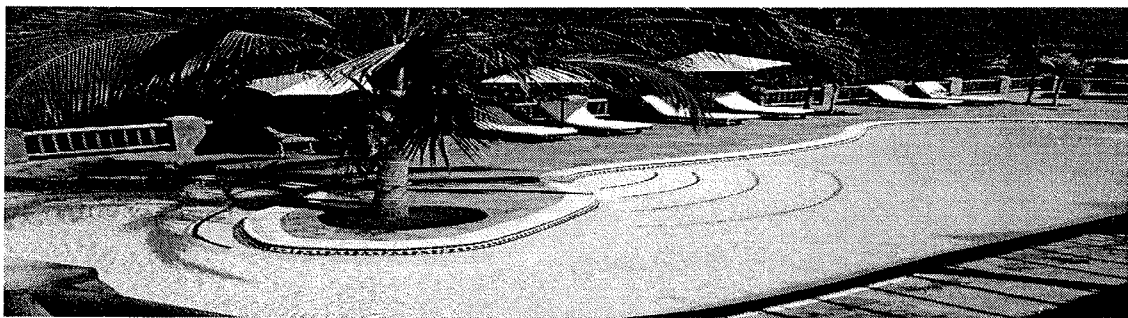




SIAVONGA TOWN COUNCIL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2023



SIAVONGA TOWN COUNCIL

P.O. Box 12
+260 211 511 28

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REPORT OF THE COUNCIL

The Council has the pleasure of presenting the report together with the financial statements for the year ended 31st December 2023 which disclose the sources, utilization and balances of cash for Siavonga Town Council during the period under review.

Background and Location of the Council

The Council is located in Siavonga District in Southern Province of Zambia off Chirundu Road.

Siavonga is a town in the Southern Province of Zambia, lying on the north shore of Lake Kariba. It is Zambia's principal tourism centre for the lake, with accommodation, boating and fishing tours on offer. Tonga's are found in this region; they are one of the Bantu-botatwe speaking people. The district was created in April 1993 as it was a part of Gwembe District.

The district is Zambia's second tourist's destination which is about 194 km south of the Nation's capital, Lusaka. The district is known for the rich fish and Kapenta from Lake Kariba the largest man-made lake in Africa and at the world at larger. The major economic activities in Siavonga District are Fishing and little mining and Goat and Cattle Rearing.

The district lies on the banks of Lake Kariba one of the world largest man-made lakes. The latitudinal and longitudinal position of Siavonga District is 15.5^o and 17.35^o east and 28.1^o and 29.0^o south respectively.

Siavonga District has a total area of 3,413 square kilometers (km²). The Census of Population undertaken by the Central Statistics Office in 2020 revealed that the population of Siavonga District had reached 66,030 Female 33,329 and Male 32,701. The district has (3) Chiefs namely Simamba Chipepo and Sinadambwe. The district is bordered by the Zambezi River in the North and East, Gwembe and Chikankata District in the West and Northwest, Chirundu District in North and Lake Kariba in the South.

The address of the registered office of Siavonga Town Council (STC) is as follows:

The Civic Centre

P.O Box 12

SIAVONGA

REPORT OF THE COUNCIL

The Council Secretariat

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

The Local Authority Secretary is assisted by three (3) Chief Officers responsible for Finance, Planning and Works and two (2) units namely Procurement and Internal Audit.

Functions of the Local Authority

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

Financial Results

	2023	2022
	Kwacha	Kwacha
Cash Receipts	59,987,639	50,386,022
Payments	(66,996,980)	(30,469,382)
Increase/(decrease) in Cash and Cash Equivalents	<u>(7,009,341)</u>	<u>19,916,640</u>

Key Policies Adopted During the Year

The Council adopted the following policies during the year:

- Commenced the e-billing on Property rates.

Related Party Transactions

There were no related party transactions during the financial year.

Property, Plant and Equipment

The Local Authority did spent K20,794,162 in acquiring property, plant and equipment during the period under review.

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

Intangible Assets

There were no purchases of intangible assets during the financial year.

Employees

The number of employees at the beginning and end of the year was 165 and 156 respectively. The total amount spent on employees' remuneration and welfare during the year was K13,336,704.

REPORT OF THE COUNCIL

Health and Safety of Employees

The Local Authority 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 Local Authority during the financial year incurred K66,349 towards sponsoring various sporting activities.

Corporate Social Responsibility

The Local Authority made no donations during the year towards the support of various socially responsible causes.

Auditors

In line with Article 250 of the Constitution of Zambia (Amendment) Act No. 2 of 2016 and Section 44(2) of the Local Government Act No. 2 of 2019, the Local Authority is audited by the Auditor-General.

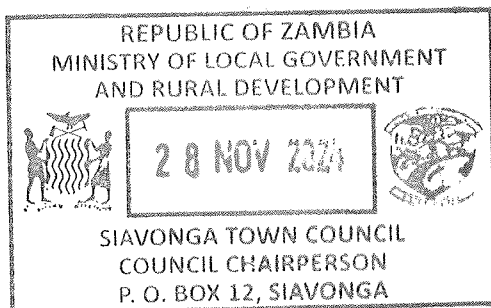
By order of the Local Authority

Name : GIVEN KWAPU

Signature : [Handwritten Signature]

Position : Council Chairperson

Date : 28/11/24.....2024



STATEMENT OF RESPONSIBILITIES FOR ANNUAL FINANCIAL STATEMENTS

The Siavonga Town Local Authority is responsible for preparing the financial statements for the year ended 31st December 2023 which are free from material misstatement, whether due to fraud or error, and are prepared, in all material aspects, in accordance with the Cash Basis International Public Sector Accounting Standard (IPSAS). In preparing the financial statements, the Town Local Authority selected applicable policies from Local Authorities Accounting Policies (LAAPs) of November 2022 and then applied them consistently, making judgment and estimates that were reasonable and prudent.

The Local Authority 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 8 to 10.

The Local Authority 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) of 2022.

The Local Authority 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 Local Authority to indicate that the Siavonga Town Local Authority will not remain a going concern for at least twelve months from the date of this statement.

In the opinion of the Local Authority, proper books of accounts were maintained to support preparation of Financial Statements that present fairly the financial results of the Town Local Authority for the financial year ended 31st December 2023

Signed on behalf of the Local Authority on 28/11/2024by,

Name: Grived Kwazu

Name: SIKAZUE

Signature: [Signature]

Signature: [Signature]

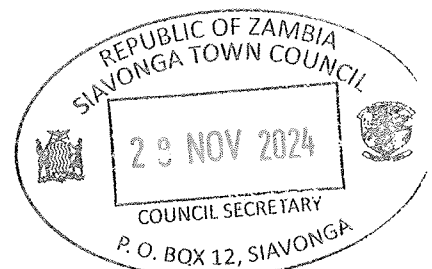
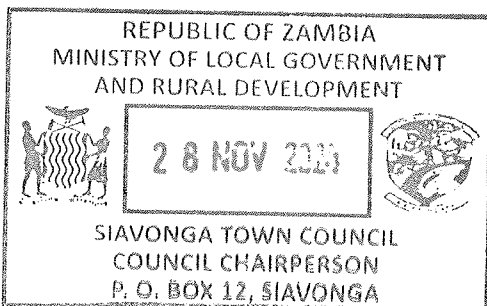
Position: Council Chairperson

Position: Council Secretary

Name: ROBERT KAMANISHA

Signature: [Signature]

Position: Director Finance





REPUBLIC OF ZAMBIA
OFFICE OF THE AUDITOR GENERAL

INDEPENDENT AUDITOR'S REPORT

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

E-mail: auditorg@ago.gov.zm

Website: www.ago.gov.zm

Telephone: +260252611/252771

To the Minister – Ministry of Local Government & Rural Development

Report on the Audit of the Financial Statements for Siavonga Town Council for the Financial Year Ended 31st December 2023

Opinion

I have audited the financial statements for Siavonga Town Council for the financial year ended 31st December 2023 which comprise the Statement of Cash Receipts and Payments, the Statement of Comparison of Budget and Actual Amounts, Statement of Cash Receipts and Payments for Local Government Equalization Fund and the Statement of Cash Receipts and Payments for Constituency Development Fund (CDF) and a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements for Siavonga Town Council present fairly, in all material respects, its cash receipts and payments and balances for the year ended 31st December 2023 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 Siavonga 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.



REPUBLIC OF ZAMBIA
OFFICE OF THE AUDITOR GENERAL

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements. Key audit matters are selected from the matters communicated to those charged with governance but are not intended to represent all matters that were discussed with them. However, I have determined that there are no key audit matters to communicate.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Cash Basis International Public Sector Accounting Standard, the Local Government Act No.2 of 2019, the Public Finance Management Act No.1 of 2018 and Local Authorities Accounting Policies (LAAPs) of 2019, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



**REPUBLIC OF ZAMBIA
OFFICE OF THE AUDITOR GENERAL**

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

The Council is required, under Section 45 of the Local Government Act No. 2 of 2019 to prepare a Statement of Comprehensive Income and a Statement of Financial Position. However, the Council prepared the Statement of Cash Receipts and Payments, the Statement of Comparison of Budget and Actual Amounts, Statement of Cash Receipts and Payments for Local Government Equalization Fund and the Statement of Cash Receipts and Payments for Constituency Development Fund (CDF) using Cash Basis IPSAS in line with the LAAPS.



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

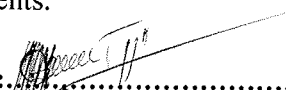
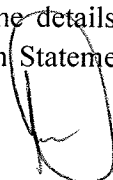
ACTING AUDITOR GENERAL

DATE: 29/11/.....2024

STATEMENT OF CASH RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023.

	Note	2023 Kwacha	2022 Kwacha
RECEIPTS			
Local Taxes	2	7,417,345	5,765,799
Fees and Charges	3	4,208,325	2,342,835
Licences	4	119,230	116,863
Levies	5	9,011,599	5,834,197
Permits	6	329,117	347,167
Local Government Equalisation Fund	7	10,005,618	9,984,234
Constituency Development Fund	8	27,261,470	23,739,911
Other Grants	9	180,000	99,480
Borrowings	10	-	-
Commercial Venture	11	174,400	171,945
Other Receipts	12	1,280,535	1,983,591
TOTAL RECEIPTS		59,987,639	50,386,022
PAYMENTS			
Personal Emoluments	13	13,336,704	11,716,604
Use of Goods and Services	14	17,892,199	15,984,884
Financial Charges	15	-	-
Social Benefits	16	7,549,972	-
Non-financial Assets Acquisition	17	20,794,162	1,619,035
Financial Assets	18	6,342,000	-
Loan Repayments	19	-	-
Other Payments	20	1,081,943	1,148,859
TOTAL PAYMENTS		66,996,980	30,469,382
Increase/(decrease) in Cash		(7,009,341)	19,916,640
Foreign Exchange Losses	21	-	-
Cash at beginning of the year		23,845,371	3,928,731
Cash at the end of the year	22	16,836,030	23,845,371

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

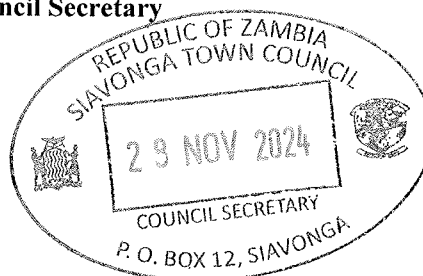
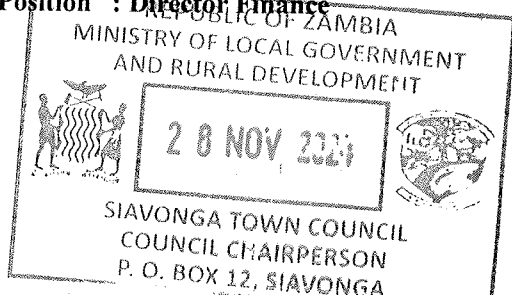
Signature :  Signature : 

Position : Council Chairperson

Position : Council Secretary

Signature : 

Position : Director Finance



**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE
YEAR ENDED 31ST DECEMBER 2023**

	Original Kwacha	Final Budget Kwacha	Actual Kwacha	%Variance	Variance Kwacha	% Variance
RECEIPTS						
Local Taxes	9,073,730	9,073,730	7,417,345	82%	(1,656,385)	(18)
Fees and Charges	4,928,130	4,928,130	4,208,325	85%	(719,805)	(15)
Licences	127,300	127,300	119,230	94%	(8,070)	(6)
Levies	7,019,950	7,019,950	9,011,599	128%	1,991,649	28
Permits	361,410	361,410	329,117	91%	(32,293)	(9)
Local Government Equalisation Fund	10,083,788	10,083,788	10,005,618	99%	(78,170)	(1)
Siavonga CDF	28,300,000	28,300,000	27,261,470	96%	(1,038,530)	(4)
Other Grants	250,000	250,000	180,000	72%	(70,000)	0
Borrowings	-	-	-	0%	-	0
Commercial Venture	286,376	286,376	174,400	61%	(111,976)	39
Other Receipts	-	-	1,280,535	0%	1,280,535	0
TOTAL RECEIPTS	60,430,684	60,430,684	59,987,639	99%	(443,045)	-
PAYMENTS						
Personal Emoluments	13,527,730	13,527,730	13,336,704	99%	191,026	1
Use of Goods and Services	15,189,961	15,189,961	17,892,199	118%	(2,702,238)	(18)
Financial Charges	-	-	-	0%	-	0
Social Benefits	7,567,800	7,567,800	7,549,972	100%	17,828	0
Non-financial Assets Acquisition	19,136,870	19,136,870	20,794,162	109%	(1,657,292)	(9)
Financial Assets	3,226,200	3,226,200	6,342,000	197%	(3,115,800)	97
Loan Repayments	-	-	-	-	-	0
Other payments	1,782,123	1,782,123	1,081,943	61%	700,180	39
TOTAL PAYMENTS	60,430,684	60,430,684	66,996,980	111%	(6,566,296)	
Increase/(Decrease in Cash	-	-	7,009,341		(7,009,341)	

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

STATEMENT OF CASH RECEIPTS AND PAYMENTS FOR THE LOCAL GOVERNMENT EQUALISATION FUND (LGEF) FOR THE YEAR ENDED 31ST DECEMBER 2023

		2023	2022
		Kwacha	Kwacha
RECEIPTS			
Funding	7(a)	10,005,618	9,984,234
Reimbursed Borrowed funds	7(b)	-	-
TOTAL RECEIPTS		<u>10,005,618</u>	<u>9,984,234</u>
PAYMENTS			
Operational Expenditure Payments:			
	7(c)		
Salaries and Wages		7,900,769	7,987,387
Terminal Benefits		-	-
Utility Bills		-	-
Service Provision		-	-
Goods and Services		-	-
Administrative Costs		-	-
Other Costs		-	-
Sub-Total		<u>7,900,769</u>	<u>7,987,387</u>
Capital Expenditure Payments:			
	7(d)		
Infrastructure Development (Water Reticulation)		1,990,557	230,388
Rehabilitation Works (Feeder roads)		853,325	-
Asset Acquisition		-	-
Other Costs (Updating Valuation Roll)		583,760	-
Sub-Total		<u>3,427,642</u>	<u>230,388</u>
TOTAL PAYMENTS		<u>11,328,411</u>	<u>8,217,775</u>
Increase/(decrease) in cash		<u>(1,322,793)</u>	<u>1,766,459</u>
Cash at beginning of the year		<u>2,589,019</u>	<u>926,285</u>
Cash at the end of the year		<u>1,266,226</u>	<u>2,692,744</u>

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

**STATEMENT OF CASH RECEIPTS AND PAYMENTS FOR THE CONSTITUENCY
 DEVELOPMENT FUND (CDF) FOR THE YEAR ENDED 31ST DECEMBER 2023**

		2023	2022
		Kwacha	Kwacha
RECEIPTS			
Funding	8(a)	27,261,470	23,739,911
Loan Repayments	8(b)	265,184	
Other Sources	8(c)	112,442	-
TOTAL RECEIPTS		<u>27,639,096</u>	<u>23,739,911</u>
PAYMENTS			
Infrastructure Development	8(d)	16,515,706	1,799,261
Rehabilitation Works & Upgrade	8(e)	430,209	-
Asset Acquisition	8(f)	-	809,145
Rural Electrification	8(g)	-	-
Empowerment Grants	8(h)	2,511,842	1,625,510
Loans	8(i)	6,342,000	-
Bursaries-Secondary Boarding Schools and Skills Development	8(j)	5,038,130	636,625
Disaster Contingency	8(k)	1,633,700	91,468
Administrative Costs	8(l)	2,144,226	669,947
TOTAL PAYMENTS		<u>34,615,813</u>	<u>5,631,956</u>
Increase/(decrease) in Cash		<u>(6,976,717)</u>	<u>18,107,955</u>
Cash at beginning of the year		<u>20,469,769</u>	<u>2,361,814</u>
Cash at the end of the year		<u>13,493,053</u>	<u>20,469,769</u>

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

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) and Local Authorities Accounting Policies (LAAPs).

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

The accounting policies have been applied consistently throughout the period.

1.1 Migration to Accrual Basis Financial Reporting

Siavonga 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: 2023/1 – 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 2025.

(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 provides as follows:

- i. That in order to have a standard financial reporting framework, all Local Authorities should adopt the International Public Sector Accounting Standards

(IPSASs) Cash Basis of Accounting as a first step in migration to IPSASs
Accrual Basis of Accounting.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 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 2022 up to 31st December 2024.
- iii. All Local Authorities shall adopt and apply Accrual Basis IPSAS of Accounting starting 1st January 2025 by following the guidelines provided in IPSAS 33 – "First Time Adoption of Accrual Basis IPSASs".
- iv. That the three (3) year transition period provided under IPSAS 33 should commence on 1st January 2025 and should end on 31st December 2027. Thereafter, all Local Authorities shall be required to comply fully with Accrual Basis IPSASs.

Based on these guidelines, the Council has not yet commenced production of Accrual Basis financial statements required by the Local Government Act 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.

1.2 Reporting Entity

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

1.3 Approved Date

The financial statements were authorized for issue on28/11/.....2024 by the Ordinary/Special Council.

1.4 Revenue

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

a. Local Taxes

Article 161 of the Constitution of Zambia (Amendment) Act No. 2 of 2016 authorizes Siavonga Town Local Authority as a Local Authority to levy, impose, recover and retain

local taxes. Further, the Local Government Act No. 2 of 2019 section 25(1) prescribes, subject to the Constitution and the Business Regulatory Act of 2014, a system of local taxes which Local Authorities can raise by passing by-laws imposing levies on:

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

b. Fees and Charges

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

- 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.

1.5 Expenditure

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

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

1.6 Reporting on Gross Basis

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

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

Cash at the beginning and end of the year consist of cash on hand, demand deposits and cash equivalents held at such dates. Cash on hand refers to notes and coins held by the Local Authority at the reporting date and it includes petty cash and cash collections not

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

yet deposited into bank accounts. Demand deposits consist of reconciled balances held in the Local Authority'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 Local Authority recognises all short-term high liquid investments having maturities of three months or less as cash equivalents.

1.8 Local Government Equalization Fund

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

1.9 Constituency Development Fund

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

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

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

1.10 Other Grants

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

1.11 Presentation Currency

The presentation currency is Zambian Kwacha.

1.12 Foreign Currencies

During the year under review the Local Authority did not have any foreign currency transactions.

1.13 Borrowings

During the year ended 2023 the Local Authority did not borrow any money from financial institution.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.14 Budgets and Actual Amounts

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

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

1.15 Encouraged Disclosures of Accrual Type of Items

During the year, the Local Authority 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 Local Authority's own Valuation staff. Where valuation has been undertaken, the applicable valuation bases are as follows:

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

ii. Investments in Other Entities

The Local Authority 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 Local Authority 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 Local Authority. The Local

Authority deems as part of cash under its control any collections made and administered by the Local Authority 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.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

iv. Related Party Transactions

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

Related parties include:

- (a) Entities that directly, or indirectly through one or more intermediaries, control, or are controlled by the Local Authority;
- (b) Associates being entities over which the Local Authority has significant influence
- (c) Individuals that have significant influence over the Local Authority, 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 Local Authority are:

- (a) the Mayor/Chairperson, elected Councillors, Co-opted members of the Audit and Procurement Committees, chiefs who are part of the Local Authority representing other chiefs in the district, and
- (b) The Principal Officers and Chief Officers.

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

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

v. External Assistance

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

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 Siavonga Town Council. These do not constitute cash receipts and payments by the Local Authority. 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 Local Authority generated local tax cash receipts as follows:

Local Tax Type	2023	2022
	Kwacha	Kwacha
Residential Rates	253,758	276,915
Industrial / Commercial Rates	7,091,108	5,458,051
Mining Rates		
Personal Levy	72,479	30,833
TOTAL	<u>7,417,345</u>	<u>5,765,799</u>

The Local Authority relied on the Valuation Roll which was approved in 2020 to determine the property rates receivable.

3. Fees and Charges

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

	2023	2022
	Kwacha	Kwacha
Fees and charges	568,444	546,935
Land Development Charges	3,639,881	1,795,900
Total	<u>4,208,325</u>	<u>2,342,835</u>

NOTES TO THE FINANCIAL STATEMENTS

a. Fees and charges

The Local Authority generated the following fees:

Fees and Charges Type	2023 Kwacha	2022 Kwacha
container ntamba fees	-	1,000
Survey Fees	-	-
Building Inspection fees	6,000	3,050
Plan Scrutiny Fees	5,500	5,600
Rentals/Lease of Council's properties	20,200	18,840
Application Form Fees	59,902	64,550
Change of Premise use	4,120	-
Notice Board Advert fees	200	420
Market Fees	179,170	187,284
Parking Fees	3,445	6,080
Bus Station Fees	25,450	21,210
Affidavit Fees	960	3,080
Refuse Disposal Fees		
Notice of Marriage	6,700	4,400
Abattoir/Meat Inspection Fees	13,200	8,500
Registration of Clubs and societies	34,400	
Communication Mast Levy	40,000	80,000
Land Record	7,240	760
Billboard and Banner	34,786	40,350
Lease of Council Transport	40,750	40,650
Illegal Vending Fees		
Penalties	30,570	6,140
Change of ownership of plot		
Other Fees and Charges/other income	55,851	55,021
TOTAL	568,444	546,935

b. Land Development Charges

The Local Authority collected the following land development related charges:

Charges Type	2023	2022
	Kwacha	Kwacha
Service charges - residential plots		
Service charges - Industrial plots	-	-
Premium plots - Residential	3,252,881	1,299,400
Premium plots - Commercial	387,000	496,500
Lease charges	-	-
Other	-	-
TOTAL	3,639,881	1,795,900

NOTES TO THE FINANCIAL STATEMENTS

4 Licenses

A total of K119,230 cash receipts were raised from issuance of various licenses.

Licence Type	2023	2022
	Kwacha	Kwacha
Manufacturers licence	-	-
Retail licence	-	-
Wholesale licence	-	-
Liquor licence	35,550	27,150
Firearm and ammunition licence	15,100	12,683
Petroleum licence	62,300	47,780
Restaurant licence	-	-
Other licences	6,280	29,250
TOTAL	119,230	116,863

5 Levies

The Local Authority generated cash receipts by charging levies as follows:

Type of Levy	2023	2022
	Kwacha	Kwacha
Livestock Levy	29,078	33,353
Fish Levy	7,914,642	5,014,809
Pole Levy	-	1,000
Charcoal Levy	74,036	56,937
Sand Levy	259,486	120,053
Miscellaneous Levies	184,453	93,138
Business Levy	549,904	514,907
	-	-
TOTAL	9,011,599	5,834,197

6 Permits

The Local Authority generated cash receipts from issuing various permits as follows:

Type of Permit	2023	2022
	Kwacha	Kwacha
Health Permit	89,016	74,118
Burial Permits and Grave sites	1,650	1,410
Fire Certificates	143,255	110,820
Extension of business hours permits	1,080	7,560
Penalties	-	-
nursery,preschool	13,465	6,750
Other Permits	73,821	128,729
herbalist permit	280	-
transportation of merchandise	6,550	17,780
TOTAL	329,117	347,167

NOTES TO THE FINANCIAL STATEMENTS

7 Local Government Equalization Fund

a. Funding

	2023	2022
	Kwacha	Kwacha
1st Funding (January)	839,785	863,270
2nd Funding (February)	841,730	759,546
3rd Funding (March)	775,351	841,101
4th Funding (April)	833,136	793,616
5th Funding (May)	841,136	840,788
6th Funding (June)	832,761	841,512
7th Funding (July)	837,395	827,512
8th Funding (August)	837,395	845,200
9th Funding (September)	837,395	845,200
10th Funding (October)	837,395	843,112
11th Funding (November & December)	837,395	841,078
12th Funding (December)	854,746	842,298
TOTAL	10,005,618	9,984,234

b. Operational Expenditure

The Local Authority applied amounts totalling K7,900,769 of LGEF receipts towards meeting operational expenses representing 80% of the total LGEF funding for the reporting period. These expenses are included in the amounts disclosed in notes accompanying the Statement of Cash Receipts and Payments.

c. Capital Expenditure

The Local Authority applied amounts totalling K3,427,642 of LGEF towards meeting capital expenditure representing 34% of the total LGEF funding for the reporting period and the brought forward amount of K2,589,019 from the previous

year and this expenditure is included in the amounts disclosed in the notes accompanying the Statement of Cash Receipts and Payments.

8 Constituency Development Fund

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

a) CDF Funding

	2023	2022
Constituency	Kwacha	Kwacha
Siavonga	27,261,470	23,739,911
	-	-
Total	<u><u>27,261,470</u></u>	<u><u>23,739,911</u></u>

NOTES TO THE FINANCIAL STATEMENTS

b) Loan Repayment.

The Council recorded Loan Recoveries from CDF Revolving Loan Account during the year.

	2023	2022
Constituency	Kwacha	Kwacha
Loan Recoveries	265,184	-
Total	<u><u>265,184</u></u>	<u><u>-</u></u>

c) Other CDF Sources of Funding

The Council received interest from the Bank for CDF Revolving Account as well as Loan Repayments as other sources of funding during the year.

	2023	2022
Constituency	Kwacha	Kwacha
Bank Interest	112,442	-
Total	<u><u>112,442</u></u>	<u><u>-</u></u>

d) Infrastructure Development

	2023	2022
Constituency	Kwacha	Kwacha
Siavonga	16,515,706	1,799,261
Total	<u><u>16,515,706</u></u>	<u><u>1,799,261</u></u>

Infrastructure development works included construction of mothers' shelters at various clinics and classroom blocks.

e) Rehabilitation Works

Rehabilitation works of feeder roads were done in the year under review and the amount incurred is as follows:

	2023	2022
Constituency	Kwacha	Kwacha
Siavonga	430,209	-
Total	430,209	-

f) Asset Acquisition.

Asset acquisitions were done in the year under review and the amount involved is part of Infrastructure Development figure.

NOTES TO THE FINANCIAL STATEMENTS

	2023	2022
Constituency	Kwacha	Kwacha
Siavonga	-	809,145
	-	-
Total Assets	-	809,145

g) Rural Electrification

No Rural Electrification incurred in the year under review.

h) Youth and Women Empowerment

	2023	2022
Constituency	Kwacha	Kwacha
Siavonga	2,511,842	1,625,510
	-	-
Total	2,511,842	1,625,510

i) Loans

The Council did pay empowerment loans in the year under review and Received Loan repayments as well

	2023	2022
Constituency	Kwacha	Kwacha
Siavonga	6,342,000	-
Empowerment Loans	-	-
Total	6,342,000	-

j) Bursaries - Secondary Boarding Schools and Skills Development		
	2023	2022
	Kwacha	Kwacha
Constituency	190,210	98,000
Bursaries Award - Secondary		538,625
Bursaries Award - Skills	<u>4,847,920</u>	<u>636,625</u>
Total	<u>5,038,130</u>	<u>636,625</u>

k) Disaster Contingency
The Council did pay from the 5 percent of Community based project allocation on alleviating the disaster that happened during the year under review.

	2023	2022
	Kwacha	Kwacha
Constituency		91,468
Siavonga	1,633,700	
Disaster Contingency		91,468
Total	<u>1,633,700</u>	<u>91,468</u>

NOTES TO THE FINANCIAL STATEMENTS

l) Administrative Costs		
	2023	2022
	Kwacha	Kwacha
Constituency	2,144,226	669,947
Siavonga	-	-
Total	<u>2,144,226</u>	<u>669,947</u>

9 Other grants
The local Authority received grant in Lieu of Rates from the Government amounting to K180,000 in the year under review.

	2023	2022
	Kwacha	Kwacha
Other Grants	-	46,760
Grant from GIZ	180,000	-
Grant in Lieu of Rates	-	52,720
Other Grant	<u>180,000</u>	<u>99,480</u>
Total		

10 Borrowings
During the year the council did not borrow any money.

11 Commercial Venture
This consists of receipts and payments relating to operations of Lakeview Lodge owned by council.

	2023	2022
	Kwacha	Kwacha
Receipts		
Restaurant Sales Receipts	274,953	254,799
Lodging receipts	597,080	583,886
Food and beverages sales receipts	303,102	290,220
Others	106,265	66,497
TOTAL	<u>1,281,400</u>	<u>1,195,402</u>
Payments		
Restaurant purchaes	282,132	249,338
Beer and beverages	327,229	497,619
wages	7,966	3,061
Others	489,672	273,439
TOTAL	<u>1,107,000</u>	<u>1,023,457</u>
Surplus/de ficit	<u>174,400</u>	<u>171,945</u>

12 Other Receipts

This includes other income which the Council received from Insurance Company, Loan Recoveries and Bank interest received through CDF revolving account in the year under review. The Local Authority during the period under review did receive revenues which can be traced as follows:

NOTES TO THE FINANCIAL STATEMENTS

	2023	2022
	Kwacha	Kwacha
Other incomes - Insurance Cover	902,919	-
Loan Recoveries	265,184	
Other incomes - Bank Interest	112,432	-
Debtors - Arrers for property rates	-	1,983,591
Total Other Receipts	<u>1,280,535</u>	<u>1,983,591</u>

13 Personal Emoluments

Personal Emoluments consist of actual amounts of salaries and wages paid to staff of the Local Authority. The Local Authority had categories of staff that were paid as follows: The Local authority saw an increase in the personal emolument from K11,716,604 in 2022 and in 2023 it went up to K13,336,704. This was due to an increment of employees' salaries following the Collective agreement that was implemented.

Grade	2023	2022
	Kwacha	Kwacha
Salaries Division 1	2,564,449	2,474,850
Salaries Division 2	3,060,818	2,614,313
Salaries Division 3	3,447,984	2,796,274
Wages- Division 4	3,638,243	3,212,370
Other Personnel Related Costs	625,210	618,797
TOTAL	<u>13,336,704</u>	<u>11,716,604</u>

14 Use of Goods and Services

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

Expenditure Type	2023	2022
	Kwacha	Kwacha
Office Running Costs	880,673	702,009
Building, Repair and Maintenance Costs	811,432	688,978
Plant, Machinery and Vehicle Running and Maintenance Cost	2,474,780	1,811,277
Other Administrative operating costs	3,570,044	1,147,991
Requisites	3,860,421	1,279,715
Services	3,818,912	8,754,058
Travel expenses	1,932,440	1,092,735
Training	486,447	319,129
Medical costs	-	-
Registration and Subscriptions	57,050	93,375
Bank Charges	-	95,617
Legal Expenses	-	-
TOTAL	17,892,199	15,984,884

NOTES TO THE FINANCIAL STATEMENTS

15 Financial Charges

During the period under review the Council did not pay any financial charges as it had no any outstanding.

16 Social Benefits

Social benefits include payments towards death on duty, burial, and other benefits. During the year under review the Local Authority did incur payments from CDF towards social benefit as follows:

	2023	2022
	Kwacha	Kwacha
Youth and Women Empowerment	2,511,842	-
Bursaries	5,038,130	-
Total	7,549,972	-

17 Non-financial Asset Acquisition

Acquisition of assets involved the following payments:

	2023	2022
	Kwacha	Kwacha
Purchase of Excavator	-	-
Buildings and Structures	20,418,138	805,747
Plant and Equipment	-	10,995
Office Equipment	376,024	108,228
Office Furniture	-	12,100
Purchase of Motor Vehicle	-	681,965
Purchase of a Tractor	-	-
Other Machinery & Equipment	-	-
Total	<u>20,794,162</u>	<u>1,619,035</u>

18 Financial Assets

During the period under review the Local Authority gave out Empowerment Loans as financial assets as shown below.

	2023	2022
	Kwacha	Kwacha
Empowerment Loans	6,342,000	-
Total	<u>6,342,000</u>	<u>-</u>

19 Loan Repayments

During the period under review the Local Authority did not repay any loans:

20 Other Payments

During the year under review the Local Authority managed to do other payments amounting to K1,081,943 and the breakdown is as follows.

NOTES TO THE FINANCIAL STATEMENTS

	2023	2022
	Kwacha	Kwacha
Other Payments		
Domestic Creditors	780,000	422,080
Staff Creditors	301,943	726,779
Total	<u>1,081,943</u>	<u>1,148,859</u>

21 Foreign Exchange Losses

During the period under review the Local Authority did not engage in transaction which would lead to foreign currency loss.

22 Cash Balances

The Local Authority's Cash amounts consisted of cash on hand and demand deposits.

SIAVONGA TOWN COUNCIL
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2023

	2023	2022
	Kwacha	Kwacha
Cash on hand	-	-
Demand Deposits	<u>16,836,030</u>	<u>23,845,371</u>
TOTAL	<u>16,836,030</u>	<u>23,845,371</u>

a. Cash on hand

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

b. Demand Deposits – Bank Balances

The Local Authority had the following reconciled bank account balances as at the 31st December 2023:

NOTES TO THE FINANCIAL STATEMENTS

Account Name	Account No	2023 Kwacha	2022 Kwacha
District Fund A/c	Zanaco -0534224300111	95,384	74,620
Salaries A/c	Zanaco-0534233300192	831,154	537,898
Property Plant & Equipment	Zanaco-0534326300156	5,538	4,204
Project A/c	Zanaco-0534289300114	7,261	8,461
Capital Project A/c	Zanaco-5648082500240	1,266,226	2,589,019
Constituency Fund A/c	Zanaco-0534255300196	13,405,550	17,536,209
Constituency Revolving Fund A/c	Zanaco-5844221300124	87,503	2,933,560
Development A/C	Zanaco -0534231300174	41,266	25,603
Rural Water A/C	Zananco-1474969300171	-	66,568
Siavonga & Dwashe UNICEF	Zanaco-053444300124	-	-
Rural Water SOMAP A/C	Zanaco-1795919500121	7,561	14,721
Rural Water Community Dev A/C	Zanaco-1795932500141	28,341	21,216
Rural Water Danida Ac	Zanaco-1795883300226	-	-
Chief Retainers A/C	Zanaco-0534337300158	-	-
ECZ A/C	Zanaco-5106365300137	-	-
Land Development A/C	Zanaco- 0534224500373	1,060,247	33,292
TOTAL		16,836,030	23,845,371

23 Budget Adjustments and Variances

a. Budget Adjustments

The Minister of Local Government and Rural Development approved the budget on 2nd March, 2023. During the year under review there was no any adjustments made to the Approved budget:

b. Budget Variances

• Levies

The Local Authority planned to generate K7,019,950 from Levies but collected K9,011,599 resulting in a variance of K1,991,649 representing 28%. The Favorable variance was due to constant engagements with the fish companies who have since responded well in this regard and hence improved collection on fish levy.

• Commercial Venture

The Local Authority planned to generate K286,376 from Profits of the Commercial Venture but collected K174,400 resulting in a variance of K111,976 representing 39%. The adverse variance was due to low economic activities in terms of influx of clients patronizing our Lodge.

NOTES TO THE FINANCIAL STATEMENTS

• **Financial Assets**

The Council planned to spend K3,226,200 on empowerment Loans but spent K6,342,000 resulting in a variance of K3,115,800 representing 97%. The adverse variance was attributed to previous year's empowerment Loans being given out during the year under review.

• **Other Payments**

The Council planned to spend K1,782,123 on Other payments but spent K1,081,943 resulting in a variance of K700,180 representing 39%. The variance was attributed to lack of funds to pay as planned.

24 Provision of Services

The Local Authority incurs expenditure to offering services it is mandated to provide to the residents of the District.

Type of Services	2023 Kwacha	2022 Kwacha
Audit fees	-	-
Printing	7,300	2,785
Advertising & Publicity	37,813	18,700
Official Entertainment	42,034	65,470
Public Functions & Cremonies	220,202	211,181
Boards,Councils & Committees	113,220	133,612
Make Zambia clean	117,920	96,975
Staff Welfare and Recreation	66,349	63,700
Land Demarcation and survey	-	383,665
Bush Clearing and Grass Cutting	140,550	-
valuation of Properties	583,760	-
Labour day Expenses	53,142	51,710
Hire of Plant & Equipment	-	-
Provision of Fire Services	19,422	72,429
Waste & refuse Collection	325,825	160,081
Establishment & Maintanance of street lighting	239,125	-
Constituency Development Fund	-	5,631,959
Conferences,Seminar& workshops	489,748	629,494
Ward Development Fund Projects	1,086,326	1,052,000
bank charges	104,647	95,617
Fire Prevention	-	-
Other Services	171,529	84,007
Servicing of Plots	-	-
TOTAL	3,818,912	8,753,385

Note: The above amounts have been included in the various payments recognized in the Statement of Cash Receipts and Payments.

NOTES TO THE FINANCIAL STATEMENTS

25 Property, Plant and Equipment

The Local Authority did acquire Property, Plant and Equipment during the period under review.

	Land K	Land and Buildings K	Plant & Machinery K	Motor vehicles K	Office Furniture & Equipment K	TOTAL K
Opening balance	-	9,494,155	4,918,626	2,075,915	-	16,488,696
Additions	-	20,418,138	-	-	331,024	20,749,162
Revaluation	-	-	-	-	-	-
Re-classification	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Closing balance	-	29,912,293	4,918,626	2,075,915	331,024	37,237,858

26 Investments in Other Entities

The Local Authority held shares in the following entities:

Southern Water Supply and Sewerage Company	Water supply and sewerage services	0%
---	---------------------------------------	----

The Local Authority did not receive any dividends during the period under review.

27 Administered Transactions

The Local Authority administered tax collection on behalf of Zambia Revenue Authority. ZRA allows that collected amounts be deposited in the Local Authority's own transit account before being transferred to its accounts.

28 Related Party Disclosures

The following disclosures are made in the financial statements of Siavonga Town Local Authority:

a. Fringe benefits Disclosures

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

b. Remuneration of the Councilors

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

Aggregate Remuneration	K504, 000
Number of persons	14

NOTES TO THE FINANCIAL STATEMENTS

None of the Councillors acquired loans from the Local Authority 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	K1,174,148
Number of persons	5

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

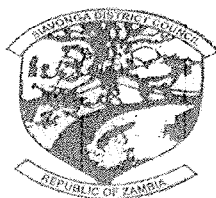
29 External Assistance

During the period under review the Local Authority did not received any amounts under this note. Class of provider and purpose for which external assistance was received during the year are outlined below.

30 Third Party Payments

Siavonga Town Council during the period under review did not engage in any third parties transactions as shown below:

SIAVONGA TOWN COUNCIL



'EXTRACT COPY'

MINUTES OF SPECIAL MEETING OF THE COUNCIL HELD ON THURSDAY 28TH NOVEMBER, 2024 IN THE RAINER SCHIMDT CONFERENCE HALL, LAKEVIEW LODGE-SIAVONGA STARTING AT 10:30 HOURS.

PRESENT:

Councillors-: Given Kwapu	Council Chairperson
Fatima Sicheele (Ms)	Deputy Council Chairperson
Ostern Hamyongwa	
Sydney Simweemba	
Yosaf Siamatika	
Phinius Chazangwe	
Phallen Kachelo	
Special Mulaziki	
Felix M. Hang'andu	
Royen Mwiinga	
Mark Habumbeni	
Parent Kalimina	
Leonard Simwiinde	
Edwin N. Syanzu	- (His Royal Highness Chief Chipepo)

APOLOGY FOR ABSENCE

Emmy Moonga - (His Royal Highness Chief Simamba)

IN ATTENDANCE:

Director Finance	Newton Sikazwe
Director Human Resource and Administration	Patrick Tembo
Director Planning	Stanslous Hamatanga
Director of Engineering Services	Eng. Peter Machona
Chief Accountant	Robert Kamanisha
Internal Auditor	Getrude Zimba
Assistant Social Welfare Officer	Susan Nasilele
Community Development Officer	Beatha Namulungu
Fisheries and Livestock Coordinator	Kenny Chisha
Habour Master	Remmy Munkanta
Committee Clerk	Reuben Chaanga
Committee Clerk	Beatrice Sibombo (Ms)

MEMBERS OF THE PUBLIC

Snike Mzula	Times of Zambia
Brandinah Lambwe	ZANIS
Esther Mwananshiku	Kariba FM
Raymond Munkombwe	UPND

PRAYER AND NATIONAL ANTHEM

Prior to the commencement of the meeting, the Committee Clerk, Mr Reuben Chaanga led the house in prayer thereafter, the National Anthem was sang.

SPC/885/11/24: NOTICE OF MEETING

The Notice convening the meeting was read and the meeting was called to order.

SPC/891/11/24 ADOPTION OF 2023 AUDITED FINANACIAL STATEMENTS

It was reported that pursuant to article 250 of the Republican Constitution of Zambia (Amendment) Act No. 2 of 2016, Public Audit Act No 13 of 1994 and the Public Financial Management Act No. 1 of 2018, The 2023 Siavonga Town Council Financial Statements were audited and the findings were adequately addressed. The Audited Financial Statements comprised of the Statement of Cash Receipts and Payments, the Statement of Comparison of Budget and Actual Amounts, Statement of Cash Receipts and Payments for Local Government Equalization Fund and the Statement of Cash Receipts and Payments for Constituency Development Fund (CDF) and a summary of significant accounting policies and other explanatory information.

The Office of the Auditor General had issued an unqualified audit opinion on the 2023 financial statements, which makes the Local Authority to qualify for Zambia Devolution Financial support under the World Bank funding of \$ 300,000.00 for the year 2026, The Local Authority had already qualified for funding for the year 2025.

It was stated that the Financial statements were presented for consideration, adoption and signing in line with the Local Authorities Accounting Policies (LAAPS) of 2019 and the Treasury and Financial Management Circular No. 6 of 2021, which required that audited financial statements should be tabled in a Council Meeting and be considered and authorized by the Council for issuance.

Attached, as **Appendix A** is a copy of the 2023 Siavonga Town Council Audited Financial Statements.

On a proposal by Councillor Ostern Hamyongwa duly seconded by Councillor Mark Habumbeni, it was

RESOLVED:

That the audited Financial Statements for the year 2023 for Siavonga Town Council be adopted and approved by the Council.

CERTIFIED TRUE COPY



Kennedy Shombo
COUNCIL SECRETARY

