



NADI TOWN COUNCIL

Your Ref: _____
Our Ref: **A1/1/013**
Date: **04th January, 2018.**

*OFFICE OF THE
SPECIAL ADMINISTRATOR*
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**The Chairman
Public Accounts Committee
Parliament of Fiji
P.O Box 2353
Government Buildings
Suva.**

Dear Sir

Re: Supplementary Question from the Public Accounts Committee

Thank you for accepting Nadi Town Council to be part of the Public Accounts Committee to deliberate and share light to the financial aspects of the Council.

Based on the deliberations of the Committee on our submission, the Committee requested further explanations to the following:

1) Anomalies in the Value Added Tax

The Council is not able to provide answers to the variance. Office of the Auditor General confirmed that there was a typing error; VAT Payable should have read as VAT Receivable which means that FRCA owes money to Council. Secondly, the variance should read as \$212,042.24 instead of \$212,042.21.

Table 4.5: Variance in VAT

Particulars	Amount (S)
VAT Payable as per VAT Reconciliation	30,681.79
VAT Payable as per Financial Statements	242,724.03
Variance	212,042.21

Efforts made by the Council after attending the Public Accounts Committee meeting to reconcile and find the variance but have been unsuccessful. The table below was extracted from the Statement of VAT obtained from FRCA to reconcile the variance showing a credit balance of \$19,430.91. The Office of the Auditor General could not provide further information.

Trans Date	Tax Year	Month	Details	Debit	Credit	Balance	
				2,563,611.59	2,521,379.46	42,232.13	DR
2/05/2012	2012	January	Lpp Reduced		30,638.99	11,593.14	DR
11/05/2012	2012	January	Payment Receipt		15,512.02	- 3,918.88	CR
21/05/2012	2012	January	Late Lodgement Penalty		15,512.03	- 19,430.91	CR
19/04/2017	2012	February	Payment Receipt		37,362.06	- 56,792.97	CR
28/05/2012	2012	February	Original Assessment	37,362.06		- 19,430.91	CR
28/05/2012	2012	February	Late Payment Penalty	9,340.52		- 10,090.39	CR
28/05/2012	2012	February	Late Lodgement Penalty	7,472.41		- 2,617.98	CR
31/05/2012	2012	February	Lpp Reduced		8,100.55	- 10,718.53	CR
31/05/2012	2012	February	Lpp Withdrawn		7,472.41	- 18,190.94	CR
27/04/2012	2012	March	Payment Receipt		8,941.33	- 27,132.27	CR
25/05/2012	2012	March	Original Assessment	8,941.33		- 18,190.94	CR
31/05/2017	2012	April	Original Assessment		1,239.97	- 19,430.91	CR
18/06/2012	2012	May	Payment Receipt		10,308.59	- 29,739.50	CR
29/06/2012	2012	May	Original Assessment	10,308.59		- 19,430.91	CR
27/07/2012	2012	June	Payment Receipt		1,933.87	- 21,364.78	CR
22/08/2012	2012	June	Original Assessment	1,933.87		- 19,430.91	CR
31/08/2012	2012	July	Payment Receipt		12,422.29	- 31,853.20	CR
17/10/2017	2012	July	Original Assessment	12,422.29		- 19,430.91	CR
27/09/2012	2012	August	Payment Receipt		7,549.02	- 26,979.93	CR
5/11/2012	2012	August	Original Assessment	7,549.02		- 19,430.91	CR
29/10/2012	2012	September	Payment Receipt		16,732.20	- 36,163.11	CR
14/11/2012	2012	September	Original Assessment	16,732.20		- 19,430.91	CR
22/11/2012	2012	October	Payment Receipt		7,421.51	- 26,852.42	CR
8/01/2013	2012	October	Original Assessment	7,421.51		- 19,430.91	CR
21/12/2012	2012	November	Payment Receipt		11,638.22	- 31,069.13	CR
25/03/2013	2012	November	Original Assessment	11,638.22		- 19,430.91	CR
30/01/2013	2012	December	Payment Receipt		30,681.79	- 50,112.70	CR
2/04/2013	2012	December	Original Assessment	30,681.79		- 19,430.91	CR
			Total	2,725,415.40	2,744,846.31	-19,430.91	

2) FEA Security Deposit

The amount of \$ 16,790.89 is security deposits owned by Nadi Town Council that is required by the Fiji Electricity Authority as a customer. These deposits are for our various offices and properties that are occupied by the council. The tenants on our properties have the Electricity meters registered in their names and also pay for the FEA security deposits separately.

Currently as at 2017, our FEA security deposits total to \$17,202.45 held with the Fiji Electricity Authority and the details are below:-

ACCOUNT NO	LOCATION	SECURITY DEPOSIT
1378740103	MEETING CHAMBER- office 8	\$ 510.49
1375190102	MEETING CHAMBER	\$ 281.43
1378790101	OFFICE	\$ 2,954.36
1378940101	OFFICE - 9	\$ 424.10
1385970101	BUILDING DEPT	\$ 1,042.79
2631186110	POLICE POST TEMPLE END	\$ 90.00
2631346910	POLE MOUNTED BOARD	\$ 428.11
1378850101	NTC - PASSAGE LIGHTS	\$ 1,211.05
1379250101	NAIR DIAS	\$ 10.00
1378700101	BUS STATION	\$ 493.23
2176990101	WORKS DEPOT	\$ 1,016.81
2054270103	LIBRARY	\$ 656.46
1379000111	LIBRARY	\$ 630.00
1378670101	PC PARK - FLOODLIGHTS	\$ 1,428.44
1378870101	PC PARK - PAVILION/LIGHTS	\$ 984.38
1378650101	PC PARK - TKT BOOTH	\$ 90.20
2629200510	ATS CHILDRENS PARK	\$ 90.00
2624587010	MKT C/PARK-TKT BOOTH	\$ 30.00
1370160103	PARKING METER DEPT- Office 3	\$ 733.86
1378860101	MARKET	\$ 2,896.00
2627581310	NAMAKA MARKET	\$ 820.24
2634007010	KOROIVOLU PARK LIGHTS	\$ 130.00
1378970112	NEW HEALTH OFFICE	\$ 250.50
		\$ 17,202.45

3) Sundry Deposit

Sundry Deposits	2012	2011	2010	2009	2008	2007	2006	2005
Contributions - Public Carpark	182,604	182,604	156,178	146,178	112,428	112,428	112,895	99,395
Commercial Complex and Curio Vendors						-	-	99,329
Curio Vendors	126,685	126,685	126,685	110,017	106,751	103,786	103,786	
Tenders	186,916	186,916	186,916	175,316	143,516	139,016	122,016	102,386
Rates Prepaid	32,893	32,893	32,893	32,893	32,893	32,893	32,893	32,893
Contribution for Works	84,880	84,880	84,880	84,880	84,880	84,880	52,380	
Vat Payable					-	-	-	-
Miscellaneous	92,952	92,952	92,952	89,872	145,356	105,526	77,983	69,323
Total Deposits	\$ 706,930	\$ 706,930	\$ 680,504	\$ 639,156	\$ 625,824	\$ 578,529	\$ 501,953	\$ 403,326

The figures shown in the table above was obtained from the financial statements relating to the respective years and it is clear that some of the amounts relating to the specific deposits have existed for quite a while without movements and it has been very difficult to find information relating to the deposits. However, reconciliations started in 2016 and the council is working towards ascertaining the correct deposit amounts relating to specific deposit categories.

Yours faithfully



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Robin K Ali
Special Administrator

RKA/ABV/iq