,419.61



Lilongwe City Council		
Property Rates Monthly Performance		
Mar-21	227,697,704.76	227,697,704.76
Apr-21	248,779,737.54	248,779,737.54
May-21		0.00
Jun-21		0.00
Total	1,990,505,391.15	1,990,505,391.15

2.2 Incomes from market establishments

The amount collected in April 2021 is MWK 28,053,000.00. Cumulatively, a total of MWK 238,267,270.00 has been collected for the period July 2020 to April 2021.

April 2021 Market revenues

Description	Amount (MWK)
Gulliver	35,800.00
Lumbadzi	859,500.00
Kanengo	474,900.00
Area 25 A	184,400.00
Area 25 B	41,400.00
Nsungwi	1,281,600.00
Mgona	343,000.00
Dubai	89,800.00
Upper Biwi	173,000.00
Area 47 bwandiro	423,000.00
Area 47 chigoneka	202,600.00
Central market	8,577,300.00
Tsoka market	8,537,500.00
Mchesi	1,889,100.00
Chinsapo	-
Area 3	388,400.00
Area 18A	378,100.00
Area 18B	185,000.00
Chilinde 1	65,900.00



Biwi tank	307,900.00
Phwetekere	128,800.00
Mwenyekondo	183,400.00
Kawale 1	168,600.00
Kawale 2A	28,600.00
Kawale 2B	-
Area 13	76,200.00
Area 24	298,600.00
Ngwenya	1,551,300.00
Chilinde 2	317,300.00
Area 23A	-
Area 23B	192,200.00
Area 23C	-
Area 22A	175,800.00
Chipasula	146,600.00
Kaliyeka	347,400.00
Total	28,053,000.00

2.3 Fees and Service Charges

The revenue collected as fees and service charges in the month of April 2021 amounts to MWK111 million, of which MWK47.9 million is for planning fees, MWK 31.6million is for development charges, MWK15 is for disposal of assets, MWK 2.6million for refuse collection and MWK 5.5 million for car park fees. These are the major fees under this category. A total of MWK889 million has been received in the month of May.

2.4 Licenses and Permits

These revenues include collections from business premises licenses, Liquor licenses, Occupation Certificates, business occupation licenses and food licenses.

The door to door license collection exercise is ongoing and there is a proposal to introduce a target bonus system of revenue collection so as to motivate licensing officers. Total collection for April 2021 is MWK8.8 million.



2.5 Income from Commercial undertakings

These are incomes from property rentals, and hall hire. Properties being let out by LCC and they include, Wenela complex, Chidzanja house, Mchesi carpentry buildings, Town hall rooms, Area 47 market shops, Area 13 market shops, Central market shops and community Centre rooms.

MWK14 million has been realized in the month of April 2021 as a proportion of the quarterly billing. Actual collected for the month is MWK19,391,250.00. Total amount collected to date is MWK141,500,880.00.

Collection schedule to date is as below: (MWK1,000)

	AREA 13	COMMUNITY CENTRE	AREA 47	CHIDZANJA HOUSE	CENTRAL MARKET	MCHESI CARPENTRY	TOWN HALL	WENERA COMPLEX	Total
20-Jul	198	30	1,545	2,450	1,820	1,528	384	10,572	18,526
20-Aug	72	-	645	100	490	510	128	9,830	11,774
20-Sep	-	30	935	150	-	515	143	5,900	7,673
20-Oct	90	691	965	1,600	1,130	83	553	10,649	15,760
20-Nov	-	110	515	600	180	170	-	9,886	11,461
20-Dec	479	669	1,960	400	1,000	1,294	700	14,570	21,072
21-Jan	-	100	500	1,350	1,450	1,386	150	9,375	14,311
21-Feb	-	120	1,180	1,450	-	306	-	9,806	12,862
21-Mar	-	225	688	60	90	185	25	7,399	8,672
21-Apr	213	50	1,564	1,800	780	380	511	14,076	19,374
Total	1,052	2,025	10,497	9,960	6,940	6,357	2,593	102,061	141,483

3.0 Receivables

These are amounts being owed to LCC. Main debtors for LCC are the property rate debtors, refuse collection debtors and property rentals debtors

3.1 Other property rate debtors

Property rates debtors as at end April 2021 is MWK12billion. The actual amount will be lower after cleaning the property rates database which has duplicated properties, unknown properties,



Lilongwe City Council Properties, and Diplomatic Mission properties. A consultant is being procured to clean the data.

To reduce the property rate debt, LCC is continuing with the seal and seize property exercise and there are plans to engage the services of more external debt collectors to assist with recovery of very long outstanding debt.

April 21 PROPERTY RATES REVENUES

Area	Bal as at 01/04/21	April receipts	Journal adjustments	Bal as 30/04/21
1	442,760,278.77	(2,799,642.56)		436,752,229.08
2	514,268,541.99	(12,833,726.88)		479,237,497.33
3	374,676,411.02	(10,962,968.64)		360,632,705.46
4	326,681,235.06	(15,365,357.27)		309,725,812.92
5	156,056,379.01	(783,780.00)		149,792,284.33
6	87,645,796.29	(2,638,512.41)		8,230,636.69
7	392,997,571.58	(2,626,356.21)		390,302,315.37
8	574,807,380.44	(1,837,200.00)		570,950,058.71
9	156,326,826.54	(6,024,982.86)		149,181,962.02
10	624,038,780.85	(4,432,009.50)		614,343,946.30
11	82,028,681.59	(2,413,585.00)		79,302,496.59
12	230,594,362.71	(4,789,018.49)		223,449,333.88



13	168,312,884.01	(10,599,133.90)		99,774,329.50
14	157,990,272.57	(2,542,047.00)		155,874,916.07
15	137,554,845.41	(3,619,525.82)		131,072,053.02
16	9,240,792.26	-		9,240,792.26
17	2,698,039.32	-		3,282,497.69
18	626,201,424.40	(4,752,946.32)		565,005,425.14
19	60,574,396.60	(18,219,675.00)		42,354,721.60
20	70,345,872.16	(131,620.00)		87,945,566.39
21	561,558,824.57	(2,855,408.31)		501,563,342.60
22	395,741,249.24	(2,933,653.94)		261,861,272.73
23	287,622,007.82	(3,251,090.00)		283,111,534.53
24	161,714,925.71	(577,110.00)		161,856,298.94
25	959,373,189.06	(4,597,672.84)		953,702,279.65
26	138,753,705.05	-		138,753,705.05
27	105,505,643.98	-		107,093,441.21
28	181,849,542.48	(4,421,728.80)	(153,013.09)	104,696,348.35
29	347,639,069.64	(29,410,673.28)	(3,867,228.00)	317,801,873.40



30	4,524,852.50	-		4,524,852.50
31	93,661,160.00	(12,000,000.00)		95,803,360.00
32	59,567,480.16	(342,315.00)		59,225,165.16
33	269,775,909.20	-		269,775,909.20
34	17,214,523.29	-		17,214,523.29
35	1,477,014.13	-		1,250,000.00
36	265,356,724.39	(2,883,469.51)		264,833,359.93
37	69,239,710.32	(1,327,750.00)		25,610,177.46
39	69,955,798.63	-		6,955,798.63
40	386,574,102.26	(2,693,225.50)		383,880,876.76
41	127,438,985.56	-		127,438,985.56
42	16,290,589.82	-		16,290,589.82
43	613,903,160.65	(6,851,039.24)		605,861,740.76
44	127,191,042.88	(6,307,817.50)		120,883,225.38
45	33,297,666.21	-		33,297,666.21
46	213,854,432.02	(1,580,500.00)		211,910,205.80
47	1,277,651,310.01	(42,683,424.12)	(10,904,606.90)	1,231,359,305.82



49	755,182,423.96	(4,786,237.83)	(150,000.00)	729,774,541.94
50	86,494,730.89	-		86,494,730.89
51	34,225,394.74	-		34,225,394.74
52	113,186,608.33	(6,878,284.87)		105,170,583.88
53	44,143,381.26	(556,052.73)		41,824,847.97
54	188,640.00	-		188,640.00
55	165,998,860.18	-		160,228,194.51
Total	13,023,550,347.44	(244,309,541.33)	(15,074,847.99)	12,330,914,353.02

3.2 Government property rates

Outstanding government property rates debt as at 31st April is MWK875,195,985.78.

Government property rates schedule

Period	Invoices	Receipts	Outstanding Balance
Bal as @ 01/07/2020			772,489,012.05
Jul-Dec 2020	109,727,893.33	92,651,941.00	789,564,964.38
Jan-Jun 2021	118,159,199.40	32,528,178.00	875,195,985.78

3.3 Refuse collection debtors

LCC has a number of registered companies that get their garbage collected and billed monthly according to tonnage of waste collected. Total invoice amount outstanding as at 1st April 2021 was MWK24,230,098.00, total revenue collected for April 2021 was MWK2,628,200 and the



outstanding debt as at end April 2021 was MWK22,971,898.00. Out of the MWK2.6million collected, MWK1.3million is for one off debtors.

Organization name	Bal as @ 01/04/21	April 21 receipts	Bal as @ 30/04/2021
Reserve Bank	-		-
Rainbow	-		-
Solomon Mkt	130,675.00		130,675.00
Pacific Hotel	2,721,440.00		2,721,440.00
Alliance One	819,228.00		819,228.00
Seba Foods	827,150.00		827,150.00
Castel MW	7,922,000.00		7,922,000.00
Kallos Beverages	1,176,650.00		1,176,650.00
Pacific Ltd	1,759,150.00		1,759,150.00
Central Poultry	1,258,200.00	1,258,200.00	-
Capital Hotel	730,455.00		730,455.00
Umodzi Park	1,258,200.00		1,258,200.00
Lilongwe Hotel	1,223,250.00		1,223,250.00
Tama	244,650.00		244,650.00
KTPL			



	2,097,000.00		2,097,000.00
FCB	244,650.00		244,650.00
TNM	34,950.00		34,950.00
PG. GLASS	-		-
STD	279,600.00		279,600.00
SPAR	489,300.00		489,300.00
Law Commision	139,800.00		139,800.00
Chinese Embassy	664,050.00		664,050.00
TEVETA	209,700.00		209,700.00
Total	24,230,098.00	1,258,200.00	22,971,898.00

3.4 Property Rental Debtors

The balance as 1st April 2021 was at MWK 57 million and the fourth quarter (April – June 2021) invoice amount was MWK42,748,250.00. MWK 19million was collected and the balance at the end of April 2021 was MWK80 million.

Below are the Property Rental Debtors movements for April 2021.



PROPERTY RENTAL REVENUES FOR APRIL 2021

LOCATION	BALA B/F 01/04/21	INVOICE 01/04/21	RECEIPTS APRIL 21	BAL AS @ 30/04/2021
AREA 13	3,291,500.00	850,500.00	231,000.00	3,911,000.00
COMMUNITY CENTRE	7,293,600.00	582,000.00	50,000.00	7,825,600.00
AREA 47	6,736,500.00	3,330,000.00	1,563,000.00	8,503,500.00
CHIDZANJA HOUSE	(161,800.00)	2,700,000.00	1,800,000.00	738,200.00
CENTRAL MARKET/KW	3,507,150.00	2,647,500.00	780,000.00	5,374,650.00
MCHESI	2,834,000.00	1,125,000.00	380,000.00	3,579,000.00
TOWN HALL	1,471,250.00	643,750.00	511,250.00	1,603,750.00
WENERA COMPLEX	32,167,106.00	30,869,500.00	14,076,000.00	48,960,606.00
TOTAL	57,139,306.00	42,748,250.00	19,391,250.00	80,496,306.00

4.0 Personal Emoluments

The total budget for personal emoluments for the financial year is MWK 3 billion and MWK206million has been spent in April 2021 of which MWK165million are salaries and wages, MWK 11million is severance pay for retired officers and MWK30million is pension contribution. Cumulatively 67% of the annual budget has been utilized. In this year alone LCC has retired 300 employees which has reduced the wage bill. LCC has no unpaid net salaries, wages and leave grants for its staff.



5.0 Other Recurrent Expenditures (ORT)

A total of MK166m has been spent in April 2021; out of which MK30.7 Million was spent on Debt Servicing, MK20.7million was on Internal Travel, Motor Vehicle running costs amounted to MK31.4m, whilst MK15.5m was spent on Public Utilities and Office Supplies amounted to MK19.4m. Expenditures for ORT to date amount to MK1.5 Billion representing 44% budget utilization.

6.0 Own Capital Contribution

Currently, LCC is rehabilitating the Central Car Park which includes the installation of an Automated Parking Management System. The total Contract price for this project is MWK23,364,447.16. No payment has been made to date as works are still underway.

7.0 Payables

7.1 PAYE Tax arrears

LCC has accumulated arrears on PAYE remittances for the past 9 years. The amount has reduced from MWK1.6 billion to MWK1.4 billion as at 30 April 2021. Monthly PAYE deductions have been remitted to MRA totaling MWK156.9 million for July to March 2021 salaries. April 2021 PAYE deductions will be paid in May 2021. Monthly remittances of MWK20 million have been made in August, September, October, February, March and April 2021 amounting to MK120m towards clearing PAYE arrears.

DATE	REFERENCE/INVOICE NO	AMOUNT PAID	OUTSTANDING AMOUNT
7/1/2020	MRA PAYE arrears opening balance	0.00	1,532,352,080.89
8/5/2020	PAYE arrears repayment	20,000,000.00	1,512,352,080.89
9/19/2020	PAYE arrears repayment	20,000,000.00	1,492,352,080.89
10/13/2020	PAYE arrears repayment	20,000,000.00	1,472,352,080.89
11/30/2020	PAYE arrears repayment	0	1,472,352,080.89



DATE	REFERENCE/INVOICE NO	AMOUNT PAID	OUTSTANDING AMOUNT
0			
12/31/2020	PAYE arrears repayment	0	1,472,352,080.89
0			
1/31/2021	PAYE arrears repayment	0	1,472,352,080.89
2/28/2021	PAYE arrears repayment	20,000,000.00	1,452,352,080.89
3/31/2021	PAYE arrears repayment	20,000,000.00	1,432,352,080.89
4/30/2021	PAYE arrears repayment	20,000,000.00	1,412,352,080.89
TOTAL		120,000,000.00	

Tax deductions and remittances for the current financial year

DATE	REFERENCE/INVOICE NO	Details	PAYROLL AMOUNT	AMOUNT PAID	OUTSTANDING AMOUNT
7/1/2020	Balance b/d	Bal b/d			130,458,938
7/31/2020	JULY 2020 PAYROLL	July 2020 PAYE	26,032,539.38	0	156,491,477.38
8/31/2020	AUGUST 2020 PAYROLL	August 2020 PAYE	25,054,556.50	26,032,539.38	155,513,494.51
9/30/2020	September 2020 PAYROLL	September 2020 PAYE	25,159,051.26	25,054,556.50	155,617,989.26
10/31/2020	October 2020 PAYROLL	October 2020 PAYE	25,685,664.60	25,159,051.26	156,144,602.60
11/30/2020	November 2020 PAYROLL	November 2020 PAYE	10,353,467.88	25,685,664.60	140,812,405.88
12/31/2020	December	December	11,658,104.06	0	152,470,510.06



DATE	REFERENCE/IN VOICE NO	Details	PAYROLL AMOUNT	AMOUNT PAID	OUTSTANDING AMOUNT
0	2020 Payroll	2020 PAYE			
1/31/2021	January 2021 Payroll	January 2021 PAYE	10,982,595.23	22,011,571.94	141,441,533.35
2/28/2021	February 2021 Payroll	February 2021 PAYE	11,167,033.13	10,982,595.23	141,625,971.25
3/31/2021	March 2021 Payroll	March 2021 PAYE	10,900,465.56	11,167,032.16	141,359,404.65
4/30/2021	April 2021 Payroll	April 2021 PAYE	10,207,384.86	10,900,465.56	140,666,323.95
TOTAL			167,200,862.46	156,993,476.63	

7.2 Pension and Terminal benefits

As of 31st July 2020 LCC had put every employee on pension scheme. Remittances to Old Mutual and NICO have been made for the months of July - March 2021. April 2021 remittances are planned to be paid by 14th May 2021.

Below are payments towards pension for the current financial year

NICO Pension payments 2020-2021

DATE	REFERENCE/INVOICE NO	PAYABLE AMOUNT	AMOUNT PAID	OUTSTANDING AMOUNT
1/7/2020	Balance b/d			31,883,778.00
JULY	July 2020 Pension contribution	10,090,608.72	11,076,263.76	30,898,122.96
8/31/2020	August 2020 Pension contribution	9,269,512.46	10,090,608.72	30,077,026.70
9/30/2020	September 2020 Pension	9,049,729.68	9,269,512.46	29,857,243.92



	contribution			
10/31/2020	October 2020 Pension Contribution	9,049,729.68	9,049,729.68	29,857,243.92
11/30/2020	November 2020 Pension Contribution	9,316,379.51	9,049,729.68	30,123,893.75
12/31/2020	December 2020 Pension Contribution	9,017,167.60	9,316,379.51	29,824,681.84
1/31/2021	January 2021 Pension Contribution	8,772,018.28	9,017,167.60	29,579,532.52
2/28/2021	February 2021 Pension Contribution	8,787,361.58	8,772,018.28	29,594,875.82
3/31/2021	March 2021 Pension Contribution	8,692,532.43	8,787,361.58	29,500,046.67
4/30/2021	April 2021 Pension Contribution	8,692,532.43	8,692,532.43	29,500,046.67
TOTAL		90,737,572.37	93,121,303.70	

Below are deductions and remittances towards Old mutual pension fund

Old mutual pension 2020-2021

DATE	DETAILS	PAYABLE AMOUNT	AMOUNT PAID	OUTSTANDING AMOUNT
1/7/2020	Bal b/d	-		1,211,600
JULY	July 2020 Pension contribution	22,416,359.95		23,627,959.95
August	August 2020 Pension contribution	22,280,024.20	22,416,359.95	23,491,624.20
September	September 2020	22,280,024.20	22,280,024.20	23,491,624.20



DATE	DETAILS	PAYABLE AMOUNT	AMOUNT PAID	OUTSTANDING AMOUNT
	Pension contribution			
October	October 2020 Pension contribution	22,181,402.48	22,280,024.20	23,393,002.48
11/30/2020	November 2020 Pension Contribution	21,947,612.64	22,181,402.48	23,159,212.64
12/31/2020	December 2020 Pension Contribution	22,246,823.90	21,947,612.64	23,458,423.90
1/31/2021	January 2021 Pension Contribution	22,226,885.87	22,246,823.90	23,438,485.87
2/28/2021	February 2021 Pension Contribution	21,529,543.31	22,226,885.87	22,741,143.31
3/31/2021	March 2021 Pension Contribution	21,450,195.30	21,529,543.31	22,661,795.30
4/30/2021	April 2021 Pension Contribution	21,450,195.30	21,450,195.30	22,661,795.30
TOTAL		220,009,067.15	198,558,871.85	

7.3 Severance pay arrears

Unpaid severance dates as far back as 2018. In April 2021 LCC has paid Mk11m to employees who retired from 2018 to 2020.

7.4 Tevet levy

Tevet levy is calculated as 1% of the total payroll amount per month. LCC had accumulated a total of MWK 91,412,879.24 as at 1st July 2020. Currently, the repayment plan is to be paying MWK10 Million per month towards settlement of the TEVET arrears as the current monthly bills are being paid. As at 30 April 2021 the balance is at MK 41,412,879.24. Below are the outstanding arrears as at 31 March 2021.

Tevet levy arrears



Date	Details	Amount paid	Balance
Opening balance			91,412,879.24
Sep-20	TEVET Levy Repayment	30,000,000.00	61,412,879.24
Oct-20	TEVET Levy Repayment	0.00	61,412,879.24
Nov-20	TEVET Levy Repayment	0.00	61,412,879.24
Dec-20	TEVET Levy Repayment	0.00	61,412,879.24
Jan-21	TEVET Levy Repayment	0.00	61,412,879.24
Feb-21	TEVET Levy Repayment	10,000,000.00	51,412,879.24
Mar-21	TEVET Levy Repayment	10,000,000.00	41,412,879.24
Apr-21	TEVET Levy Repayment	0.00	41,412,879.24

Tevet levy 2020-2021

DATE	DETAILS	MONTHLY TEVET LEVY(1%)	AMOUNT PAID	BALANCE
1/7/2020	Bal b/d			17,910,092.61
Jul-20	JULY 2020 TEVET LEVY	1,682,755.70	0.00	19,592,848.31
Aug-20	AUGUST 2020 TEVET LEVY	1,681,641.27	0.00	21,274,489.58
Sep-20	SEPTEMBER 2020 TEVET LEVY	1,703,504.43	0.00	22,977,994.01
Oct-20	October 2020 TEVET LEVY	1,754,800.49	0.00	24,732,794.50
Nov-20	November 2020 TEVET LEVY	1,542,011.71	0.00	26,274,806.21
Dec-20	December 2020 TEVET LEVY	1,698,133.68	0.00	27,972,939.88



Jan-21	January 2021 TEVET LEVY	1,564,825.84	0.00	29,537,765.73
Feb-21	February 2021 TEVET LEVY	1,650,608.71	0.00	31,188,374.44
Mar-21	March 2021 TEVET LEVY	1,655,549.91	0.00	32,843,924.35
Apr-21	April 2021 TEVET LEVY	1,653,783.37	0.00	34,497,707.72
TOTAL		16,587,615.11	0.00	

7.6 FDH Bank loan

LCC obtained a MWK100 Million loan facility from First Discount House in 2012 which as at 30 June 2018 had accumulated to MWK 600 million. In August 2018 upon FDH bank becoming LCC main cashing bank, the bank carried over the loan facility from First Discount House at a value of MWK 600 million to be serviced over a period of 60 months.

From October 2018 LCC started servicing the loan through a monthly standing order of MWK15 million. In December 2020 LCC obtained a motor vehicle loan from FDH amounting to MK 357,785,424. As at 30 April 2021 the outstanding loan balance is at MWK 696,800,123.26

FDH bank loan schedule

DATE	DETAILS	Invoice	PRINCIPAL REPAYMENT	Outstanding
20-Jul	opening balance		0	462,488,453.23
JULY	Loan Repayment		0	462,488,453.23
August	Loan Repayment		15,824,163.49	446,664,289.74
SEPTEMBER	Loan Repayment		8,602,992.82	438,061,296.92



DATE	DETAILS	Invoice	PRINCIPAL REPAYMENT	Outstanding
October	Loan Repayment		8,699,558.86	429,361,738.06
NOVEMBER	Loan Repayment		8,842,376.62	420,519,361.44
DECEMBER	Loan Repayment		8,904,231.42	411,615,130.02
DECEMBER	FDH Motor vehicle Loan	357,785,424		769,400,554.02
1/14/2021	Loan Repayment		18,607,431.96	750,793,122.06
2/15/2021	Loan Repayment		17,688,457.55	733,104,664.51
3/15/2021	Loan Repayment		17,980,401.47	715,124,263.04
4/15/2021	Loan Repayment		18,324,139.78	696,800,123.26
Total			123,473,753.97	

7.7 Sundry payables

As at 30 April LCC owed various traders a sum of MWK 24,298,507.07 million for acquisition of various goods and services, of which 15.4m is to various traders of office equipment, MK 1.08 m to suppliers of stationery and computer accessories and MWK7.7 million is motor vehicle maintenance.

7.8 Councilors' motor cycle loans

Lilongwe City Council has a total of 27 Councilors' and each one of them obtained a motor cycle loan amounting to MWK1.5 million. Each one is required to repay the principal amount together with 10% interest translating into a total repayment of MWK1, 650, 000 for each



Councilor. LCC is required to recover the loans from Councilors' monthly honoraria payments and remit the same to NLGFC. The loans are to be recovered in 48 monthly installments starting from January 2020. As at 30th April 2021 LCC has made repayments to NLGFC amounting to MWK14,803,191.49 for the period January 2020 to April 2021. LCC has no outstanding repayment as at 30th April 2021.

Councilor's motor cycle loan schedule

#	NAME	TOTAL LOAN AMOUNT	REPAYMENT AMOUNT FOR THE MONTH	TOTAL DEDUCTIONS TO DATE	BALANCE DUE
1	Florence Kamtogo	1,650,000.00	34,375.00	550,000.00	1,100,000.00
2	Ruth Chingwalu Njirayafa	1,650,000.00	34,375.00	550,000.00	1,100,000.00
3	William Khumbo Nguluwe	1,650,000.00	34,375.00	550,000.00	1,100,000.00
4	Alex Chipatala Chimphanda	1,650,000.00	34,375.00	550,000.00	1,100,000.00
5	Mcjoe Kufamkugona Mwazani	1,650,000.00	34,375.00	550,000.00	1,100,000.00
6	Julina Gondwe Kaduya	1,650,000.00	35,106.38	526,595.74	1,123,404.26
7	Mactonic Josia Phiri	1,650,000.00	34,375.00	550,000.00	1,100,000.00
8	Lynold Chakakala Chaziya	1,650,000.00	34,375.00	550,000.00	1,100,000.00
9	Chipiliro Phambala	1,650,000.00	34,375.00	550,000.00	1,100,000.00
10	Joe Katalama	1,650,000.00	34,375.00	550,000.00	1,100,000.00
11	Vumani Nkhoma	1,650,000.00	34,375.00	550,000.00	1,100,000.00
12	Ganizani Thawani	1,650,000.00	34,375.00	550,000.00	1,100,000.00
13	Felix Tsutsani Tsokonombwe	1,650,000.00	34,375.00	550,000.00	1,100,000.00



#	NAME	TOTAL LOAN AMOUNT	REPAYMENT AMOUNT FOR THE MONTH	TOTAL DEDUCTIONS TO DATE	BALANCE DUE
14	Heston Yohane Zybion	1,650,000.00	34,375.00	550,000.00	1,100,000.00
15	Triza Silo	1,650,000.00	34,375.00	550,000.00	1,100,000.00
16	Rose Antonio	1,650,000.00	34,375.00	550,000.00	1,100,000.00
17	Bishaf Chiombe	1,650,000.00	34,375.00	550,000.00	1,100,000.00
18	Esther Sagawa	1,650,000.00	34,375.00	550,000.00	1,100,000.00
19	Maloni Chatewa	1,650,000.00	34,375.00	550,000.00	1,100,000.00
20	Chafungatira Samuel Beni	1,650,000.00	34,375.00	550,000.00	1,100,000.00
21	Mtemwanenge Mhango	1,650,000.00	34,375.00	550,000.00	1,100,000.00
22	Reuben Thundu Phiri	1,650,000.00	34,375.00	550,000.00	1,100,000.00
23	Patricia Ngwira Singini	1,650,000.00	34,375.00	550,000.00	1,100,000.00
24	Trouble Ntchona Kamanga	1,650,000.00	34,375.00	550,000.00	1,100,000.00
25	Patrick Makumba	1,650,000.00	34,375.00	550,000.00	1,100,000.00
26	Richard Banda	1,650,000.00	35,106.38	526,595.74	1,123,404.26
27	Giff Dzaone Tanganyika	1,650,000.00	34,375.00	550,000.00	1,100,000.00
	TOTAL	44,550,000.00	929,587.76	14,803,191.49	29,746,808.51



7.9 COVID funds

LCC has received four funding tranches to date. Below is the summary report

Tranche	Funding	Total Expenditure	Balances
1	50,000,000	49,754,719	245,281
2	40,000,000	29,517,320	10,482,680
3	20,000,000	-	-
4	54,707,572	54,706,500	1,072

- Most of the funds are tied up in procurements. LCC still has unspent budget of about MK10 million from the 2nd tranche
- Payments for disinfection of public places have remained outstanding. The work was already done
- Three quarters of Community burial team members are not yet trained and this has brought
- There is still confusion in communities as the burial teams in some parts of the City are refusing to bury dead bodies
- The MWK20 million that was received was not utilized, it was recalled in February 2021 and was sent back to DODMA
- The fourth tranche of MWK54,707,572 meant for masks has been exhausted

