

FINANCE

Your Ref:

Our Ref: LCC/FINANCE GENERAL



LILONGWE CITY COUNCIL

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Lilongwe 3

MALAWI

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14th March, 2021

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

Dear Sir,

RE: SUBMISSION OF MARCH 2021 FINANCIAL REPORT

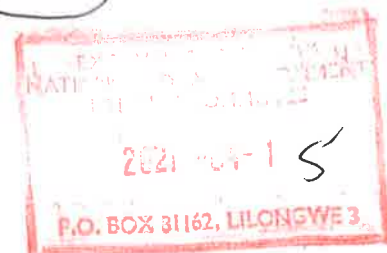
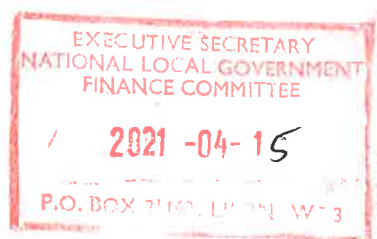
Find the attached Financial Report for March 2021.

Yours Faithfully,

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

Eliam Chinkhokwe Banda
FOR CHIEF EXECUTIVE OFFICER

A handwritten signature in black ink, appearing to read 'M. Chimangani'.





Lilongwe
City
Council

MARCH 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 24th March 2021, the Finance Service Committee reviewed the eight-month performance and adopted a revised 2020-2021 ceiling of MWK4.3 billion for Locally Generated Revenues bring the total revised budget to MWK5.1 billion. The Finance Service Committee is expected to present the revised budget to Council for approval on 14th April 2021. 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 March 2021 amounted to MWK531,663,496 million. Actual cash collected and received amounted to MWK478,179,456.29 out of which MWK 449,841,613.44 is from Locally Generated Revenues and MK28,337,843 million is from Central Government Transfers.

Expenditures in the month of March 2021 amounted to MWK534 million with MWK274million spent on personnel emoluments. Cumulative expenditure for the period July 2020 to March2021 is at 49.2% of the budget. Apart from the expenses on personnel emoluments, the funds have been used on the following:

1. **Health and Social Welfare Programs:** Inspection of 12 Early Childhood Development Centers; verification of beneficiaries of the urban social cash transfer in the hotspots; removed and temporarily placed 40 street Children at the Social Rehabilitation center for assessment and eventual repatriation to their homes.
2. **Works and Engineering Programs:** Supervised and facilitated completion of 7 construction projects financed under IDF, CDF, and Water Resources funds in the City.
3. **Parks, Recreation and Environment:** Grass cutting has been done in all critical streets and open spaces of the City and is going on; 120 ornamental trees have been planted at Area 13 Park; 140 ornamental trees have been planted at Area 18 Park; 20 ornamental trees have been planted at Area 49 Park; 12,536 tree Seedlings have been planted along the banks of Lilongwe river.
4. **Education program:** Primary Schools in the City were supervised to ensure that education standards are maintained; sensitization sports committees on Covid 19 guidelines for sporting and recreation activities



5. **Sports Programs:** Trained coaches, and athletes in Covid mitigation measures in line with sports management
6. **Planning and Development Programs:** Twenty four construction sites were inspected in both commercial and residential areas; issued one occupation certificate to one commercial building; held a plot allocation committee meetings where among other things, 22 applications for regularization were processed, 54 applications for change of ownership were processed and 18 informal settlement developers had started paying regularization fees; withdrawal of 39 residential plots and 22 commercial plots for non-development and no payment of development charges; produced 10 site plans for various clients in the City.
7. **Trade, Commerce and Industry:** Managed vendors in the City to ensure that they are trading in designated places; Controlled parking of vehicles in the Central Business centers; and Continued to license businesses in the City
8. **Finance, Administration and Human Resources Programs:** ensured adequate cash is available for provision of services by the Council; strengthened the operation systems for the Council including – installation of vehicle tracking system on utility vehicles; coordinated procurement of goods, supplies, services; ensured timely payment of salaries.
9. **Debt servicing:** MWK41 million was paid to service loans for LCC and repayment of PAYE arrears. The loans are with First Discount House (FDH) for 2011 QVR, and purchase of utility motor vehicles.

Outlook for April 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. It is expected that the general slowdown in economic activities will continue for some months to come with a possible third wave Covid -19 surge.

LCC has revised the annual budget ceiling for Locally Generated Revenues downwards to incorporate the effects of Covid-19 and ensure provision of basic services continues. The revised 2020-2021 budget ceiling are waiting for Council approval to implement. The council has prepared its 2021-2022 draft budget estimates

Eliam Chinkhokwe Banda
For Chief Executive Officer



Notes to March 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 MWK 10,186,912.00 in the month of March 2021. Cumulatively MWK91,625,031.81 has been received representing 74.99% 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. Below is the summary report

Summary report					
	City Centre	City West	City South West	City South East	Total
Opening Balance	-9,246,619	6,056,420	12,056,420	3,499,786	12,366,007
Receipts	12,000,000	12,000,000	12,000,000	12,000,000	48,000,000
Total Available	2,753,381	18,056,420	24,056,420	15,499,786	60,366,007
					0
Payments	0	2,985,895	0	8,957,685	11,943,580
Unused Funds	2,753,381	15,070,525	24,056,420	6,542,101	48,422,427

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 73% of the budget has been received.



1.3.1 Education urban sector

The sector has been funded MWK201,128,202.32 to March 2021 out of the annual budget of MWK 251,410,253.00 representing 80% 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 March 2021

1.3.2 Sports sector

Sports sector has received MWK4,875,347.88 to March 2021 against an annual budget of MWK6,500,466.32 representing 75% budget funding performance. Sports sector had MWK1,907,411 unused funds at the beginning of the current financial year. Funding for March 2021 is MWK541,705.00

1.3.3 Youth sector

The sector has received MWK 568,791.00 in the month of March 2021, and a total of MWK 5,119,117.35 has been received to date against an annual budget of MWK6,825,488.78 representing 75% 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 March 2021 and MWK 2,376,291.44 cumulative funding to March 2021 out of MWK3,168,856.00 annual budget. The funding performance is at 74.99% 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 March 2021 and MWK140,054.00 cumulatively to March 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. Cumulatively, LCC has received MWK120 million to date out of the MWK 160 million annual budget



representing 75% budget funding performance. Details of receipts and expenditures for the period are presented in the table below.

CDF Summary Financial Report

July - March 2021

Monetary Figures in Malawi Kwacha.

Detail	City Centre	City West	City South West	City South East	Total
July 2020 Opening Balance	29,478,517	1,184,380	8,505,689	30,403,124	69,571,710
Receipts	30,000,000	30,000,000	30,000,000	30,000,000	120,000,000
Total Available	59,478,517	31,184,380	38,505,689	60,403,124	189,571,710
Payments	31,039,283	11,916,554	21,284,888	34,470,346	98,711,071
Unused Funds	28,439,234	19,267,826	17,220,801	25,932,778	90,860,639

1.5 Infrastructure Development Fund (IDF)

The total budget for the year 2020-2021 is MWK171 million. LCC has received funding amounting to MWK133,182,301.81 to date representing 77.78% 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. IDF has been used on the projects shown in the table below:

Item	contractor	contract sum	Amount Paid (MWK)
Construction of offices & Conference room for DEM-(Refund)	Pachalo Building Co	23,674,272.81	23,674,272.81
PURCHASE OF 50X80WATTS INTERG.SOLAR LED S.LIGHTS	Yewo logistics	29,826,912.50	29,826,912.50



Payment for Chilinde Market Shed-IDF	Nasundu	986,484.25	986,484.25
Electrical materials for maintenance of Street lights	WD Investment	7,074,250.00	7,074,250.00
Maintenance of Street Lights@ Area10	Duma electronics	822,326.00	822,326.00
Electrical Materials-250W Hps Fittings	Best Way	18,752,422.50	18,752,422.50
Electrical materials-25MM2 Overhead Twin Wire Aluminum	WD Investment	6,176,713.50	6,176,713.50
Procure of Ring pipes 600mm + TPT	Chikamu Investment	3,425,000.00	3,425,000.00
Final Payment for cons. of confe. room for LL DEM URBAN (Refund)	Pachalo Builsing Co	4,473,183.10	4,473,183.10
IDF admin expences	Chikamu Investment	320,000.00	320,000.00
Fabricating and supply of solar pannel holders	Allied Engineering	3,300,000.00	3,300,000.00
Fabricating and supply of solar pannel holders	Allied Engineering	99,000.00	99,000.00
Electrical materials for maintenance of Street lights	WD Investment	1,345,808.00	1,345,808.00
10mm2*4 core underground cable	Duma electronics	2,077,422.71	2,077,422.71
Maintenance of Works Yard Offices	Noel Civil & Building	30,002,000.00	24,515,523.49
Maintenance of traffic lights Chitukuko	Cast Electrical	2,725,000.00	1,824,750.00
12Volts,100AH Sealed Solar Batteries	Continental Trading	10,080,000.00	10,080,000.00
new electricity connection for Tsoka Market at Tsoka M	ESCOM	937,825.00	937,825.00
10mm black cable for electricity section	WD Investment	2,330,500.00	2,330,500.00



Hiring of Boom Lifter for maintenance of Street light	Coolite Engineering	1,386,350.00	1,386,350.00
Acquisition of Skip Bins	Kromanic Investment	13,050,000.00	13,050,000.00
Solar Led Light Controller	Inifite Sollution	2,483,200.00	2,483,200.00
Total		165,348,670.37	158,961,943.86

2.0 Locally Generated Revenues

A total of MWK6.2 billion has been budgeted for the 2020-21 under locally generated revenues.

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 million. MWK 33 million has been realized in March 2021 as a proportion of the total biannual billing. No collection was made on Government properties for March 2021.

2.1.2 Other property rates

Total budgeted revenues under other property rates for the 2020-2021 financial year are at MWK2.5 billion. MWK 240 million has been realized in the month of March 2021 as a proportion of the total biannual billing. Actual collection on other property rates for March 2021 is MWK225,679,069.93.

2.2 Incomes from market establishments

The amount collected in March 2021 is MWK 29,024,400.00. Cumulatively, a total of MWK 208,039,070.00 has been collected for the period July 2020 March 2021 representing 46% budget performance.



MARCH 2021 MARKET REVENUE REPORT

Description	Amount
Gulliver	25,000.00
Lumbadzi	618,300.00
Kanengo	334,400.00
Area 25 A	196,900.00
Area 25 B	44,000.00
Nsungwi	1,229,800.00
Mgona	137,400.00
Dubai	55,800.00
Upper Biwi	184,200.00
Area 47 bwandiro	357,600.00
Area 47 chigoneka	191,000.00
Central market	8,791,000.00
Tsoka market	9,697,900.00
Mchesi	1,176,600.00
Chinsapo	244,300.00
Area 3	378,400.00
Area 18A	422,600.00
Area 18B	214,200.00
Chilinde 1	248,600.00
Biwi tank	865,800.00
Phwetekere	157,600.00
Mwenyekondo	146,600.00
Kawale 1	394,000.00
Kawale 2A	34,600.00
Kawale 2B	-
Area 13	77,600.00
Area 24	255,400.00
Ngwenya	1,469,400.00
Chilinde 2	255,700.00
Area 23A	-
Area 23B	101,700.00



Area 23C	
Area 22A	147,400.00
Chipasula	97,400.00
Kaliyeka	473,200.00
TOTAL	29,024,400.00

2.3 Fees and Service Charges

The revenue collected as fees and service charges in the month of March 2021 amounts to MWK142 million, of which MWK50 million is for planning fees, MW57.7million for development charges, MWK2.9million for advertisement charges, MWK4.7million for refuse collection and MWK7 million for car park fees. These are the major fees under this category. A total of MWK779 million has been received against an annual budget of MWK1.5 billion representing a 51% performance against the budget.

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 March 2021 is MWK43 million. The accumulated collection to date is MWK 491 million and is representing 40.93% performance against annual budget. The below expectation performance is attributed to the covid-19 impact which has affected reduced number of businesses operating in the City and has also affected their capacity to pay.

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.

MWK13 million has been realized in the month of March 2021 as a proportion of the quarterly billing. Actual collected for the month is MWK8,819,500.00.



3.0 Receivables

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

3.1 Property rate debtors

Property rates debtors as at end March is MWK13 billion. 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.

March 21 PROPERTY RATES REVENUES

Area	Bal as @ 01/03/21	March receipts	Bal as at 31/03/21
1	458,950,785.86	(2,917,030.00)	442,760,278.77
2	647,013,737.43	(11,658,732.24)	514,268,541.99
3	384,497,673.86	(26,687,086.88)	374,676,411.02
4	336,337,071.36	(13,884,578.81)	326,681,235.06
5	160,655,276.61	(1,624,353.00)	156,056,379.01
6	91,641,717.42	(3,995,271.13)	87,645,796.29
7	393,980,356.16	(1,260,343.58)	392,997,571.58
8	578,133,531.77	(2,992,901.33)	574,807,380.44
9	159,991,392.40	(6,782,551.75)	156,326,826.54
10	628,264,594.95	(10,151,083.40)	624,038,780.85
11	82,892,461.59	(863,780.00)	78,753,936.59
12	247,365,753.81	(14,247,354.45)	230,594,362.71
13	192,093,233.65	(23,980,349.64)	168,312,884.01
14	164,888,032.73	(5,653,114.00)	



			157,990,272.57
15	139,770,354.31	(1,721,100.00)	137,554,845.41
16	10,925,461.76	(1,684,669.50)	9,240,792.26
17	3,323,447.69	(45,000.00)	2,698,039.32
18	643,151,015.94	(6,727,298.04)	626,201,424.40
19	61,044,396.60	-	60,574,396.60
20	73,593,743.66	-	70,345,872.16
21	563,418,487.18	(1,108,937.47)	561,558,824.57
22	396,587,828.75	(1,413,375.00)	395,741,249.24
23	288,273,863.61	(1,834,990.79)	287,622,007.82
24	163,874,840.66	(422,481.93)	161,714,925.71
25	964,463,419.42	(4,196,671.36)	959,373,189.06
26	138,753,705.05	-	138,753,705.05
27	107,093,441.21	-	105,505,643.98
28	188,034,087.61	(7,108,573.96)	181,849,542.48
29	355,218,499.71	(12,469,652.07)	347,639,069.64
30	4,524,852.50	-	4,524,852.50
31	105,661,160.00	-	93,661,160.00
32	67,587,554.22	(804,933.84)	59,567,480.16
33	269,775,909.20	-	269,775,909.20
34	19,203,871.43	-	17,214,523.29
35	1,477,014.13	-	1,477,014.13
36	268,233,281.19	(467,500.00)	265,356,724.39
37	69,776,210.32	(471,500.00)	69,239,710.32
39	76,846,464.74	(3,482,496.44)	69,955,798.63
40	386,574,102.26	-	386,574,102.26



41	130,305,660.56	-	127,438,985.56
42	17,607,064.82	-	16,290,589.82
43	619,152,574.45	(4,784,665.80)	613,903,160.65
44	128,464,664.88	(1,392,122.00)	127,191,042.88
45	37,050,224.69	-	33,297,666.21
46	213,721,505.80	(25,000.00)	213,854,432.02
47	1,323,072,367.69	(38,653,043.76)	1,277,651,310.01
49	758,697,918.22	(3,665,494.26)	600,054,084.88
50	86,494,730.89	-	86,494,730.89
51	38,039,474.74	(3,814,080.00)	34,225,394.74
52	113,455,388.33	(268,780.00)	113,186,608.33
53	44,143,381.26	-	44,143,381.26
54	286,890.00	-	188,640.00
55	194,162,487.91	(2,418,173.50)	165,998,860.18
Total	13,598,546,966.99	(225,679,069.93)	13,023,550,347.44

3.2 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 March 2021 was MWK24,230,098.00, total revenue collected for March 2021 was MWK4,732,389.60 and the outstanding debt as at end March 2021 was MWK21,047,708.40. Out of the MWK4.7million collected, MWK1.5million is for one off debtors.

MARCH 2021 REFUSE COLLECTION REPORT

Organization Name	Bal as @ 01/03/21	March 2021 Invoices	March 2021 Receipts	Bal as @ 31/03/21
Solomon Mkt	130,675.00	-	60,000.00	70,675.00
Pacific Hotel				



	2,721,440.00	-		2,721,440.00
Alliance One	819,228.00	-	1,864,189.60	(1,044,961.60)
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 Commission				



	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		3,182,389.6	21,047,708.40

3.3 Property Rental Debtors

The balance as 1st March 2021 was at MWK 65 million and the third quarter (January – March 2021) invoice amount was MWK41, 851,250.00. MWK 8.8million was collected and the balance at the end of March 2021 was MWK57 million.

Below is the Property Rental Debtors movements for March 2021

PROPERTY RENTALS REPORT FOR MARCH 2021

LOCATION	Bal as at 01/03/21	INVOICE 01/01/21	March receipts	Bal as at 31/03/21
AREA 13	3,291,500.00	475,500.00	-	3,291,500.00
COMMUNITY CENTRE	7,518,600.00	210,000.00	225,000.00	7,293,600.00
AREA 47	7,424,500.00	3,270,000.00	688,000.00	6,736,500.00
CHIDZANJA HOUSE	(101,800.00)	2,700,000.00	60,000.00	(161,800.00)
CENTRAL MARKET	3,597,150.00	2,557,500.00	90,000.00	3,507,150.00
MCHESI	3,019,000.00	1,125,000.00	185,000.00	2,834,000.00
TOWN HALL	1,496,250.00	643,750.00	25,000.00	1,471,250.00
WENERA COMPLEX	39,565,606.00	30,869,500.00	7,398,500.00	32,167,106.00



TOTAL	65,810,806.00	41,851,250.00	8,671,500.00	57,139,306.00
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4.0 Personal Emoluments

The total budget for personal emoluments for the financial year is MWK 3 billion and MWK274million has been spent in March 2021 of which MWK176million are salaries and wages, MWK 66million is severance pay for retired officers and MWK30million is pension contribution. Cumulatively 60% of the annual budget has been utilized. LCC has no unpaid net salaries, wages and leave grants for its staff.

5.0 Other Recurrent Expenditures (ORT)

A total of MWK240 million has been spent in March 2021; out of which MWK41 million was spent on Debt Servicing, MWK44.8 million was on Internal Travel, Motor Vehicle running costs amounted to MWK29.7 million, whilst MWK16.4million was spent on Public Utilities and Office Supplies amounted to MWK57.5million. Expenditures for ORT to date amount to MWK1.347 billion representing 40% budget utilization.

6.0 Own Capital Contribution

LCC has spent MWK 20.1million in March 2021, cumulative expenditure is at MWK 241.9million representing 49% budget utilization. Own Capital project implementation has been delayed due to delays in completing procurement processes.

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 in July 2019 to MWK1.4 billion as at 31 March 2021. Monthly PAYE deductions have been remitted to MRA totaling MWK146 million for July 2020 to February 2021 salaries. March 2021 PAYE deductions will be paid in April 2021. Monthly remittances of MWK20 million have been made in August, September, October, February and March 2021 amounting to MWK100million towards clearing PAYE arrears.

DATE	REFERENCE/INVOICE NO	AMOUNT PAID	OUTSTANDING AMOUNT
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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
12/31/2020	PAYE arrears repayment	0	1,472,352,080.89
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
TOTAL		100,000,000.00	

Tax deductions and remittances for the current financial year

DATE	REFERENCE/INV OICE 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 2020 Payroll	December 2020 PAYE	11,658,104.06	0.00	152,470,510.06
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
TOTAL			156,993,477.60	146,093,011.08	

7.2 Pension and Terminal benefits

Effective 31st July 2020, all LCC employees have been put on pension scheme in compliance with the Pensions Act. Remittances to Old Mutual and NICO have been made for the months of July - February 2021. March 2021 remittances are planned to be paid by 14th April 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
7/1/2020	Balance b/d			31,883,778.00
7/31/2020	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 contribution	9,049,729.68	9,269,512.46	29,857,243.92
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 Contribution	8,692,532.43	8,787,361.58	29,500,046.67
TOTAL		82,045,039.94	84,428,771.27	

Below are deductions and remittances towards Old mutual pension fund

Old mutual pension 2020-2021

DATE	DETAILS	PAYABLE AMOUNT	AMOUNT PAID	OUTSTANDING AMOUNT
7/1/2020	Bal b/d	-		1,211,600
7/31/2020	July 2020 Pension contribution	22,416,359.95		23,627,959.95
8/31/2020	August 2020 Pension contribution	22,280,024.20	22,416,359.95	23,491,624.20
9/30/2020	September 2020 Pension contribution	22,280,024.20	22,280,024.20	23,491,624.20
10/31/2020	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



TOTAL		198,558,871.85	177,108,676.55	
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7.3 Severance pay arrears

Unpaid severance dated as far back as 2016. LCC has been able to pay off employees who were supposed to retire in 2016, and 2017. In March 2021 LCC has paid MWK109million to employees who retired from 2018 to 2020. As of 31st March 2021, the backlog of retired staff benefits have been cleared.

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. The plan is to be servicing the arrears as the current monthly bills are being paid. Below are the outstanding arrears as at 31 March 2021.

Tevet levy arrears

Date	Details	Amount paid	Balance
1/7/2020	Bal b/d		43,722,749.07
JULY	Accumulated penalties	0.00	47,690,130.17
SUB TOTAL			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
March-21	TEVET Levy Repayment	10,000,000.00	41,412,879.24
TOTAL		50,000,000.00	

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	19,592,848.31
Aug-20	AUGUST 2020 TEVET LEVY	1,681,641.27	0	21,274,489.58
Sep-20	SEPTEMBER 2020 TEVET LEVY	1,703,504.43	0	22,977,994.01



Oct-20	October 2020 TEVET LEVY	1,754,800.49	0	24,732,794.50
Nov-20	November 2020 TEVET LEVY	1,542,011.71	0	26,274,806.21
Dec-20	December 2020 TEVET LEVY	1,698,133.68	0	27,972,939.88
Jan-21	January 2021 TEVET LEVY	1,564,825.84	0	29,537,765.73
Feb-21	February 2021 TEVET LEVY	1,650,608.71	0	31,188,374.44
March-21	March 2021 TEVET LEVY	1,655,459.91	0	32,843,924.35
TOTAL		14,933,831.74	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 600Million. In August 2018 upon FDH bank becoming LCC main cashiering 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 MWK 357,785,424. As at 31 March 2021 the outstanding loan balance is at MWK 715,124,263.04.

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
October	Loan Repayment		8,699,558.86	429,361,738.06
NOVEMBER	Loan		8,842,376.62	420,519,361.44



	Repayment			
DECEMBER	Loan Repayment		8,904,231.42	411,615,130.02
DECEMBER	FDH Motor vehicle Loan	357,785,424		769,400,554.02
JANUARY 2021	Loan Repayment		18,607,431.96	750,793,122.06
FEBRUARY 2021	Loan Repayment		17,688,457.55	733,104,664.51
MARCH 2021	Loan Repayment		17,980,401.47	715,124,263.04
Total			105,149,614.19	

7.7 Sundry payables

As at 31 March LCC owed various traders a sum of MWK11.8 million for acquisition of various goods and services, of which 9.4million is to various traders of office equipment, MWK 1.08 million to suppliers of stationery and computer accessories and MWK1.2 million is hiring costs for conference facilities.

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 31st March 2021 LCC has made repayments to NLGFC amounting to MWK13,012,765.96 for the period from January 2020 to February 2021. March 2021 remittance will be paid in 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	515,625.00	1,134,375.00
2	Ruth Chingwalu Njirayafa	1,650,000.00	34,375.00	515,625.00	1,134,375.00
3	William Khumbo Nguluwe	1,650,000.00	34,375.00	515,625.00	1,134,375.00
4	Alex Chipatala Chimphanda	1,650,000.00	34,375.00	515,625.00	1,134,375.00
5	Mcjoe Kufamkugona Mwazani	1,650,000.00	34,375.00	515,625.00	1,134,375.00
6	Julina Gondwe Kaduya	1,650,000.00	35,106.38	491,489.36	1,158,510.64
7	Mactonic Josla Phiri	1,650,000.00	34,375.00	515,625.00	1,134,375.00
8	Lynold Chakakala Chaziya	1,650,000.00	34,375.00	515,625.00	1,134,375.00
9	Chipiliro Phambala	1,650,000.00	34,375.00	515,625.00	1,134,375.00
10	Joe Katalama	1,650,000.00	34,375.00	515,625.00	1,134,375.00
11	Vumani Nkhoma	1,650,000.00	34,375.00	515,625.00	1,134,375.00
12	Ganizani Thawani	1,650,000.00	34,375.00	515,625.00	1,134,375.00
13	Felix Tsutsani Tsokonombwe	1,650,000.00	34,375.00	515,625.00	1,134,375.00
14	Heston Yohane Zybion	1,650,000.00	34,375.00	515,625.00	1,134,375.00
15	Triza Silo	1,650,000.00	34,375.00	515,625.00	1,134,375.00
16	Rose Antonio	1,650,000.00	34,375.00	515,625.00	1,134,375.00
17	Bishati Chiombe	1,650,000.00	34,375.00	515,625.00	1,134,375.00
18	Esther Sagawa	1,650,000.00	34,375.00	515,625.00	1,134,375.00
19	Maloni Chatewa	1,650,000.00	34,375.00	515,625.00	1,134,375.00



20	Chafungatira Samuel Beni	1,650,000.00	34,375.00	515,625.00	1,134,375.00
21	Mtemwanenge Mhango	1,650,000.00	34,375.00	515,625.00	1,134,375.00
22	Reuben Thundu Phiri	1,650,000.00	34,375.00	515,625.00	1,134,375.00
23	Patricia Ngwira Singini	1,650,000.00	34,375.00	515,625.00	1,134,375.00
24	Trouble Ntchona Kamanga	1,650,000.00	34,375.00	515,625.00	1,134,375.00
25	Patrick Makumba	1,650,000.00	34,375.00	515,625.00	1,134,375.00
26	Richard Banda	1,650,000.00	35,106.38	491,489.36	1,158,510.64
27	Giff Dzaone Tanganyika	1,650,000.00	34,375.00	515,625.00	1,134,375.00
	TOTAL	44,550,000.00	929,587.76	13,873,603.72	30,676,396.28

LILONGWE CITY COUNCIL
MARCH 2021 CONSOLIDATED FINANCIAL REPORT SUMMARY

		1	2	3	4	5	7	8
		BUDGET PROVISION	REV / EXP FOR CURRENT MONTH	REV / EXP TO DATE	UNDISCHARGED COMMITMENTS	TOTAL REV / EXP (3+4)	BALANCE ON BUDGET (1-5)	BUDGET UTILIZATION % (5/1)*100
REVENUE								
Government Transfers	1.0							
General Resource Fund	1.1	(122,185,769)	(10,186,912)	(91,625,032)	-	(91,625,032)	(30,560,737)	75.0
Development Fund	1.2	(48,000,000)		(48,000,000)	-	(48,000,000)	-	100.0
Sector Funds	1.3	(268,278,542)	(18,150,931)	(213,794,632)	-	(213,794,632)	(54,483,911)	79.7
Constituency Development Fund	1.4	(160,000,000)		(120,000,000)	-	(120,000,000)	(40,000,000)	75.0
Infrastructure Development Fund	1.5	(171,234,388)		(133,182,302)	-	(133,182,302)	(38,052,086)	77.8
Sub-Total: Government Transfers		(769,698,699)	(28,337,843)	(606,601,965)	-	(606,601,965)	(163,096,734)	
Total Government Transfers		(769,698,699)	(28,337,843)	(606,601,965)	-	(606,601,965)	(163,096,734)	
Locally Generated Revenues								
Central Government Property Rates	2.0							
Other Property Rates	2.1	(199,832,060)	(33,341,286)	(336,220,760)	-	(336,220,760)	136,388,700	168.3
Income from Market Establishments	2.2	(446,256,800)	(29,024,400)	(208,039,070)	-	(208,039,070)	(238,217,730)	145.4
Fees and Service Charges	2.3	(1,528,176,000)	(143,119,656)	(771,150,178)	-	(771,150,178)	(757,025,822)	50.5
Licences and Permits	2.4	(1,200,000,000)	(43,346,988)	(490,216,105)	-	(490,216,105)	(709,783,895)	40.9
Total Locally Generated Revenues		(5,964,470,708)	(489,375,237)	(5,571,340,942)	-	(5,571,340,942)	(393,129,766)	452
TOTAL REVENUE		(6,734,169,407)	(517,713,080)	(6,177,942,907)	-	(6,177,942,907)	(556,226,500)	
EXPENDITURE								
Personal Emoluments								
Direct Staff	4.0	3,069,495,691	274,045,114	1,851,216,626	-	1,851,216,626	1,218,279,065	60.3
Sub Total: Personal Emoluments		3,069,495,691	274,045,114	1,851,216,626	-	1,851,216,626	1,218,279,065	60
Other Recurrent Transactions								
Internal Travel	5.0	164,402,718	44,818,023	196,816,958	-	196,816,958	(32,414,241)	119.7
External Travel		35,963,000		518,000	-	518,000	35,442,000	1.4
Public Utilities		226,903,922	16,470,310	154,749,493	-	154,749,493	72,154,429	68.2
Office supplies & Services		248,438,205	57,588,804	190,044,795	-	190,044,795	58,393,410	76.5

**LILONGWE CITY COUNCIL
MARCH 2021 CONSOLIDATED FINANCIAL REPORT SUMMARY**

	1	2	3	4	5	7	8
	BUDGET PROVISION	REV / EXP FOR CURRENT MONTH	REV / EXP TO DATE	UNDISCHARGED COMMITMENTS	TOTAL REV/ EXP (3+4)	BALANCE ON BUDGET (1-5)	BUDGET UTILIZATION % (5/1)*100
Notes							
Medical supplies	23,565,500		5,837,138		5,837,138	17,728,363	24.8
Rent Expenses							
Education supplies	24,819,604		1,367,068		1,367,068	23,452,536	5.5
Training expenses	75,044,658	1,228,500	10,521,019		10,521,019	64,523,639	14.0
Acquisition of Technical Services	238,524,250		89,895,318		89,895,318	148,628,932	37.7
Insurance Expenses							
Agriculture inputs	3,210,000		758,500		758,500	2,451,500	23.6
Food and rations	14,124,288		5,894,278		5,894,278	8,230,010	41.7
Other goods and services	84,724,598	708,700	53,940,154		53,940,154	30,784,444	63.7
Motor Vehicle Running Expenses	223,932,064	29,791,494	197,087,362		197,087,362	26,844,702	88.0
Routine Maintenance of assets	150,874,463	6,407,570	77,482,867		77,482,867	73,391,596	51.4
Subscriptions	7,680,000	65,000	4,364,998		4,364,998	3,315,002	56.8
Grants & Subvention	69,742,643	16,703,514	24,995,769		24,995,769	44,746,874	35.8
Formation and maintenance of capital assets	145,603,606	19,436,443	21,115,208		21,115,208	124,488,398	14.5
Council & functions	115,546,400	6,278,912	68,051,858		68,051,858	47,494,542	58.9
HIV/AIDS Intervention	16,708,416	610,000	4,625,025		4,625,025	12,083,391	27.7
Debt Servicing	1,517,633,993	41,035,262	239,945,440		239,945,440	1,277,688,553	15.8
Sub Total: ORT	3,387,439,328	241,142,532	1,348,011,249	-	1,348,011,249	2,039,428,079	

