



TAVUA TOWN COUNCIL

Annual Report for the Year Ended 2006



PARLIAMENT OF FIJI

PARLIAMENTARY PAPER NO.132 OF 2020

TAVUA TOWN COUNCIL

ANNUAL REPORT

**Section 19,
Local Govt Act, Cap. 125**

**For the Year Ended
31st December 2006**

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1.0 DIRECTORY

**LOCATION : 6 NABUNA STREET
TAVUA**

**ADDRESS : P O BOX 532
TAVUA, FIJI ISLANDS
PHONE: (679) 6681010
VODAFONE: (679) 9996130
EMAIL: ttc@connect.com.fj**

AUDITORS : AUDITOR GENERAL

**BANKERS : AUSTRALIA AND NEW ZEALAND
BANKING GROUP LTD**

2.0 BACKGROUND

2.1 HISTORY

Tavua was declared a town with effect from 1st May 1992 by the Minister for Housing, Urban Development Hon. Ratu Ovini Bokini (Tui Tavua) under Section 5 (2) of the Local Government Act Cap 125 and an Interim Committee of Tavua Town was appointed to serve for a period of six months with effect from 1st May 1992. The Interim Committee was appointed to set up the administration of the Council and provide the Government of the Town and provide administration of the town within the specified time and handover the administration with the necessary governing tools such as Bylaws, Valuation, etc to the newly constituted Council. The Council was given a grant of \$40,000.00 for the establishment of its administration functions

Raj Deo was appointed as the Town Clerk of Tavua Town Council. When the term of the Interim Committee expired on the 31st October 1992 in accordance with powers conferred upon him by Section 3 of the Local Government Act (Amendment) (No. 1) Decree 1998, the Minister for Housing and Urban Development appointed 11 people to be members of Tavua Town Council for the period of 1st November 1992 until the Local Government Elections were held in 1993.

At the Inaugural Annual General Meeting of the Council in November 1992, election for offices of Mayor and Deputy Mayor was held and Cr. Illiesa Vula was elected as Mayor and Cr. Pravin Singh, Deputy Mayor.

2.2 POPULATION

Tavua Town has 1198 male and 1155 female population. Total population 2353

2.3 ECONOMY OF TAVUA

Tavua's main economy is sugar cane, although the establishment of Tavua township was the result of gold mine in Vatukoula, which is in the interior of Viti Levu but easily accessible from Tavua. A wharf used by the mine, also exists at Vatia a few kilometers near the coast. The wharf is of historical significance as it was used as the main route for transportation from Suva to the western districts before the coastal road was built.

2.4 WEATHER OF TAVUA

Tavua's weather is mostly sunny and less rain throughout the year. From May to September is cool and dry and between October to April is hot and humid.

2.5 MEMBERS OF THE COUNCIL 2006

- Cr. Chandra Singh
- Cr. Shamim Khan
- Cr. Dharendra Singh
- Cr. Satya Prakash Singh
- Cr. Shailesh Kumar
- Cr. Ovini Bokini UqeUqe
- Cr. Nale Ratu Ovini Bokini
- Cr. Pravin Anand
- Cr. Praveen Sharma

2.5.1 ELECTION OF MAYOR AND DEPUTY MAYOR

At the Annual General Meeting of the Council the following Councillors were elected as Mayor and Deputy Mayor respectively for the next ensuring year:

Office of Mayor:	-	Cr. Chandra Singh
Office of Deputy Mayor	-	Cr. Ovini Bokini UqeUqe

2.5.2 APPOINTMENT OF STANDING COMMITTEES

The following standing Committees were appointed by the Council at its Annual General Meeting:

(a) Town Planning, Building, Health and Works

- (i) Cr. Dharendra Singh - Chairman

(b) Environment, Beautification, Parks, & Sports

- (i) Cr. Satya Prakash Singh - Chairman

(c) Finance, Capital Development and General Purpose

- (i) Cr. Pravin Anand - Chairman

(d) Traffic Management

- (i) Cr. Ovini Bokini UqeUqe – Chairman

(e) Market

- (i) Cr. Pravin Sharma – Chairman

2.5.3 MEETINGS OF THE COUNCIL

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

(a)	Ordinary Council Meeting	-	10
(b)	Annual General Meeting	-	1
(c)	Special Council Meeting	-	3
(d)	Finance, Market and General Purpose Committee Meeting	-	10
(e)	Building, Health ad Works Committee Meeting	-	10
(f)	Parks, Gardens and Beautification	-	10
(g)	Traffic Management and Market	-	10

2.6 PRINCIPAL OFFICERS OF THE COUNCIL

The Principal Officers of the Council were:-

Town Clerk/Chief Executive Officer	-	Mr. Pradeep Sharan
Accounts Officer	-	Mr. Renel Ram
Secretary	-	Mrs. Praveen Lata Prakash
Market Master	-	Mr. Peniasi Vauvau
Enforcement Officer	-	Mr. Jone Kuwe Ralulu
Parking Meter Attendant	-	Mr. Navin Prakash Reddy

Council engaged the Health Inspector from Tavua Rural Authority and Ba Town Council for health works in the Tavua Town boundary

2.7 UNESTABLISHED SECTION

Works Section	-	5
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3.0 VISION

The Town of Tavua is dedicated to provide excellent municipal services for our diverse community and visitors; working together to build a sustainable socio-economic environment that is safe, clean and friendly.

3.1 MISSION

"To provide high quality municipal services; working in partnership with our diverse community & stakeholders; engender greater community pride through enabling and empowering; sustainable development and sound environmental management with equity for all"

4.0 HIGHLIGHTS OF YEAR 2006

4.1 Closure of Emperor Gold Mines Ltd

Emperor Gold Mines Ltd shut down its operations on December 2006 and it impacted the economy of Tavua town greatly.

The Council formed an Adhoc Committee to enforce revenue collection.

4.2 Fiji Local Govt Association Meetings

Councillors attended Regional Training of Trainers on Local Elected Leaders course on 27th and 28th October 2006 and also Public Private Partnership Preparedness Workshop.

4.3 Induction Courses

Induction Courses organized by FLGA at Ba Town Council Chambers attended by Councillors.

4.4 Meetings with Tavualevu Village Landowners.

Series of meetings organized between Council and the landowners with the view of acquiring land and relocating Market to the land at the back of the present Market.

4.5 Tavua Heads of Departments Meeting

Town Clerk attended regular HOD's meeting organized by District Officer

4.6 Lobbying and Advocacy of Local Government

Lobbying and Advocacy of Local Government workshop organised by United Cities and Local Govt Organisation was attended by the Councillors.

4.7 Visiting Dignitaries

The New Zealand High Commissioner visited the Council and was hosted by the Mayor and the Councillors.

Minister Local Govt visited Council together with Global Volunteer Network group.

4.8 Clean – Up Fiji Day

Council coordinated Clean up on Fiji Day in town with assistance from Tavua Primary School, Tavua District School, ANZ Bank, Pentecostal Youth, Hospital and Tavualevu Village Youths.

4.9 Revision of National Disaster Plan

Mayor and Councillors attended the workshop organized by Commissioner Western on revision of National Disaster Plan.

5.0

ADMINISTRATION AND FINANCE

5.1 LAND VALUATION AND RATE

The total unimproved capital valuation of land within the municipality was as follows:

Total UCV of Properties	\$9,606,500
Properties Exempted for Rates	\$ 262,000
Total Value of Rateable Properties	\$9,868,500

5.2 RATE LEVY FOR YEAR 2006

<u>RATE</u>	<u>LEVY</u>	<u>UCV</u>	<u>RATE REVENUE</u>
General	\$0.0089c + VAT	\$4,302,300	\$43,077
Special Loan Rate	\$0.004 c + VAT	\$5,096,600	\$22,935
Agricultural	\$0.006c + VAT	\$ 207,600	\$ 1,401
TOTAL		\$9,606,500	\$67,413

5.3 RATE ASSESSMENTS/RATEPAYERS

Total No. of Ratepayers - 247

5.4 RECURRENT REVENUE AND EXPENDITURE

The total recurrent revenue and expenditure of the Council for fiscal year ending December 2006 were as follows:

	<u>RECURRENT REVENUE</u>	<u>RECURRENT EXPENDITURE</u>	<u>SURPLUS (DEFICIT)</u>
General Funds	\$231,940	\$225,163	\$6,777
Special Streetlight	\$ 20,881	\$ 13,424	\$ 7,457
Parking Meter	\$ 14,194	\$20,885	(\$6,691)
TOTAL	\$267,015	\$259,472	\$7,543

5.5 RATES REPORT

The following is a summary of Rates collection for the year:

YEAR	AMOUNT
Collected as at 31/12/04	\$57,279
Collected as at 31/12/05	\$60,621
Collected as at 31/12/2006	\$62,330

6.0 FIRE SERVICES

The Fire Service was provided by the National Fire Authority's, Tavua Station

7.0 PARKS AND RECREATIONAL FACILITIES

7.1 Garvey Park – Stadium

Council continues to provide the needs of the sporting organisation from both rural and urban areas. Revenue is derived from ground fees from:

- ❖ Provisional Rugby Games
- ❖ League Games
- ❖ Hiring of Parks

7.2 Garvey Park

Routine works carried out to keep Garvey Park under OHS standards for all sports events. New Footpath constructed under the pavilion.

7.3 Children's Park

Two Children's park facilities

- Nabuna Street - this park provides playing equipment for the children and is safe and secure.
- Vutu Place – Open space – no playing equipment but used by children to play soccer etc.

8.0 PUBLIC HEALTH ENVIRONMENT

The Council continues to promote the Health Welfare for convenience of the inhabitants of the Municipality within the limits of its resources as required under Public Health and Local Government Act

8.1 Environmental Sanitation

Council made regular inspections of individual premises to identify the existence of Public Health Nuisances and bring about their abatement thereafter.

8.1.1 Licences/Registration of Premises: Under the Public Health Act

Public Health Licence was issued for under mentioned premises for year 2006.

Hotels	1
Restaurants	3
Restaurants and Refreshment Bars	7
Refreshment Bars and Takeaways	3
Restaurants with Liquor	3
Bake Houses	3
Butcher Shops	4
Hair Dressers/Barbar Shops	7
TOTAL	31

8.1.2 Public Health

Listed below are details of summary of inspections carried out within the district to ascertain the sanitary conditions of below mentioned premises:

	<u>INSPECTIONS</u>	<u>REINSPECTIONS</u>	<u>TOTAL</u>
House to House Inspection Of District	40	40	80
Investigation of Complaints, Nuisances etc	70	70	70
New Building sites before approval	2	-	2
New Building Works in Progress	15	-	15
Factories and Workshops	1	1	1
Schools			
Hairdressers, Chiropodists etc			
Food shops, Food stores, Markets	52		52
Eating Houses and Ice-cream Premises			
Bakehouses			
Butcher Shops			
Church	15		15
Sanitary			
Hotels			
Business Houses			
Vacant Lots			
<u>TOTAL</u>	200	116	167

8.1.3 Summary of Sanitary Improvements

<u>ITEMS</u>	<u>ORDERED</u>	<u>COMPLETED</u>
Repairing of Buildings		
Improvements to Lighting and Ventilation of Buildings		
Removal of Unauthorised Erections		
Provision of Garbage Tins		
Filling of Unsanitary Privies		
Repairing or cleansing of bathroom or washing Place		
New Kitchens		
Repairing or cleansing of Kitchens		
Provision of drains		
Repairing or Cleansing of Drains	54	54
Removal of accumulations of refuse etc	43	43
Clearing of overgrowth of grass	2	2
Abatement of nuisances from animals or Poultry	1	1
Abatement of mosquito breeding		
Cleansing of food premises		
Structural Improvements to Food Premises		
Cleansing of Food Vehicles		
Cleansing or improvement of hairdressers premises		
Improvement of Schools		
Bailing of Septic Tank		
Abatement of Noise Nuisance		
Impounding of Stray Cattle		
Provision of Garbage Tins		
Closing Order		
Public Health Nuisance	8	8
TOTAL	108	108

8.1.4 Written Notices Served For Existence of Sanitary Conditions of Premises Mentioned in Table

Intimation Notice Served	-	119
Statutory Notices Served	-	40

8.1.5 Litter Prevention

The Council continues to embark on educational programs to create awareness amongst the community at large by sending circulars and installing billboards within the municipality. Further necessary enforcement by way of booking was undertaken.

8.1.6 Garbage/Refuse Collection and Disposal

Normal domestic garbage collected by the Contractor three days a week. Commercial and Industrial waste collection and disposal continued to be the responsibility of the people involved.

A total of 156 loads of refuse were collected and disposed at the Vatukoula dump. The Council continues to use the dump at Vatukoula which is owned and maintained by Emperor Gold Mining Co Ltd upon payment of a fee of \$787.50 per month for disposing refuse.

8.1.7 Regular Monthly

Clean up campaign was undertaken and such service was provided on last Tuesday's of each month. Total loads of refuse collected – 93

8.1.8 Public Convenience

The public toilet has been maintained regularly. The Public convenience is subject to vandalism. Council continues to repair and maintain it up to standard. Regularly cleaned using disinfectants.

8.1.9 Mosquito Control

All potential breeding grounds were inspected and abated. Further mosquito spraying was undertaken as and when required.

8.20 Dog Trapping Exercise

The Dog Trapping exercise is carried out by Council half yearly or upon request by Ratepayers.

9.0 TOWN PLANNING AND BUILDING

The Town Planning and Building Section were under the control of the Council's Building Surveyor who is also the Town Clerk/Chief Executive Officer.

9.1 Building Statistics

9.1.1 Building Applications Received for Consideration

<u>TYPE OF DEVELOPMENT</u>	<u>NUMBER</u>	<u>VALUE</u>
Commercial Buildings/Extension	5	\$195,000
Residential	4	\$56,000
Miscellaneous Works	6	\$135,632
TOTAL	15	\$386,632

9.1.2 Building Applications Approved

<u>TYPE OF DEVELOPMENT</u>	<u>NUMBER</u>	<u>VALUE</u>
Commercial Extension	3	\$100,000
Residential	4	\$ 56,000
Miscellaneous Works	5	\$75,632
TOTAL	13	\$231,632

9.1.3 Completion Certificate Issued - Nil

<u>TYPE OF DEVELOPMENT</u>	<u>NUMBER</u>	<u>VALUE</u>
New Dwelling	-	-
Commercial	-	-
<u>TOTAL</u>	-	-

9.1.4 Building Permit Fees

The total revenue for issuance of building permit was \$1,229 VEP.

10.0 MARKET

The Market was under the management of a Market Master.

10.1 Revenue

Breakdown of revenue received from Market is as follows.

SOURCE	2006 VEP
Market Stall Fees	\$89,746.38
Fish Market Fees	\$ 3,062.74
Lockup Shop Rental	\$ 12,489.11
TOTAL	\$105,298

10.2 Market Washing

Regular Market washing carried out during the year by our workforce with a view to maintain the Market in clean condition.

11.0 BUSINESS LICENSING

The Council is the Licensing Authority under Business Licensing Act, Cap 204 and businesses were issued with Licenses to operate. Total Business Licence fee collected for year 2006 is **\$37,757**

12.00 WORKS ON CONTRACT AND MAINTENANCE OF COUNCIL PROPERTIES

12.01 Removal of Household Garbage

Contractor	:	Mr. Sharda Nand Sharma
Address	:	Rabulu, Tavua
Annual Contract Price	:	\$16,800.00

12.02 Grass Cutting and Drain Cleaning

Contractor	:	Goldtown Cleaning Services
Address	:	Tavua Town
Contract Price	:	\$1,100.00 per round

12.03 Maintenance of Roads and Road Reserves

- (i) Maintenance and rebuilding part of Market circular road carried out.
- (ii) Tavualevu Village Drainage project funded by Canadian Government. Canadian Govt gave \$30,000 for maintenance and dredging of Tavualevu Village Drain. Engineering services provided by Lautoka City Council Engineer.
- (iii) Council properties regularly inspected with a view to up keeping maintenance works undertaken where necessary.

13.0 PARKING METERS

As part of traffic management and control Parking Meters were maintained in working order. Council had taken loan in 2004 to install parking meters.

Total meters in operation	-	70
Total revenue collected during the year	-	\$14,194
Total Expenditure for the year	-	\$20,885

The expenditure includes loan repayments for the year.

14. CONCLUSION

The Council was able to fulfill its duties and obligations as required of it under Sec 88 of Local Government Act. Further service delivery was maintained to a reputable level in particular emphasis was made on efficiency and cost effectiveness.

Further I wish to endorse my appreciation and gratitude for support and cooperation rendered by dynamic Councillors, Ministry of Local Government and other government and non-Government Departments, Sister Councils and at large the Ratepayers and Citizens of Tavua.

Lastly the Council wishes to acknowledge the dedicated services rendered by its CEO, Staff and Workforce.

Data .

.....
for MR PRADEEP SHARAN
CHIEF EXECUTIVE OFFICER

***Audit Report of
Tavua Town Council
For The Year Ended
31st December, 2006***

REPUBLIC OF THE FIJI ISLANDS
OFFICE OF THE AUDITOR GENERAL



8th Floor Ratu Sukuna House
MacArthur Street
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Suva, Fiji Islands



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ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

File: 987/1

31 March 2008

Cr. Chandra Singh
The Mayor
Tavua Town Council
PO Box 532
TAVUA

AUDIT OF TAVUA TOWN COUNCIL FOR THE YEAR ENDED
31 DECEMBER 2006

Two copies of the financial statements for the year ending 31 December 2006 together with the audit reports on them are enclosed. A copy of the audit report is being sent to the Minister for Local Government and Urban Development in accordance with section 53 of the Local Government Act.

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

Yours sincerely

Eroni Vatuloka
AUDITOR GENERAL

cc. Minister for Local Government and Urban Development.

Encl.

TAVUA TOWN COUNCIL
AUDITED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2006

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ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

File: 987/1

TAVUA TOWN COUNCIL
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006

INDEPENDENT AUDIT REPORT

Scope

I have audited the financial statements of the Tavua Town Council for the year ended 31 December 2006 in accordance with the provisions of the Local Government Act and section 13 of the Audit Act. The Tavua 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 was 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. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are fairly stated in accordance with statutory requirements so as to present a view which is consistent with my understanding of the Council's financial position, the results of its operations.


Qualification

1) The Statement of Revenue and Expenditure of the council at 31 December 2006 has been prepared using the cash basis of accounting and does not take into account revenues not received and expenditures not paid at balance date. Similarly, the Statement of Financial Position does not incorporate debtors, non-current assets, prepayments, creditors and accruals and is therefore a limited statement of financial position. This basis of accounting is not in accordance with section 57(1) of the Local Government Act.

2) Separate accounting records and bank accounts were not maintained by the Council for Parking Meter Fund Account. All monies collected and payments relating to Parking Meter Fund Account were made through General Fund bank account, contrary to sections 47 (2) and 59 (3) of the Local Government Act.

Qualified Audit Opinion

In my opinion, except for the effects on the financial statements of the matters referred to in the qualification paragraph, the financial statements present fairly the financial position of the council as at 31 December 2006 and the result of its operations for the year then ended.


Eroni Vatuloka
AUDITOR GENERAL

Suva, Fiji
3 April 2008



**TAVUA TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF FINANCIAL POSITION**

	NOTES	2006 \$	2005 \$
FUNDS EMPLOYED WERE REPRESENTED BY :			
Current Assets			
Cash on hand and at bank	3	65,597	51,931
Refundable deposits		5,016	5,016
TOTAL NET ASSETS		<u>70,613</u>	<u>56,947</u>
NATURE & SOURCE OF FUNDS EMPLOYED			
Current Liabilities			
VAT Payable	4	2,195	2,763
Accumulated funds	5	68,418	54,184
TOTAL FUNDS EMPLOYED		<u>70,613</u>	<u>56,947</u>

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 9 to 11.

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 Tavua Town Council's operations for the year ended 31 December 2006 and of the state of affairs and cash flows as at that date.

.....
Mayor
Cr. Chandra Singh

.....
for Town Clerk/CEO
Mrs. Praveen L Prakash

Date

**TAVUA TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF REVENUE AND EXPENDITURE**

	NOTES	2006 \$	2005 \$
The Revenue for the year was derived from			
General rates	6	41,449	39,895
Interest on overdue rates		580	2,340
Fees and Charges			
Business licence		37,757	37,328
Building fees		1,229	1,401
Bus stand charges		1,405	3,538
Taxi and carrier stand charges		6,435	5,555
Market fees		105,298	109,997
Children's park and ground fees		21,955	16,999
Drua booth rentals		600	600
Canteen Rental		1,078	-
Other Revenue			
Grant - Gold Town Carnival		6,993	13,505
Miscellaneous		6,758	6,410
Refundable deposits		403	1,040
Total Revenue		<u>231,940</u>	<u>238,608</u>
The Expenditure for the year was incurred on			
Recurrent			
Administration		101,901	97,453
Health services		81,033	86,633
Parks and gardens		26,110	19,348
Market		15,356	17,984
Other		553	830
Capital			
Garvey Park stadium		-	5,203
Market & public convenience renovations/extensions and litter bins		-	24,056
Plant and machinery		-	119
Others		210	4,702
Total expenditure		<u>225,163</u>	<u>256,328</u>
Net Surplus/(Deficit) for the year was		6,777	(17,720)
(Deficit) Balance at 1 January was		<u>(18,634)</u>	<u>(914)</u>
Leaving a (Deficit) Balance at 31 December of 2006	5	<u>(11,857)</u>	<u>(18,634)</u>

**TAVUA TOWN COUNCIL
SPECIAL FUND ACCOUNT
STATEMENT OF REVENUE AND EXPENDITURE**

	NOTES	2006 \$	2005 \$
The Revenue for the year was derived from			
Special loan rate	6	20,881	20,726
Total Revenue		<u>20,881</u>	<u>20,726</u>
The expenditure for the year was incurred on			
Street light charges		9,155	7,927
Installation of new street lights		-	2,778
Maintenance of street lights		<u>4,269</u>	<u>5,475</u>
Total Expenditure		<u>13,424</u>	<u>16,180</u>
Net Surplus for the year was		7,457	4,546
Surplus Balance at 1 January was		<u>72,818</u>	<u>68,272</u>
Leaving a Surplus Balance at 31 December of 2006	5	<u>80,275</u>	<u>72,818</u>

**TAVUA TOWN COUNCIL
PARKING METER ACCOUNT
STATEMENT OF FINANCIAL POSITION**

	NOTES	2006	2005
FUNDS EMPLOYED WERE REPRESENTED BY :			
Current Asset			
Cash at bank	3	5,596	12,287
Non Current Asset			
Property, Plant and Equipment	7	17,941	28,375
TOTAL NET ASSETS/(DEFICIT)		<u>23,537</u>	<u>40,662</u>
NATURE & SOURCE OF FUNDS EMPLOYED			
Loan funds less repayment	11	33,423	43,857
Accumulated funds		<u>(9,886)</u>	<u>(3,195)</u>
TOTAL FUNDS EMPLOYED		<u>23,537</u>	<u>40,662</u>

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 9 to 11.

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 Tavua Town Council's operations for the year ended 31 December 2006 and of the state of affairs and cash flows as at that date.

.....
Mayor
Cr Chandra Singh

.....
for Town Clerk/CEO
Mrs. Praveen L Prakash

Date

**TAVUA TOWN COUNCIL
PARKING METER FUND
STATEMENT OF REVENUE AND EXPENDITURE**

	NOTES	2006 \$	2005 \$
NATURE AND SOURCES OF FUNDS EMPLOYED			
The revenue for the year was derived from			
Toll fees		11,083	10,425
Fines		3,111	2,454
Total Revenue		<u>14,194</u>	<u>12,879</u>
The expenditure for the year was incurred on			
Salary		4,515	4,053
FNPF		787	793
Uniform Boots		129	138
Parking Meter Expenses		494	283
Parking Meter Repair & Maintenance		916	823
Stationery		124	163
Repayment		10,554	4,371
Interest on Loan		3,366	3,889
Total Expenditure		<u>20,885</u>	<u>14,513</u>
Net (Deficit) for the year was		(6,691)	(1,634)
(Deficit) Balance at 1 January was		<u>(3,195)</u>	<u>(1,561)</u>
NET FUNDS EMPLOYED		<u>(9,886)</u>	<u>(3,195)</u>

TAVUA TOWN COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Year Ended 31 December 2006

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by the Council are stated to assist in a general understanding of these financial statements. The accounting policies adopted are consistent with those of the previous year except as stated otherwise:

a) Basis of preparation of the financial statements

The financial statements have been prepared on cash basis.

b) Property, Plant and Equipment

The Council has adopted the policy of charging to income the full cost of assets at the time of acquisition except projects financed from loan funds which are capitalized as expenditure is incurred and are written down in value by the actual amount of principal repaid annually over the period of the loan.

2. Arrears of Revenue

As the accounts are kept on a cash basis the arrears of the rates and the interest, garbage fees and the other revenue at the end of the year not reflected in the financial statements were:

	2006 \$	2005 \$
Rates and interest	40,868	19,817
Other charges	86,714	85,618
	<u>127,582</u>	<u>105,435</u>
3 Cash on Hand and at Bank	\$	\$
Cash at bank - General Fund Account	65,547	51,881
Cash on Hand	50	50
	<u>65,597</u>	<u>51,931</u>
Cash at bank - Parking Meter Account	5,596	12,287
	<u>71,193</u>	<u>64,218</u>
4 Current Liabilities		
VAT Payable	<u>2,195</u>	<u>2,763</u>

TAVUA TOWN COUNCIL
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Year Ended 31 December 2006

	2006	2005
5 Accumulated Funds	\$	\$
	\$	\$
General Fund	(11,857)	(18,634)
Special Fund	80,275	72,818
	<u>68,418</u>	<u>54,184</u>

6 Rates

The Council with effect from 1 January 2003 has struck General and Special rates at 0.0089 cents and 0.004 cents in the dollar on Unimproved Capital value respectively.

7 Property, Plant and Equipment (Financed from Loan Funds)

Loan amount utilized	28,375	32,626
Bank fee Capitalised	120	120
	<u>28,495</u>	<u>32,746</u>

Less: Written down value of assets

Representing Actual Principal paid	10,554	4,371
	<u>17,941</u>	<u>28,375</u>

8. Discount on Rates

The Council by resolution did not grant any discount on rates. The reason being that revaluation of all rateable properties had been carried out in year 2001. However rates were levied on the old valuation. The Council had to pay a considerable amount for the revaluation exercise.

9. CAPITAL COMMITMENTS at balance date - Nil (2005: Nil)

10. CONTINGENT LIABILITIES at balance date - Nil (2005: Nil).

TAVUA TOWN COUNCIL
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(continued)
Year Ended 31 December 2006

11 LOAN FUNDS - PARKING METER FUND

Loans raised by the Council bear interest charges of 8.45% per annum and is repayable over the period of 10 years. Loan is raised under the provision of the Local Government Act and are secured on the assets of the Council, Undertakings and Uncalled Capital.

Details of Loan Outstanding is as follows:

	Parking Meter Fund	
	2006	2005
Loan taken from Colonial Bank	43,857	48,108
Add: Bank fee capitalized	120	120
Interest capitalized	3,366	3,889
	47,343	52,117
less: Repayment	(13,920)	(8,260)
	<u>33,423</u>	<u>43,857</u>