

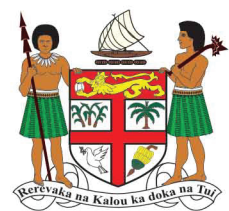


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# BA TOWN COUNCIL

## Annual Report for the Year 2008

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# **BA TOWN COUNCIL**

## **Annual Report for the Year 2008**

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22 February 2019

Honourable Premila Devi Kumar  
Minister for Local Government, Housing and  
Community Development  
P O Box 2131  
Government Buildings  
**SUVA**

Dear Honourable Minister

### **BA TOWN COUNCIL ANNUAL REPORT 2008**

I am pleased to present the Annual Report for Ba Town Council for the financial year ending 31<sup>st</sup> December, 2008.

#### **Mission:**

- To deliver the statutory responsibilities of the local government.
- To facilitate access to a healthy and green environment
- To promote health, welfare and convenience of the people of Ba
- Provide a well maintained range of Community leisure and recreation facilities for the enjoyment of the Community.
- To promote more investments and developments for the district and create employment opportunities
- To work hand in hand with business house to further develop business in Ba
- To improve infrastructure and amenities in Ba Town
- To create disaster resilient community

#### **Values:**

Ba Town Council's work will be governed in accordance with the Local Government Act and other related Acts and Regulations, Council will take respective actions to ensure that the Council is in line with the Central Government.

Furthermore, Council will implement and enforce relevant Local Government and Town Planning Legislations and by-laws to enhance business and community development which confines to Social, Economic, Sustainable and Green method growth.

Ba was settled in 1864 and in 1886 the Rarawai Sugar Mill was established. Following the establishment of the Sugar Mill, Ba began to grow and records show that in 1905 Ba Rural Local

Authority was established under the Public Health Ordinance had administered the district of Ba on various matters.

The urbanized area of Varoka was proclaimed as Township under the Township Ordinance in 1939. Local Government Act was enacted in 1972, hence Ba was elevated to Town status in June 1972.

The Town has a well developed urban center with a population of about 18,000 with a total area of 652 hectares.

The Council has five (5) Wards and three (3) Councilors were elected from each Ward on 22 October, 2005 to serve for a term of three (3) years.

- Cr. Praveen K. Bala (JP) - Mayor
- Cr. John Sawake - Deputy Mayor

Elected on 31 October, 2007 for next twelve (12) months.

Council was not dissolved, but the term of Councillors had expired in October, 2008 since the Interim Government had rescinded the four (4) year term approved by the former Government.

The term of Councillors was reverted to three (3) years, therefore, Councillors were given three (3) months to complete their work.

After 31 January, 2009, the Town Clerks were to look after the Council affairs until appointment of Administrators were made.

On 10<sup>th</sup> December, 2008 the Ministry wrote to the Council regarding the Expiry of Councillors Term in Office.

The Council met all its loan repayments for the year 2008 and the outstanding loan by end of 2008 was \$3,473,002.00.

This report is submitted in accordance with Section 19 of the Local Government Act, Cap. 125.

Yours sincerely

**Dip Narayan**  
**Chief Executive Officer**

## **1.1     THE COUNCIL**

The following Councillors who were elected on 22<sup>nd</sup> October, 2005 for a term of three [3] years represented the five [5] wards of the Council.

### **VARADOLI WARD**

Cr. Praveen Bala[JP]  
Cr. Denesh Shankar Sharma  
Cr. Vellaidan Naicker

### **VAROKA WARD**

Cr. Anita Narayan  
Cr. Pauliasi Caucau  
Cr. Rajesh Patel[JP]

### **RARAWAI WARD**

Cr. Esala Masi  
Cr. Gaj Raj Singh  
Cr. John Sawake

### **YALALEVU WARD**

Cr. Ikbal Nabi  
Cr. Jagindar Dayal[JP]  
Cr. Nemani Cakausesese

### **NAMOSAU WARD**

Cr. Samuela Nakete  
Cr. James Benjamin                      - Till July, 2007 – Thereafter the Office was Vacant  
Cr. Khalid Ali

## **1.2     ELECTION OF MAYOR AND DEPUTY MAYOR**

The following Councillors elected on 31<sup>st</sup> October, 2007 continued to hold the following Offices respectively:-

<b>Cr. Praveen K. Bala [JP]</b>	<b>-</b>	<b>Mayor</b>
<b>Cr. John Sawake</b>	<b>-</b>	<b>Deputy Mayor</b>

At the Annual Meeting of the Council held on **31<sup>st</sup> October, 2008** the following Councillors were elected as Mayor and the Deputy Mayor respectively for the next twelve [12] months:-

<b>Cr. Praveen K. Bala [JP]</b>	<b>-</b>	<b>Mayor</b>
<b>Cr. Jagindar Dayal[JP](Mrs)</b>	<b>-</b>	<b>Deputy Mayor</b>

### 1.3 **APPOINTMENT OF COMMITTEES**

#### **a] Building Health and Works Committee**

- |    |                        |   |          |
|----|------------------------|---|----------|
| 1] | Cr. Ikbal Nabi         | - | Chairman |
| 2] | Cr. Praveen Bala[JP]   |   |          |
| 3] | Cr. Vellaidan Naicker  |   |          |
| 4] | Cr. Rajesh Patel [JP]  |   |          |
| 5] | Cr. Nemani Cakausesese |   |          |
| 6] | Cr. Khalid Ali         |   |          |
| 7] | Cr. Esala Masi         |   |          |

#### **b] Market and Traffic Committee**

- |    |                        |   |          |
|----|------------------------|---|----------|
| 1] | Cr. Vellaidan Naicker  | - | Chairman |
| 2] | Cr. John Sawake        |   |          |
| 3] | Cr. Pauliasi Caucau    |   |          |
| 4] | Cr. Samuela Nakete     |   |          |
| 5] | Cr. Nemani Cakausesese |   |          |
| 6] | Cr. Khalid Ali         |   |          |
| 7] | Cr. Esala Masi         |   |          |

#### **c] Finance Capital Development and General Purposes Committee**

- |    |                         |   |          |
|----|-------------------------|---|----------|
| 1] | Cr. Rajesh Patel[JP]    | - | Chairman |
| 2] | Cr. Praveen Bala[JP]    |   |          |
| 3] | Cr. Anita Narayan       |   |          |
| 4] | Cr. Ikbal Nabi          |   |          |
| 5] | Cr. Khalid Ali          |   |          |
| 6] | Cr. Jagindar Dayal [JP] |   |          |
| 7] | Cr. John Sawake         |   |          |

#### **d] Library / Parks & Beautification Committee**

- |    |                           |   |             |
|----|---------------------------|---|-------------|
| 1] | Cr. Jagindar Dayal[JP]    | - | Chairperson |
| 2] | Cr. Samuela Nakete        |   |             |
| 3] | Cr. Khalid Ali            |   |             |
| 4] | Cr. Gaj Raj Singh         |   |             |
| 5] | Cr. Denesh Shankar Sharma |   |             |
| 6] | Cr. John Sawake           |   |             |
| 7] | Cr. Pauliasi Caucau       |   |             |

#### **e] Staff and Tender Committee**

- |    |                        |   |          |
|----|------------------------|---|----------|
| 1] | Cr. Khalid Ali         | - | Chairman |
| 2] | Cr. Praveen Bala[JP]   |   |          |
| 3] | Cr. Anita Narayan      |   |          |
| 4] | Cr. Jagindar Dayal[JP] |   |          |
| 5] | Cr. Nemani Cakausesese |   |          |
| 6] | Cr. Esala Masi         |   |          |
| 7] | Cr. Rajesh Patel[JP]   |   |          |



#### **1.4 COUNCIL AND COMMITTEE MEETINGS**

The Council held the following number of Council and Committee Meetings-

Ordinary Council Meetings	-	12
Annual Meeting	-	1
Library / Parks & Beautification Committee Meetings	-	12
Market and Traffic Committee Meetings	-	12
Building Health and Works Committee Meetings	-	12
Finance Capital Development and General Purposes Committee Meetings	-	12
Staff and Tender Committee Meetings	-	17
Special Committee Meetings	-	4
Emergency and Extra Ordinary Council Meetings	-	1

#### **1.5 LIBRARY REPORT 2008**

The Library has been providing services to people of Ba. Also users from as far as Tavua, Rakiraki and Lautoka are daily users of the Library.

Two (2) Staff are in-charge of the Library – 1 appointed by the Council and the other by the Library Services of Fiji.

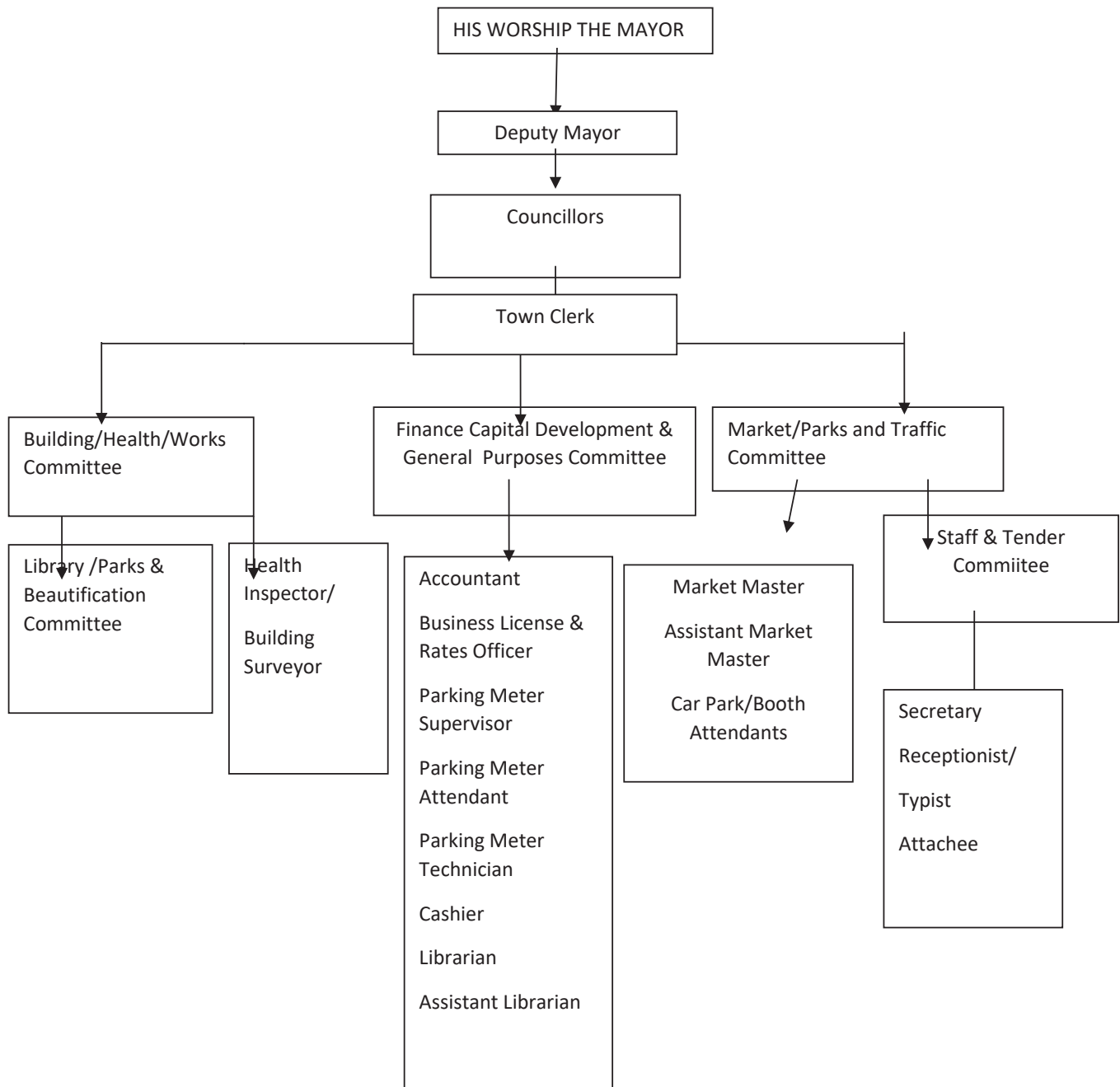
The operating hours are:

- Monday - Thursday - 8.00 am – 4.30 pm
- Friday - 8.00 am – 4.00 pm
- Saturday - 9.00 am – 12.00 pm

The Library Books and other Educational Material were donated by the Council, Embassies and the General Public.

Awareness and activities were organized to mark World Book Day, Library Week, Drug Abuse, and Environment Week.

2.0 **BA TOWN COUNCIL - ORGANISATION CHART - 2008**



### 3.0 **OFFICIAL VISITORS TO THE COUNCIL - 2008**

22/2/2008	-	Ms. Caroline McDoland Acting New Zealand High Commissioner to Fiji
21/6/2008	-	Mr. Masashi Namekawa Embassy of Japan
26/6/2008	-	Mr. Prabhakara Jha High Commissioner of India to Fiji
27/6/2008	-	Mr. James Batley Australian High Commissioner to Fiji
28/6/2008	-	Ms. Caroline McDoland Acting New Zealand High Commissioner to Fiji
9/7/2008	-	Mr. Esala Teleni Commissioner of Police HQ Fiji Police
9/7/2008	-	Ms. Heidi Moeller
	-	Ms. Heather Roggeveen
	-	Ms. Hannah O'Brien Girl Guiding, New Zealand
9/7/2008	-	Mrs. Raj Tilak Chand Park Street, Varadoli, Ba
9/7/2008	-	Ms. Paulini Mocoliku Girl Guide, HQ Suva
9/7/2008	-	Mrs. Yashmeen N. Sahu Khan 28 Varadoli Street, Ba
28/8/2008	-	Hon. Filipe N. Bole Minister for Local Government

#### 4.0 URBAN SANITARY DISTRICT OF BA

##### ANNUAL REPORT OF HEALTH INSPECTOR FOR THE YEAR 2008

Council carried out one clean-up campaign, one dog trapping exercise whereby 45 dogs were trapped and mosquito Spraying was carried out 2 rounds in all 5 wards.

Attended 8 meetings, 2 workshops and 2 trainings in regards to health works with other Government Departments and Stakeholders. Also, carried out building site inspections and building under construction -passing of every stage.

Ba Riverside Carnival was held from 21st till 28th June, 2008. 8 illegal Health Cases were taken to court for prosecution. Four water samples were taken by Department of Environment for analysis.

i. <b><u>Summary of Inspections:</u></b>			
<b>TYPE OF PREMISES</b>	<b>INSPECTION</b>	<b>REINSPECT</b>	<b>TOTAL</b>
Public Health Complaints & Inspections	876	208	1084

#### ii. **Written Notices, Etc. Issued:**

intimation notice-	61
Overgrowth notice	107

#### iii. **Summary of Sanitary Improvements**

	<b><u>ORDERED</u></b>	<b><u>COMPLETED</u></b>
<b>Sanitation Works</b>	379	249

Total of 190 house to house inspections were carried out for investigations of complaints, mosquito larval survey and Public health nuisance. There were 84 Health complaints received for the year 2008 which were investigated and Complied with.

Food Premises such as 32 Restaurants, 23 Refreshment Bars, 1 Butcher, 38 Supermarket, 44 Food stores, 1 sweet cart and 11 Bakery were inspected and notices were served for improvements. Other premises were inspected such as Public Drains, Market, Public Convenience, Bus Stand, Vacant Lots, Parks and Gardens. Total of 1084 premises were inspected.

Sanitation inspections were also carried out and orders and notices were given to rectify or carry out the works required such as grass cutting, removal of refuse, cleaning of drains, clearing of overgrown grass in vacant lots, abatement of mosquito larva, and abatement of animals. Total of 379 work orders were given.

#### **5. Building Applications Received FOR YEAR 2008**

Application in respect of Developments:-	<b><u>No.</u></b>	<b><u>Approved</u></b>	<b><u>Value</u></b>
New Buildings	10	8	\$ 878,500.00
Alterations and Repairs (Extension)	11	10	\$ 379,000.00
Miscellaneous Works (Fencing)	17	17	\$ 95,400.00
Outline Application	0	0	\$ -
<b>TOTAL</b>	<b>38</b>	<b>35</b>	<b>\$ 1,352,900.00</b>

#### ii. **Completion Certificates Issued in Respect of:-**

	<b><u>No.</u></b>	<b><u>Value</u></b>
New Commercial Buildings	2	\$ 3,702,000.00

New Dwellings	4	\$ 445,000.00
Alterations and Repairs/ Extention	2	\$ 350,000.00
Miscellaneous Works	0	\$ -
<b>TOTAL</b>	<b>8</b>	<b>\$ 4,497,000.00</b>

There were total of 38 building applications received for the year 2008 out of which 10 were for construction of New Building, 11 for Extension/ Alteration/ repair to the existing buildings and 17 for Miscellaneous Works which include Fencing, Retaining Walls, etc. and out of 38 applications 35 applications were approved and processed with the building value of **\$1,352,900.00**.

Completion Certificates issued in year 2008 was 8 which consists of 2 Commercial Buildings, 4 New Dwelling House and 2 Extension/ Alteration/Repair to existing building with the total value of **\$4,497,000.00**.

### iii. Rezoning & Subdivision

In 2008 there was only 1 rezoning application received which was also approved.

There was no application for subdivision in year 2008.

## 6.0 ENVIRONMENT REPORT

Anti-Litter Works: The three Parking Meter Attendants were also involved in Anti-Litter works. Offenders when sighted were warned and made to comply with litter laws via verbal warning and also being served with litter notices.

## 7.0 WORKS SUPERVISORS REPORT 2008

General duties carried out on daily basis such as market cleaning, street sweeping, public convenience cleaning and drain cleaning.

Through Market cleaning and washing carried out once every week on Sundays. Maintenance of all council properties were carried out when required.

Road patching works were carried out when required. Streetlights maintenance were carried out throughout the year. Contract works were supervised and monitored such as garbage collection and grass cutting.

### Property Management

- Board of survey was carried out by the team. Maintenance of properties were carried out after the inspections carried out by Works Supervisor and Building Inspector.

## 8. (A.) ANNUAL ACCOUNTS AUDIT

### i. AUDITORS OF THE COUNCIL

The Auditor-General of Fiji was the Council's Auditor.

The Rates Levy for 2008 and Rates Income were estimated as follows:-

Rate	Levy Struck in the \$	Total UCV	VAT Inclusive Rate Income
General	0.0083	36,870,780	306,027
Special	0.0031	38,492.380	119,326
Agriculture	10% of General & Special	749,000	853

During the year the Council collected 46% of all rates due.

### ii. Arrears of Revenue

As at 31 December, 2008, the Council's arrears of rates was **\$1,131,938.00**

The details of arrears were as follows:-

Namosau Ward	-	\$ 258,055.76
Varadoli Ward	-	\$410,937.81
Varoka Ward	-	\$270,061.93
Yalalevu Ward	-	\$192,882.50

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<b>TOTAL</b>	<b>=</b>	<b>\$1,131,938.00</b>
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### iii. LOANS

The Council met all its loan repayments for the year 2008. The outstanding loans to lending institutions by end of 2008 were as follows:-

a]	General Fund Account – Fiji National Provident Fund	-	\$ 75,273.00
b]	Westpac Banking Corporation	-	\$ 472,694.00
c]	Ba Market Complex A/c – FNPF	-	\$ 2,925,035.00

-----  
**\$ 3,473,002.00**  
 -----

Ba Market Shopping Complex project was undertaken in 2004 wherein a loan of **\$3.5** million was approved by FNPF.

iv. **Fund Balances**

A summary of the results [unaudited] of each fund operations for 2007 were as follows:-

Fund	Revenue	Expenditure	Surplus/Deficit
General Revenue A/c	\$1,505,694.00	\$1,735,797.00	\$ (230,103.00)
Loan Repayment A/c	\$ 139,159.00	\$ 44,486.00	\$ 94,673.00
Parking Meter A/c	\$ 34,324.00	\$ 40,337.00	\$ ( 6,013.00)

v. **Council Insurance**

A Comprehensive Insurance Cover was held with Sun Insurance on all Council's properties and assets with effect from 4.00pm 31/12/07, which was renewed on 31/12/08.

Insurance for project under construction - Ba Market Complex was covered by the Building Contractor.

The Policies covered the consequential losses, fire, burglaries, plate glass, personal accidents and professional indemnity.

vii. **PUBLIC PARKS**

The Council maintained all its parks, gardens and recreational reserves to the highest level, giving the people of Ba opportunity to make best use of it.

**viii. GOVIND PARK**

The Govind Park ground together with part of the Air Strip was leased out to Fiji Football Association for a term of ten (10) years effective from 1<sup>st</sup> of October, 2001.

**(B.) MARKET REPORT- 2008**

1. Ba Municipal Market is located towards the South of the Town, close to the new Complex area beside the Bus Station.

The Market is divided into two sections:-

Main Market  
Open Market.

2. The Market consisted of three full-time Staff, Market Master and two Market Attendants. The Market was under the immediate management and control of Market Master.

3. Main Market consist of following Stalls:-

Permanent Stalls  
Temporary Stalls  
Lock-Up Stalls  
Lock-Up Canteens  
Fish Stalls  
Seafood Stalls.

Open Market has temporary Stalls with Sale of Produce, Live Chicken and Live Stock (Goat).

4. (a) Total Number of Stalls in Main Market:  
408 Table Stalls  
56 Temporary Floor Stalls  
40 Seafood Stalls  
6 Lock-Up Stalls  
2 Lock-Up Canteens.



4. (b) Total Number of Stalls in Open Market:  
The Open Market had a total of 366 temporary Stalls.

Outside Market also had 9 Sweet Carts and 1 Fancy Goods Cart.

5. Market Charges:
- |   |   |                         |
|---|---|-------------------------|
| Sale of vegetable per stall per day           | - | \$1-10                  |
| Sale of groceries per stall per day           | - | \$1-65                  |
| Sale of crabs and other shell fish per bundle | - | \$1-10                  |
| Sale of mussels and kai per stall per day     | - | \$1-10                  |
| Lock Up Stall per month                       | - | \$220-00                |
| Lock Up Canteen per month                     | - | \$480-00                |
| Fish  | - | \$0-33 per kg           |
| Sale of Live Chicken                          | - | \$0-55 per head per day |
| Sale of Live Stock (goat) per day             | - | \$2-20 per head         |
| Sale of Tobacco per stall per day             | - | \$1-65                  |
| Sale of handicraft per stall per day          | - | \$1-65                  |
| Vegetable wholesale per day                   | - | \$1-10                  |
| Groceries wholesale per 3 ton truck           | - | \$2.25 per day          |
| General wholesale per big trucks              | - | \$3.38 per day          |
| Sweet Cart per week                           | - | \$9.00                  |
| Fancy Cart per week                           | - | \$10.69                 |
6. Market Revenue:
- |                         |   |              |
|-------------------------|---|--------------|
| (i) Market Inside       | - | \$118,774.70 |
| (ii) Market Outside     | - | \$ 73,335.50 |
| (ii) Kai / Others       | - | \$ 2,397.15  |
| (iii) Fish              | - | \$ 6,149.99  |
| (iv) Poultry            | - | \$ 850.61    |
| (v) Crabs               | - | \$ 1,677.07  |
| (vi) Goat               | - | \$ 780.23    |
| Lock Up Stalls          | - | \$ 14,666.88 |
| Lock-Up Stall – Canteen | - | \$ 10,239.96 |
| Sweet Carts             | - | \$ 3,744.00  |
| Fancy Goods Cart        | - | \$ 494.12    |
| Taxi Park Fees:         |   |              |
| Central Car Park        | - | \$ 19,670.44 |
| Kings Road              | - | \$ 1,658.67  |
| Market                  | - | \$ 9,124.92  |
| Taxi Business Licence   | - | \$ 2,770.00  |
| Taxi – Bond             | - | \$ 266.67    |

Commercial Vehicles:		
Central Car Park A&B	-	\$ 10,177.76
Market	-	\$ 22,624.68
3 Ton Truck	-	\$ 1,125.23
Business Licence	-	\$ 4,710.00
Car Park Booths:		
CCP Booth 1	-	\$ 506.11
CCP Booth 2	-	\$ 22,640.28
Market Booth	-	\$ 20,663.31
Market Booth Vendors	-	\$ 11,186.39
Entry Booth	-	\$ 2,697.33
<b>GRAND TOTAL</b>		<b>\$362,932.00</b>

## 7. Conclusion:

2008 was a successful year for Ba Town Council as good revenue was collected from the Market and Car Park areas.

## C.) PARKING METER REPORT - 2008

1. The Department of Parking Meter consisted of three (3) Authorized Enforcement Officers.

2. The Council had 152 metered spaces in Town which were as follows:-

(a)	Ganga Singh Street	-	35
(b)	Bank Street	-	21
(c)	Main Street	-	100
			-----
			<b>156</b>
			-----

**Note: The Parking Meters were calibrated to accept the change in size of the 20cents and 50cents coins.**

3. Regulations: The Parking Meter Department's prime function was to enforce Sections 85(1) (a) and 87 of Land Transport (Traffic) Regulations 2000 and act on related circumstances of Parking Meter Bookings.

Also the delegation of Enforcement Authority to Council Officers enabled us to enforce parts of LTA Acts and Regulations for the purpose of controlling and regulating traffic flow in Ba Town, which included:-

Parking Meter Offence

Regulations 20 and 87 of LTA Act

Illegal Parking and Stopping

Illegal Operation of Taxi, Carrier, Bus and Mini Bus Stands.

Carried out operations against illegal operators i.e. Mini Vans and Private Cars plying for hire.

4. Meter Maintenance: Parking Meters on the streets were repaired and maintained on daily basis by the Parking Meter Technician. These works included:-
  - Clearing Blocked Meters
  - Replacing Damaged Parts
  - Adjusting Improper Readings
  - Servicing Parking Meter Mechanism and Stripes and
  - Reassembling Multiple Parts
  - Winding of all Parking Meters twice a week.
5. Toll Collection:  
Parking Meter toll collections were carried out twice a week that is on Tuesdays and Fridays by the Technician and any one Officer from the Department.
6. Free Parking: There were many areas of free parking within Town. Some of the vehicles were parked in these areas the whole day. To solve this problem the Council had put up 'No Parking Signs' around Town to boost the Department's revenue.

**D. Council's Comments on Auditor General's Opinion**

Council had rectified the difference in rates.

**9.0 APPRECIATION**

The Council wishes to show its appreciation and gratitude to the Business Houses, Ratepayers and other Stakeholders for paying their Business License Fee, Rates and other dues to meet the running cost of the town's administration.

The Council also wishes to acknowledge the dedicated services rendered by its Special Administrator, Management, Staff and Workers

Ba Town Council also wishes to record with appreciation the assistance and support given by the Minister for Local Government, Housing, Squatter Settlement and Environment, the Permanent Secretary, the Director, Local Government and Staff, including the Director, Town and Country Planning for their assistance and guidance which greatly facilitated the effective administration of the Council.

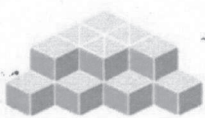
We would also like to thank various Government Departments, Donor Agencies, Non-Government Organizations, Private Institutions and the Public for their support during the year.

**DIP NARAYAN**  
**CHIEF EXECUTIVE OFFICER**

**REPUBLIC OF THE FIJI ISLANDS**  
**OFFICE OF THE AUDITOR GENERAL**



8<sup>th</sup> Floor, Ratu Sukuna House,  
 MacArthur Street,  
 P. O. Box 2214,  
 Government Buildings,  
 Suva, Fiji Islands.



Winner - Achievement in Business Excellence  
 Fiji Business Excellence Awards 2008

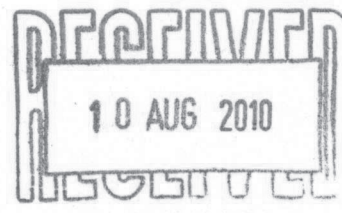
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 Website: <http://www.oag.gov.fj>



ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

File: 702/1

6 August 2010



Mr. Arun Prasad  
 The Special Administrator  
 Ba Town Council  
 P.O Box. 184  
 BA

Dear Mr. Prasad

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**AUDIT OF THE ACCOUNTS OF THE BA TOWN COUNCIL FOR THE YEAR ENDED 31 DECEMBER  
 2008**

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Two copies of the audited financial statements of the Ba Town Council for the year ended 31 December 2008 together with an audit report on them are enclosed.

A copy of the audit report is being sent to the Minister for Local Government, Urban Development, Housing and Environment in accordance with section 53 of the Local Government Act.

Particulars of errors and omissions arising from the audit have been forwarded to the Chief Executive Officer for necessary action.

Yours sincerely

Tevita Bolanavanua  
**AUDITOR GENERAL**

cc: Minister for Local Government, Urban Development, Housing & Environment  
 Mr. Tulsi Ram, Chief Executive Officer for Ba Town Council

Encl.





ACCOUNTABILITY IN THE PUBLIC SECTOR  
THROUGH QUALITY AUDIT SERVICES

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# BA TOWN COUNCIL

## 2008 AUDITED ACCOUNTS

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8<sup>th</sup> Floor, Ratu Sukuna House,  
MacArthur Street,  
P. O. Box 2214,  
Government Buildings,  
Suva, Fiji Islands.



**REPUBLIC OF THE FIJI ISLANDS  
OFFICE OF THE AUDITOR GENERAL**

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Website: <http://www.oag.gov.fj>



ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

**BA TOWN COUNCIL  
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008**

**INDEPENDENT AUDIT REPORT**

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**Scope**

I have audited the financial statements of the Ba Town Council for the year ended 31 December 2008 in accordance with the provisions of the Local Government Act and Section 13 of the Audit Act. The Ba Town Council is responsible for the preparation and presentation of the financial statements and the information they contain.

I have conducted an independent audit of these financial statements in order to express an opinion on them.

My audit has been conducted in accordance with the Fiji Standards on Auditing to provide reasonable assurance as to whether the financial statements are free of material misstatements. My audit procedures included examination, on a test basis of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the Financial Statements are presented fairly in accordance with the Fiji Accounting Standards and statutory requirements so as to present a view which is consistent with my understanding of the Council's financial position, and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

**Qualification**

Rates Receivable amount of \$1,131,938 does not reconcile with the rates debtors listing totaling \$990,489. A difference of \$141,449 existed between the two records which could not be explained by the Council, and as such the debtors amount in the financial statements cannot be relied upon.

**Qualified Audit Opinion**

In my opinion, except for the effects on the financial statement of the matters referred to in the qualification paragraph, the financial statements present fairly in accordance with the Fiji Accounting Standards, the financial position of the Council as at 31 December 2008 and the result of its operations and cash flows for the year then ended.

Without further qualification to the opinion expressed above, attention is drawn to the following matter:

- A variance of \$39,722 existed between the Council's VAT records and the balance reflected in the Statement of VAT Account provided by the Fiji Islands Revenue and Customs Authority.

*T.B.*

Tevita Bolanavanua  
**AUDITOR GENERAL**

Suva, Fiji

6 August 2010



**BA TOWN COUNCIL  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

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**BA TOWN COUNCIL  
GENERAL FUND  
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2008**

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**COUNCIL'S STATEMENT**

In our opinion the Financial Statements have been properly drawn up so as to show a true and fair view of the Ba Town Council's operations for the year ended 31 December 2008 and of the state of affairs as at that date.



TULSI RAM  
TOWN CLERK / CEO  
DATE: 3/8/2010



ARUN C. PRASAD  
SPECIAL ADMINISTRATOR  
DATE: 3/8/2010

**BA TOWN COUNCIL  
STATEMENT OF FINANCIAL POSITION - GENERAL FUND  
AS AT 31 DECEMBER 2008**

	Notes	2008 \$	2007 \$
<b>CURRENT ASSETS</b>			
Cash	2	219,149	586,549
Receivables	3	1,054,358	895,596
Advance	4	200,049	200,049
<b>Total current assets</b>		<u>1,473,556</u>	<u>1,682,194</u>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	5	18,957,984	19,086,051
<b>Total non current assets</b>		<u>18,957,984</u>	<u>19,086,051</u>
<b>TOTAL ASSETS</b>		<u>20,431,540</u>	<u>20,768,245</u>
<b>CURRENT LIABILITIES</b>			
Creditors and borrowings	6	194,605	131,909
Term loans	7	278,350	258,610
Provisions	8	8,313	11,111
<b>Total current liabilities</b>		<u>481,268</u>	<u>401,630</u>
<b>NON CURRENT LIABILITIES</b>			
Term loans	7	3,194,652	3,475,565
<b>Total non current liabilities</b>		<u>3,194,652</u>	<u>3,475,565</u>
<b>TOTAL LIABILITIES</b>		<u>3,675,920</u>	<u>3,877,195</u>
<b>NET ASSETS</b>		<u>16,755,620</u>	<u>16,891,050</u>
<b>MUNICIPAL FUNDS</b>			
Accumulated general fund (Page 6)		5,707,834	5,937,937
Loan rate fund (Page 7)		31,168	(63,505)
Reserves	9	11,016,618	11,016,618
<b>TOTAL MUNICIPAL FUNDS</b>		<u>16,755,620</u>	<u>16,891,050</u>

The accompanying notes form an integral part of this balance sheet.

In our opinion the Financial Statements have been properly drawn up so as to show a true and fair view of the Ba Town Councils operations for the year ended 31 December 2008 and of the state of affairs as at that date.



**TULSI RAM**  
TOWN CLERK / CEO  
DATE: 3/8/2010



**ARUN C. PRASAD**  
SPECIAL ADMINISTRATOR  
DATE: 3/8/2010





**BA TOWN COUNCIL  
STATEMENT OF FINANCIAL POSITION - PARKING METER FUND  
AS AT 31 DECEMBER 2008**

	Notes	2008 \$	2007 \$
<b>CURRENT ASSETS</b>			
Cash	2	16,550	17,203
Receivables	3	2	2
<b>Total current assets</b>		<u>16,552</u>	<u>17,205</u>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	5	20,997	25,498
<b>Total non current assets</b>		<u>20,997</u>	<u>25,498</u>
<b>TOTAL ASSETS</b>		<u>37,549</u>	<u>42,703</u>
<b>CURRENT LIABILITIES</b>			
Creditors and borrowings	6	200,908	200,049
<b>Total current liabilities</b>		<u>200,908</u>	<u>200,049</u>
<b>TOTAL LIABILITIES</b>		<u>200,908</u>	<u>200,049</u>
<b>NET ASSETS</b>		<u>(163,359)</u>	<u>(157,346)</u>
<b>Capital employed</b>			
ACCUMULATED FUNDS (Page 8)		(193,340)	(187,327)
Asset revaluation reserve	9	29,981	29,981
		<u>(163,359)</u>	<u>(157,346)</u>

The accompanying notes form an integral part of this balance sheet.

In our opinion the Financial Statements have been properly drawn up so as to show a true and fair view of the Ba Town Councils operations for the year ended 31 December 2008 and of the state of affairs as at that date.

  
\_\_\_\_\_  
**TULSI RAM**  
TOWN CLERK / CEO  
DATE: 3/8/2010

  
\_\_\_\_\_  
**ARUN C. PRASAD**  
SPECIAL ADMINISTRATOR  
DATE: 3/8/2010

**BA TOWN COUNCIL  
STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND  
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008	2007
	\$	\$
<b>INCOME</b>		
Building and subdivision	6,434	13,109
Bus station	33,270	28,364
Business, trading and other licenses	97,415	94,919
Government grant	5,000	46,250
Garbage dump	6,209	4,519
General rate	259,439	286,274
Hire auditorium fees	22,120	5,867
Interest - overdue rates	5,711	8,249
Interest - on term deposit	-	11,000
LICI Commission	277	-
Market	233,110	193,031
Municipal car park	129,822	129,540
Lease Premium	-	44,444
Rent from council properties	642,568	596,689
Sports grounds	15,618	15,102
Sundries	48,701	22,308
<b>Total income</b>	<b>1,505,694</b>	<b>1,499,665</b>
<b>EXPENDITURE</b>		
Administration	159,030	169,434
Ba market complex	3,202	30,189
Bank fees and charges	-	2,634
Bus station, civic building, depot & staff quarters	10,938	22,419
Capital development expense	59,784	49,596
Council expenses	90,935	25,229
Depreciation and amortisation	445,008	425,086
Doubtful Debts	38,000	223,899
Health and building	147,043	139,371
Interest on loan	214,487	218,470
Legal Fees	-	4,559
Library services	10,095	8,164
Loss on Sale Fixed asset	-	8,239
Market	91,744	93,518
Miscellaneous	-	3,674
Mayoral expense	400	5,350
Municipal car park	46,628	33,440
Municipal hall	17,987	-
Property expense	38,754	42,193
Parks and gardens	73,637	63,296
Public works	244,303	394,299
Sick, accident and holiday pay	-	15,160

**BA TOWN COUNCIL****STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND (CONT'D)****FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	2008 \$	2007 \$
Streetlights		43,822	34,941
Town decoration		-	404
<b>Total expenditure</b>		<u><b>1,735,797</b></u>	<u><b>2,013,564</b></u>
<b>Net (deficit) / surplus for the year</b>		<b>(230,103)</b>	<b>(513,899)</b>
Accumulated funds at the beginning of the year		5,937,937	6,451,836
<b>Accumulated funds at the end of the financial year</b>		<u><u><b>5,707,834</b></u></u>	<u><u><b>5,937,937</b></u></u>

*The accompanying notes form an integral part of this statement of income.*



**BA TOWN COUNCIL  
STATEMENT OF INCOME AND EXPENDITURE - LOAN RATE FUND  
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	2008 \$	2007 \$
<b>INCOME</b>			
Loan rate		139,159	125,249
Total income		<u>139,159</u>	<u>125,249</u>
<b>EXPENDITURE</b>			
Interest		<u>44,486</u>	<u>59,495</u>
		<u>44,486</u>	<u>59,495</u>
<b>Surplus for the year</b>		<b>94,673</b>	<b>65,754</b>
Accumulated funds at the beginning of the year		(63,505)	(129,259)
<b>Accumulated fund at the end of the financial year</b>		<u><b>31,168</b></u>	<u><b>(63,505)</b></u>

*The accompanying notes form an integral part of this statement of income.*

**BA TOWN COUNCIL**  
**STATEMENT OF INCOME AND EXPENDITURE - PARKING METER FUND**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	2008 \$	2007 \$
<b>INCOME</b>			
Traffic offence		3,825	849
Infringement fines		7,756	8,853
Meter tolls		20,349	24,262
Warrant fees		2,394	812
<b>Total income</b>		<b>34,324</b>	<b>34,776</b>
<b>EXPENDITURE</b>			
Bank Fees		21	42
Depreciation		4,448	4,484
Legal and search fees		1,200	3,238
Meter maintenance		2,136	1,463
Miscellaneous		290	692
Postage		119	213
Printing & stationery		2,217	1,551
Salaries, wages and related payments		27,189	22,317
Uniforms and boots		382	261
Verification and license		2,335	2,352
<b>Total expenditure</b>		<b>40,337</b>	<b>36,613</b>
<b>Net (deficit) / surplus for the year</b>		<b>(6,013)</b>	<b>(1,837)</b>
Accumulated funds at the beginning of the year		(187,327)	(185,490)
<b>Accumulated fund at the end of the financial year</b>		<b>(193,340)</b>	<b>(187,327)</b>

*The accompanying notes form an integral part of this statement of income.*

**BA TOWN COUNCIL  
STATEMENT OF CASH FLOWS - GENERAL FUND  
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	2008 \$ Inflows/ (Outflows)	2007 \$ Inflows/ (Outflows)
<b>Cash flows from operating activities</b>			
Receipts from customers		1,448,091	1,499,665
Payments to trade creditors, other creditors and employees		(978,404)	(1,077,981)
Interest paid		(258,973)	(209,525)
<b>Net cash provided by Operating Activities</b>	14 (a) (i)	<u>210,714</u>	<u>212,159</u>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant & equipment		(316,941)	(41,688)
<b>Net cash used in Investing Activities</b>		<u>(316,941)</u>	<u>(41,688)</u>
<b>Cash flows from financing activities</b>			
Borrowings		-	125,249
Repayment of borrowings		(261,173)	(362,780)
<b>Net cash provided by Financing Activities</b>		<u>(261,173)</u>	<u>(237,531)</u>
Net decrease in cash and cash equivalents		(367,400)	(67,060)
Cash and cash equivalent at the beginning of the year		<u>586,549</u>	<u>653,609</u>
<b>Cash and cash equivalent at the end of the year</b>	14 (a) (ii)	<u><b>219,149</b></u>	<u><b>586,549</b></u>

*The accompanying notes form an integral part of this Statement of Cashflow.*

**BA TOWN COUNCIL**  
**STATEMENT OF CASH FLOWS - PARKING METER FUND**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

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	Notes	2008 \$ Inflows/ (Outflows)	2007 \$ Inflows/ (Outflows)
<b>Cash flows from operating activities</b>			
Receipts from customers (meter tolls and other revenues)		34,324	34,777
Payments to suppliers and employees		(35,030)	(32,729)
<b>Net cash provided by Operating Activities</b>	14 (b) (i)	<u>(706)</u>	<u>2,048</u>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant & equipment		<u>53</u>	<u>-</u>
<b>Net cash used in Investing Activities</b>		<u>53</u>	<u>-</u>
Net increase / (decrease) in cash and cash equivalents		(653)	2,048
Cash and cash equivalent at the beginning of the year		<u>17,203</u>	<u>15,155</u>
<b>Cash and cash equivalent at the end of the year</b>	14 (b) (ii)	<u><u>16,550</u></u>	<u><u>17,203</u></u>

The accompanying notes form an integral part of this cash flow statement.

**BA TOWN COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Set out hereunder are the significant accounting policies adopted by the Council in the preparation of the Accounts for the year ended 31 December 2008. Unless otherwise stated similar policies were followed in the previous year. All amounts are stated in Fijian currency.

**(a) Basis of Accounting**

The accrual basis of accounting is adopted for all financial transactions with the exception of parking meter infringement fines. The financial statements have been prepared on the basis of historical cost and do not take into account changing money values.

**(b) Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost less accumulated depreciation as at the balance date. When assets are retired or otherwise disposed, the related cost is removed from the accounts and any profit or loss arising there from is included in the statement of income and expenditure.

**(c) Depreciation**

The Councils' fixed assets are depreciated over their estimated useful lives using the diminishing value method at the following rates:-

	<u>Rate</u>
Leasehold land	over life of lease
Buildings	1% to 5%
Furniture and fittings	10% to 20%
Plant and equipment	10% to 20%
Motor vehicles	15% to 20%
Road, footpath and drains	10%

**(d) Receivables**

Receivables are stated at expected realisable value as certified by the Council. A provision is raised for any doubtful debts based on a review by Council of all outstanding amounts at year end. Bad debts are written off during the year in which they are identified.

**(e) Expenditure relating to Roads, Footpaths and Drains**

The valuation of the above items was carried out by Fairview Valuations of Suva, Fiji in 2006.

**(f) Revenue**

Revenue is recognised in the Statement of Income and Expenditure when charged to the ratepayers by the Council. The major sources of revenue are collections in the form of General rates, Loan rates and rental income from the Council's properties.



**BA TOWN COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

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**(g) Fund Accounting**

The Council has adopted a fund accounting system as a considerable part of annual revenues comprises rates for different purposes and special purpose funds as required by the Local Government Act. Accordingly it is necessary to establish separate fund to recover the amounts received, expenditure incurred and the net balance of funds available to be carried forward into the next financial period.

The identification of funds is maintained throughout the accounting system, thus providing the control necessary to ensure that each fund is used only for the purpose for which it is received.

Details of Special Purpose Funds maintained by the council are:-

**Parking Meter Fund**

The Council, in compliance with the Land Transport Act, has to maintain a separate account for the operation of Parking Meters in designated areas of roads within the city. At year end there was approximately **6000** tickets outstanding for 2008 which was not taken into the accounts.

**(h) Income Tax**

The Council is exempt from income tax in accordance with the provisions of Section 17 of the Fiji Income Tax Act.

**(i) Comparatives**

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

**(j) Leave Entitlement**

The Council provides for long service leave entitlements for all salaried staff who have served the Council continuously for 15 years or more at the rate of 10 days per year of service. For labourers 5 days after completion of 15 years of service plus another 10 days after 20 years of service

**(k) Loss Due to Flood**

The water level inside the Ba Market was estimated to be 12 feet during the flood which occurred on 10th January 2009. As a result, all the resceipt books, ticket books, resgisters and other records that was maintained in the market were destroyed.

**BA TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**NOTE 2. CASH AT BANK AND ON HAND**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>General Fund</b>		
Cash on hand	550	200
Cash at bank		
General Account	30,445	4,767
Civic Building Account	1,428	11,280
Ba Market Complex Account	7,429	86,057
Reserve Account	169,064	145,064
Capital Works Account	10,233	339,181
	<u><b>219,149</b></u>	<u><b>586,549</b></u>
 <b>Parking Meter Fund</b>		
Cash at bank	16,550	17,203
	<u><b>16,550</b></u>	<u><b>17,203</b></u>

**NOTE 3. RECEIVABLES**

<b>General Fund</b>		
Rate debtors	1,131,938	1,119,495
Provision for Doubtful Debts	(261,899)	(223,899)
Other sundry debtors	184,319	-
	<u><b>1,054,358</b></u>	<u><b>895,596</b></u>
 <b>Parking Meter Fund</b>		
Other sundry debtors	<u><b>2</b></u>	<u><b>2</b></u>

**NOTE 4. ADVANCE**

	<b>\$</b>	<b>\$</b>
Advance to parking meter	<u><b>200,049</b></u>	<u><b>200,049</b></u>

**BA TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

<b>NOTE 5. PROPERTY, PLANT AND EQUIPMENT</b>	<b>2008</b>	<b>2007</b>
<b>General fund</b>	<b>\$</b>	<b>\$</b>
Leasehold land - at valuation	3,975,014	4,015,982
Building - at valuation	12,640,795	12,763,859
Plant and equipment - at valuation	133,889	145,985
Roads and drainage - at valuation	2,106,063	2,038,455
Motor vehicles - at valuation	102,223	121,770
Property, plant and equipment	-	-
Total property, plant and equipment, net - General Fund	<b>18,957,984</b>	<b>19,086,051</b>

**Parking Meter account**

Office equipment and fixtures - at valuation	827	985
Plant, machinery and tools - at valuation	20,170	24,513
Total property, plant and equipment, net - Parking meter	<b>20,997</b>	<b>25,498</b>

Property, plant and equipment were revalued as at 31 December 2006 by Fairview Valuations, Suva.

**(a) Movements in Carrying Amounts - General Fund**

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

**General Fund**

**Leasehold land - valuation**

Carrying amount at beginning	4,015,982	4,056,950
Amortisation	(40,968)	(40,968)
	<b>3,975,014</b>	<b>4,015,982</b>

**Building - valuation**

Carrying amount at beginning	12,763,859	12,886,923
Depreciation	(123,064)	(123,064)
	<b>12,640,795</b>	<b>12,763,859</b>

**Plant and equipment - at valuation**

Carrying amount at beginning	145,985	161,473
Addition	3,809	-
Depreciation	(15,905)	(15,488)
	<b>133,889</b>	<b>145,985</b>

**Roads and drainage - at valuation**

Carrying amount at beginning	2,038,455	2,264,950
Addition	313,132	-
Depreciation	(245,524)	(226,495)
	<b>2,106,063</b>	<b>2,038,455</b>

**Motor Vehicles - at valuation**

Carrying amount at beginning	121,770	132,392
Addition	-	41,688
Disposal	-	(37,452)
Disposal-accumulated depreciation	-	4,213
Depreciation	(19,547)	(19,071)
	<b>102,223</b>	<b>121,770</b>

Total balance as at 31 December 2008

<b>18,957,984</b>	<b>19,086,051</b>
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**BA TOWN COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2008**

<b>(b) Movements in Carrying Amounts - Parking Meter Fund</b>	<b>2008 \$</b>	<b>2007 \$</b>
<u>Parking Meter</u>		
<u>Office equipment and fixtures - at valuation</u>		
Carrying amount at beginning	985	1,141
Depreciation	(158)	(156)
	<u>827</u>	<u>985</u>
 <u>Plant, machinery and tools - at valuation</u>		
Carrying amount at beginning	24,513	28,840
Disposal	(53)	
Depreciation	(4,290)	(4,327)
	<u>20,170</u>	<u>24,513</u>
<b>Total balance as at 31 December 2008</b>	<b><u>20,997</u></b>	<b><u>25,498</u></b>

**NOTE 6. CREDITORS AND BORROWINGS**

**General Fund**

Sundry creditors and accruals	121,148	55,246
Other creditors	8,982	-
Sundry Deposits	21,670	3,978
VAT payable	42,805	72,685
	<u>194,605</u>	<u>131,909</u>

**Parking Meter Fund**

Other Creditors	859	0
Advance from general fund	200,049	200,049
	<u>200,908</u>	<u>200,049</u>

**NOTE 7. TERM LOANS**

**General Fund**

Westpac Banking Corporation	472,694	511,007
Fiji National Provident fund (1)	75,273	108,463
Fiji National Provident fund (2)	2,925,035	3,114,705
	<u>3,473,002</u>	<u>3,734,175</u>

**Loan principal commitment at balance date:**

Payable within one year	278,350	258,610
Payable later than one year, not later than two years	299,621	278,345
Payable later than two years, not later than five years	904,506	880,510
Payable later than five years	1,990,525	2,316,710
	<u>3,473,002</u>	<u>3,734,175</u>

**Represented in the balance sheet as:**

Current	278,350	258,610
Non-current	3,194,652	3,475,565
	<u>3,473,002</u>	<u>3,734,175</u>

Loans raised by the Council bear interest charges ranging from 6.80% to 10.49% per annum. All loans are secured by Pari Passu Debenture Deeds covering the present and future assets of the Council.

**BA TOWN COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2008**

NOTE 8. PROVISIONS	2008 \$	2007 \$
<u>General Fund</u>		
Annual leave	<u>8,313</u>	<u>11,111</u>
NOTE 9. RESERVES		
<u>Current account</u>		
Asset revaluation reserve	<u>11,016,618</u>	<u>11,016,618</u>
<u>Asset Revaluation Reserve comprise of :</u>		
Revaluation increment on assets	<u>11,016,618</u>	<u>11,016,618</u>
<u>Parking meter account</u>		
Asset revaluation reserve	<u>29,981</u>	<u>29,981</u>
<u>Asset Revaluation Reserve comprise of :</u>		
Revaluation increment on assets	<u>29,981</u>	<u>29,981</u>

**BA TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**NOTE 10. CAPITAL COMMITMENTS**

Capital commitment as at 31 December 2008 is NIL.

**NOTE 11. CONTINGENT LIABILITIES**

An amount of \$69,818 is held at WBC as a guarantee in respect of FEA for Civic building and Ba Market Complex Building.

**NOTE 12. PRINCIPAL ACTIVITY**

The Ba Town Council was established under the Local Government Act to provide for the health, welfare and convenience of the inhabitants of the Ba Town Municipality and to preserve the amenities or credit thereof.

**NOTE 13. SUBSEQUENT EVENTS**

Since the end of the financial year, the Council is not aware of any matter or circumstance not otherwise dealt with in the report or financial statements that has significantly or may significantly affect the operations of the Council, the results of those operations or state of affairs of the Council in subsequent years.

**NOTE 14. NOTES TO THE STATEMENT OF CASH FLOWS**

<b>(a)</b>			
<b>(i)</b>	<b>Reconciliation of Net Cash provided by Operating Activities to Net Surplus</b>	<b>2008</b>	<b>2007</b>
		<b>\$</b>	<b>\$</b>
	Net surplus/(deficit) for the year - General fund	(230,103)	(513,899)
	Net surplus/(deficit) for the year - Loan rate fund	94,673	65,754
	Depreciation and amortisation	445,008	425,086
	Loss / Gain on Fixed Asset	-	33,239
	Provisions for doubtful Debts	38,000	-
	Net cash provided by operating activities before changes in assets and liabilities	<u>347,578</u>	<u>10,180</u>
	Change in assets and liabilities:		
	Increase in other assets	(196,762)	190,145
	(Decrease)/Increase in other liabilities	(2,798)	(563)
	(Decrease)/Increase in creditors and borrowings	62,696	12,397
	<b>Net cash inflows from operating activities</b>	<b><u>210,714</u></b>	<b><u>212,159</u></b>

**BA TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**NOTES TO THE STATEMENT OF CASH FLOWS (Continued)**

<b>(ii) Cash and Cash Equivalents (Continued)</b>	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Cash on hand and at bank	<u>219,149</u>	<u>586,549</u>
<b>(b) Parking Meter Fund</b>		
<b>(i) Reconciliation of Net Cash provided by Operating Activities to Net Surplus</b>		
Net (deficit)/surplus for the year	(6,013)	(1,837)
Depreciation	<u>4,448</u>	<u>4,484</u>
Net cash provided by operating activities before changes in assets and liabilities	(1,565)	2,647
Change in assets and liabilities:		
(Decrease)/increase in sundry creditors	859	-
Increase/(decrease) in provisions	<u>-</u>	<u>(599)</u>
<b>Net cash inflows from operating activities</b>	<u><b>(706)</b></u>	<u><b>2,048</b></u>
<b>(ii) Cash and Cash Equivalents</b>		

For the purpose of the statement of cash flows, cash comprises of cash on hand and at bank, net of outstanding bank overdraft. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash at bank	<u>16,550</u>	<u>17,203</u>
	<u><b>16,550</b></u>	<u><b>17,203</b></u>