

**PUBLIC ACCOUNTS COMMITTEE
INTERVIEW QUESTIONS**

AUDIT REPORT 2012

PART A – FINANCIAL INFORMATION

1.1 Audit Opinion 2012

- The MOU with FRA was not signed until 2013 therefore, the transfer was not done. The Council has transferred the roads, drains and verges to Fiji Roads Authority in accordance with FRA Amendment Decree 2012 in 2013. (Refer Audit Opinion 2013 – Page 4)
- For 2014 Accounts, Council has engaged the services of the Financial Dept of Lautoka City Council to prepare Financial Statements under IFRS for SMEs.

[Council has adopted to IFRS from 2014 financial year]

1.2 Abridged Statement of Financial Performance – General Fund

In 2011 almost 100% rates arrears was collected. Council had carried out door to door approach and collected all the arrears that was accumulated over the years, thus the rates collected in 2011 is more than 2012.

[Rates collection has averaged 80.% for the Council over the last five years]

[Increase in admin expenses is due to Local Government Forum – hosted by Tavua Town Council at Ba Town Council Hall.

Depreciation for the year included:

1. Depreciation on Council Properties – Market, Office, Garvey Park
2. Roads/Footpaths
3. Streetlights

Council has been increasing its revenue base over the last one year and is making a turnaround. We are now in shared services with Ba Town Council,

utilizing the services of Health Inspector, Parking Meter technician etc. Also the Ministry is now paying the CEO's salary which also leads to improvement in Council revenue.

1.3 Abridged Statement

The depreciation in 2011 was \$427,439.00 and in 2012 \$428,482. The depreciation is for all the Council properties, buildings road, streetlights, Garvey Park etc.

1.4 Abridged Statement of Financial Performance – Parking Meter

Council has been monthly discussing Parking Meter Report and all attempts are being made to increase Parking Meter Toll revenue.

1.5 Abridged Statement of Financial Position – Parking Meter

Council has been working closely with the Parking Meter Section in improving performance and operation.

1.7 Audit Opinion 2013

2014 Accounts being prepared according to IFRS for SMES.

1.8 Abridged Statement of Financial Performance – General Fund

The transfer of roads, footpaths and drains to Fiji Roads Authority led to the decrease in depreciation expenses which led to the decrease in deficit in General Fund.

1.9 Abridged Statement of Financial Position – General Fund

The transfer of roads to Fiji Roads was done in 2013.

1.10 Abridged Statement of Financial Performance – Parking Meter

In 2013 more bookings were carried out i.e Illegal and parking meter thus the increase in infringement fines.

1.3 Abridged Statement of Financial Position – General Fund

- Cash at Bank and on Hand was more in 2011 than 2012 - Heavy flooding and cyclone caused damages to infrastructure and increase in green waste and vegetation. The revenue collected in 2012 was utilized for the clean up and repairs to the infrastructure.

1.5 Abridged Statement of Financial Position – Parking Meter

The Non Current Liabilities is the loan Council had taken to install the Meters.

The reason for the reduction in total liabilities is due to the loan repayments made during 2012.

1.8 Abridged Statement of Financial Performance – General Fund

The transfer of roads, footpaths and drains to Fiji Roads Authority led to the decrease in depreciation expenses which led to the decrease in deficit in General Fund.

1.11 Abridged Statement of Financial Position – Parking Meter

Council has been working closely with the Parking Meter Section in improving performance and operation

1.12 Abridged Program Information

In 2013 the loss of \$14,623 was due to substantial amount of accumulated fund used for cleanup, and green waste removal which was caused by Cyclone and heavy flooding.

PART B CONTROL ISSUES 2012

1.13 For 2014 Accounts Council is adopting to SMES.

1.14 Inadequate Insurance Cover

For the period of 2016 – 2017 insurance premiums paid for the council properties as follows:

PARTICULARS	AMOUNT INSURED	PREMIUM PAID
Market	\$300,000.00	\$1110.00
Office Building	\$180,000.00	\$1162.36
Motor Vehicle	\$40,000.00	\$1,596.00
Garvey Park	\$200,000.00	\$864.00
TOTAL PREMIUM PAID		\$4,732.36

1.15 Sexennial Valuation

Council plans to carry out sexennial valuation exercise during 2018. Special budget provision will be set aside. Preliminary work has commenced.