



STANDING COMMITTEE ON PUBLIC ACCOUNTS

Review of the Audit Report on Provincial Councils - Volume 3



PARLIAMENT OF THE REPUBLIC OF FIJI
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CHAIRPERSON'S FOREWORD



I am pleased to present the Public Accounts Standing Committee report on the Provincial Councils, Volume 3. The report contains the results of the audit conducted by the Office of the Auditor General on Provincial Councils Volume 3 for the period 2006 – 2010.

The Provincial Councils ('Council') are established under Section 7 of the Itaukei Affairs Act 1944 and Section 3 of the iTaukei Affairs (Provincial Council) Regulation 1996. Each Provincial Council is a body corporate.

The functions of the Councils are:

- To formulate and implement policies for promoting the health, peace, order, welfare and good government of iTaukei residing in the Province;
- To formulate and implement policies for promoting the economic, cultural and social developments of the Province; and
- To carry out such other duties and functions, which the Minister for iTaukei Affairs or the Board may see fit to delegate to the Council.

The operations of the Councils are funded by the Government subventions disbursed through the Ministry of iTaukei Affairs and the iTaukei Affairs Board. Other operational costs not covered by Government Subvention are funded through the collection, on communal basis, of provincial rates.

There are 14 Provincial Councils which the Auditor General has the mandate to audit under Section 33 of the iTaukei Affairs (Provincial Councils) Regulation 1996. This report contains the audited financial statements for the 14 Provincial Councils for the years ranging from 2006 – 2010, namely:

1. Ba (2008 – 2010);
2. Bua (2008 – 2010);
3. Cakaudrove (2008 – 2010);
4. Kadavu (2008 – 2010);
5. Lau (2008 – 2010);
6. Lomaiviti (2006 – 2010);
7. Macuata (2008 – 2010);
8. Nadroga/Navosa (2008 – 2010);
9. Naitasiri (2008 – 2010);
10. Namosi (2008 – 2010);
11. Ra (2008 – 2010);
12. Rewa (2008 – 2010);
13. Serua (2008 – 2010); and
14. Tailevu (2008 – 2010);

The Office of the Auditor General confirmed that the 14 Provincial Councils are in backlog by 9 years or more and this was due to the non-submissions of annual financial statements to the Auditor General for

audit. The legislated date for the submission of draft financial statements to the Audit Office is 1 April, every year.

Also noted that out of the **151 draft financial statements** received by the Auditor General, the audits of **123 financial statements for the 14 Provincial Councils have been completed** and the remaining **28 financial statements will be audited from April 2020**. From the **123 financial statements that have been audited**, the results of the audits for 79 financial statements have already been reported in Volumes 1 and 2.

The Committee noted that the Provincials Councils in consultation with the Office of the Auditor General have put in place strategies to resolve audit issues that were raised and as well as the backlog of audits.

The Public Accounts Committee strongly encourages the 14 Provincial Councils to implement the following recommendations as a matter of priority.

- 1. The ITAB Head of Finance should strengthen its monitoring on the 14 Provincial Councils for the timely closing of accounts and submission of Financial Statements to the Office of the General for audit. There should be a clear SOP in place to address this issue and ensure continuous scrutiny by Management;**
- 2. The ITAB internal audit team to work with the Office of the Auditor General on a bi-annual basis to ensure that it completes and submits the financial statements on time for audit as well as for tabling at the Provincial Council meetings;**
- 3. In accordance with the Itaukei Affairs Act 1944, Itaukei Affairs (Provincial Councils) Regulation 1996 and the Audit Act 1969, the ITAB designs an Accounting Manual for the 14 Provincial Councils to comply with proper accounting procedures as stipulated under the FMA 2004, Finance Instruction 2010 and the Procurement Regulation 2010;**
- 4. The Committee recommends that the Provincial Councils formulate strategic plans and corporate plans including risk management plans for effective governance;**
- 5. The iTaukei Affairs Board ('ITAB') to improve its filing system and migrate to e-records documentations to avoid missing records and better management of the Councils Assets;**
- 6. All appointments be carried out according to the Open Merit Recruitment System ('OMRS') to ensure that qualified personnel are recruited and selected;**
- 7. In terms of Internal Controls (refer. page 94 of the Audit Report), all Staff are required to implement the trainings learnt to strengthen the processes in the workplace;**
- 8. The ITAB should ensure that a Succession Plan is in place for certain critical positions within the organisation for the continuity of day to day operations;**
- 9. Promote mechanisms for raising capacity for effective Climate Change related planning and management in provinces, focusing on vulnerable communities in line with SDG 13 (b);**

10. Encourage women and youth participation in Provincial Councils; and

11. The responses provided by the Auditor-General and the Committee should ensure that the Provincial Councils are implementing the recommendations.

Overall, I would like to thank the Chief Executive Officer for iTaukei Affairs Board (TAB) on its efforts in trying to improve its systems and processes with the Councils to address those audit issues. Also commend the work of the Office of the Auditor General in trying to complete its audit on all backlogs and the technical support provided in terms of clarifications on audit issues that were reported.

I also wish to extend my appreciation to all the Honourable Members of the Committee for their valuable contribution in the successful compilation of this bipartisan report, namely Hon. Joseph Nand (Deputy Chairperson), Hon. Virendra Lal, Hon. Ro Teimumu Kepa and Hon. Aseri Radrodro. Additionally, pursuant to Standing Order 115 (5), Hon. Mikaele Leawere who stood in as alternate Member to Hon. Aseri Radrodro.

On behalf of the Committee, I also extend my appreciation to the Secretariat Staff for their timely support in the preparation of this report.



Hon. Alvick Avhikrit Maharaj
Chairperson

COMMITTEE MEMBERS



**Hon. Alvick Avhikrit Maharaj
(Chairperson)**



**Hon. Joseph Nitya Nand
(Deputy Chairperson)**



**Hon. Aseri Masivou Radrodro
(Opposition Member)**



**Hon. Ro Teimumu Kepa
(Opposition Member)**



**Hon. Virendra Lal
(Government Member)**

INTRODUCTION

The Audit Report on Provincial Councils Volume 3 was tabled in Parliament during the May 2020 Parliament sitting and referred to the Standing Committee on Public Accounts, for its scrutiny.

Standing Order 109 (2) (d) allows Standing Committee on Public Accounts to examine the accounts of the Government of the Republic of Fiji in respect of each financial year and reports of the Auditor-General, and for any other matter relating to the expenditures of the Government of the Republic of Fiji or any related body or activity (whether directly or indirectly) that the committee sees fit to review.

Standing Order 110 (1) (c) authorises the Standing Committee to *scrutinise the government departments with responsibility within the committee's subject area, including by investigating, inquiring into, and making recommendations relating to any aspect of such a department's administration, legislation or proposed legislative program, budget, rationalisation, restructuring, functioning, organisation, structure and policy formulation.*"

COMMITTEE PROCEDURE

The Committee conducted each meeting on virtual platform to review the Audit Report. The Committee sought formal clarifications from the Office of the Auditor General regarding updates on audit issues and the audit recommendations. The Itaukei Affairs was also requested to provide their responses on issues that were raised in the audit report.

Due to the COVID 19 restrictions, it is important to note that the usual face to face Committee proceedings with Ministries and Departments were not followed according to the Standing Orders 112 (1) (e). The fourteen (14) Provincial Councils through the Itaukei Affairs Board were requested instead to provide written responses on audit issues that were identified in the Provincial Councils, Volume 3.

COMMITTEE MEMBERS

The substantive members of the Standing Committee on Public Accounts are:

1. Hon. Alvick Avhikrit Maharaj, MP (Chairperson)
2. Hon. Joseph Nitya Nand, MP (Deputy Chairperson)
3. Hon. Virendra Lal, MP (Member)
4. Hon. Ro Teimumu Kepa, MP (Member)
5. Hon. Aseri Masivou Radrodro, MP (Member)

During a Committee meeting, the following membership arose pursuant to Standing Order 115(5):

1. Hon. Mikaele Leawere (Alternate Member for Hon. Aseri Masivou Radrodro)

BACKGROUND

This PAC Report looks at the Report of the Auditor General – Provincial Councils Volume 3 Parliamentary Paper No. 43 of 2020.

The audit of Provincial Councils has been extensively delayed and is due primarily to the non-submission of financial statements annually to the Auditor General. The audits of Provincial Councils are now behind by nine (9) years compared to 19 years when the audit of accounts in back log commenced.

This report includes the analysis on the audit results of 44 financial statements for the 14 Provincial Councils are as follows:

Provincial Council	Year
1. Ba	2008 - 2010
2. Bua	2008 - 2010
3. Cakaudrove	2008 - 2010
4. Kadavu	2008 - 2010
5. Lau	2008 - 2010
6. Lomaiviti	2006 - 2010
7. Macuata	2008 - 2010
8. Nadroga/Navosa	2008 - 2010
9. Naitasiri	2008 - 2010
10. Namosi	2008 - 2010
11. Ra	2008 - 2010
12. Rewa	2008 - 2010
13. Serua	2008 - 2010
14. Tailevu	2008 - 2010

Financial Reporting

The overall quality of financial reporting has been assessed as ineffective and requiring improvements:

- The Auditor General issued modified (Disclaimer of Opinion) audit opinions on all 44 financial statements audited.
- The Auditor General reported to the iTaukei Affairs Board 208 significant matters concerning material accounting issues and deficiencies in internal controls, most of which were recurring issues also highlighted in volumes 1 and 2.

The audit opinions were disclaimed due to the following major reasons:

- Limitation of scope- the audit was unable to obtain sufficient appropriate audit evidence to substantiate major components of the financial statements. The absence of accounting and other records created significant limitations on the scope of the audits and restricted the performing of necessary audit procedures. The limitations were pervasive and material to understanding the financial information disclosed in the financial statements.
- Non-compliance with the disclosure requirements of the financial reporting framework used in the preparation and presentations of the financial statements for the Provincial Councils.
- Due to the nature of transactions inherent in the collection of provincial rates, it was not practical to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils or provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates was fairly stated in the financial statements.
- Significant breakdowns in financial internal controls affected the reliability of financial reporting of the Provincial Councils.

Internal Controls

The internal controls for the fourteen (14) Provincial Councils have been assessed as ineffective. The common internal control weaknesses related to the following main areas:

- Cash management;

- Journals and Reconciliations;
- Purchases and Payments; and
- Payroll

KEY FINDINGS

1. Submission of financial statements for audit

- The auditor general noted significant delays in the submission of draft financial statements for audit. Lack of capacity has been identified as a contributing factor to preparing appropriate, timely and accurate draft financial statements.
- The Committee was informed of the following reasons for the delay in the submission of draft financial statements:
 - i) The non-submission of draft financial statements since 1999.
 - ii) The then Management of TAB failed to make timely submission of the financial statements which has resulted in the audit backlog.
 - iii) The current TAB management has put in some strategies which has resulted in the reduction of audit backlog from 19 years to now 9 years. Targets have been set to clear this backlog in this financial year.
- The strategies in place includes:
 - i) Periodic review of Business Process and Standard Operations Procedures (SOPs). This covers Revenue and Payment cycles, reconciliations, and other accounting processes including internal controls.
 - ii) Improvements made in the filing system
 - iii) Quality Assurance checks conducted on financial returns and queries flagged for immediate actions
 - iv) In house spot checks conducted
 - v) Purchase of an integrated financial system
 - vi) Setup of a special taskforce to focus on the backlog
 - vii) Provincial treasurers KPIs have been set to clear backlog tasks and ensure timely submission for financial statements going forward

2. Audit Opinion- Disclaimer of Opinion

- The Auditor General issued modified (Disclaimer of Opinion) audit opinions on all 44 financial statements audited. It was reported to the iTaukei Affairs Board 208 significant matters concerning material accounting issues and deficiencies in internal controls, most of which were recurring issues also highlighted in volumes 1 and 2.
- The Committee was informed that the impact of unsubstantiated balances brought forward from previous years have been seriously considered as these are affecting the effectiveness of reporting. Following the submission of 2012 financial statements to OAG for audit, a cut-off period will be set in 2013 financial year. This will await the final decision from the TAB board.

3. Records Management

- Audit noted that the records management for the Provincial Councils were generally poor resulting in missing financial and related records to support most of the balances reflected in the financial statements.
- The Committee was informed that the following actions were taken to improve the records management:

- i) Filling systems have been improved
- ii) Locked cabinets and 20ft container was purchased to store records awaiting the audit conduct
- iii) Regular checks are carried out.
- iv) Employees have also been sent for Records Management trainings.

4. Auditor General's Recommendations

- The Auditor General highlighted nine (9) high level recommendations in the report.
- The update on the implementations of the recommendations are as follows:
 - i) TAB has developed a 5 year Strategic Development Plan, Annual Operations and Business Plan.
 - ii) The Monitoring and Evaluation unit has been established to monitor achievements against these plans and provide monthly reports to Management.
 - iii) Both qualitative and quantitative rating systems have been introduced to ensure quality and fair reporting.
 - iv) The Internal audit function has been strengthened to zoom in on audit and compliance issues.
 - v) Operations Manual was also developed and communicated to the 14 Provincial offices to guide offices in their daily work.
 - vi) In addition, TAB has established a Governance Unit that will harness the identified process gaps and deficiencies. The unit will work closely with the TAB Audit sub-committee with extended scope on risk management. Governance aspects of Provincial, Tikina and Village Councils forums have been strengthened through the development and implementation of the Council Members Guide, and Terms of Reference of Sub-committees.
 - vii) In 2019 an asset valuation was carried out on all Provincial Councils' assets. The Valuation Reports have been distributed to the Provincial Councils.
 - viii) The iTaukei Affairs Board has also set up a Commercial Unit that will explore economic empowerment opportunities, provide free financial advisory roles and organize financial literacy trainings for the iTaukei communities including the Provincial Companies.

5. Confirmations for Investment with Provincial Companies

- Audit noted that the Provincial Councils hold various investments with the Provincial Companies. For 8 of the 14 Provincial Councils audited, investment confirmations were not provided by the Provincial Companies as such the audits were unable to determine the authenticity of the investments.
- The Committee was informed that the Provincial Companies were set up to financially assist Provincial Councils (in the form of returns on investments) fund its operations as well as assist in addressing development needs in the Province. While it must be noted that not all Provincial Companies are owned by the Provincial Councils through share ownership, over the years, the operations of the Provincial Companies have deviated from set-up intent resulting in non-remittance of dividend to the Provincial Councils and loss of management control. At present, this has become one of the exciting challenges at TAB, and the team will continue to strengthen collaboration, oversight and feasible interventions to ensure strategic realignment and viable operations for Provincial Companies.

COMMITTEE RECOMMENDATIONS

Given the seriousness of the OAG findings and the complexity of the issues revealed in the operations and management of the 14 Provincial Councils, namely:

1. Ba (2008 – 2010);
2. Bua (2008 – 2010);
3. Cakaudrove (2008 – 2010);
4. Kadavu (2008 – 2010);
5. Lau (2008 – 2010);
6. Lomaiviti (2006 – 2010);
7. Macuata (2008 – 2010);
8. Nadroga/Navosa (2008 – 2010);
9. Naitasiri (2008 – 2010);
10. Namosi (2008 – 2010);
11. Ra (2008 – 2010);
12. Rewa (2008 – 2010);
13. Serua (2008 – 2010);
14. Tailevu (2008 – 2010);

The Committee endorses the Office of the Auditor General's recommendations on the 14 Provincial Councils (PCs) and further recommends that:

- 1. The ITAB Head of Finance should strengthen its monitoring on the 14 Provincial Councils for the timely closing of accounts and submission of Financial Statements to the Office of the General as per the mandated timeline. There should be a clear SOP in place to address this issue and ensure continuous scrutiny by Management;**
- 2. The ITAB internal audit team to work with the Office of the Auditor General on a bi-annual basis to ensure that it completes and submits the financial statements on time for audit as well as for tabling at the Provincial Council meetings;**
- 3. In accordance with the Itaukei Affairs Act 1944, Itaukei Affairs (Provincial Councils) Regulation 1996 and the Audit Act 1969 the ITAB designs an Accounting Manual for the 14 Provincial Councils to comply with proper accounting procedures as stipulated under the FMA 2004, Finance Instruction 2010 and the Procurement Regulation 2010;**
- 4. The Committee recommends that the Provincial Councils formulate strategic plans and corporate plans including risk management plans for effective governance;**

- 5. The iTaukei Affairs Board ('ITAB') to improve its filing system and migrate to e-records documentations to avoid missing records and better management of the Councils Assets;**
- 6. All appointments be carried out according to the Open Merit Recruitment System to ensure that qualified personnel are recruited and selected;**
- 7. In terms of Internal Controls (refer. page 94 of the Audit Report), all Staff are required to implement the trainings learnt to strengthen the processes in the workplace;**
- 8. The ITAB should ensure that a Succession Plan is in place for certain critical positions within the organisation for the continuity of day to day operations;**
- 9. Promote mechanisms for raising capacity for effective Climate Change related planning and management in provinces, focusing on vulnerable communities in line with SDG 13 (b);**
- 10. Encourage women and youth participation in Provincial Councils; and**
- 11. The responses provided by the Auditor-General and the Committee should ensure that the Provincial Councils are implementing the recommendations.**

SUSTAINABLE DEVELOPMENT GOALS

The Committee was informed that relevant 17 SDGs Agenda and Fiji's National Development Plan have been considered and inculcated into each PC's Strategic Plan and Operational Plan in line with the Council's mandated functions as outlined under Section 7 of the iTaukei Affairs Act 1994 and the iTaukei Affairs (Provincial Council) Regulation 1996.

GENDER ANALYSIS

Gender mainstreaming is a critical dimension to parliamentary scrutiny. Pursuant to SO 110 (2) where a committee conducts an activity listed in clause (1), the committee shall ensure that full consideration will be given to the principles of gender equality to ensure all matters are considered with regard to the impact and benefit of both men and women equally.

The ITAB is aware of the importance of gender balance within its workforce however, all recruitments that were conducted for Provincial Councils were based on merit as per the Open Merit Recruitment Process.

CONCLUSION

The Committee is seriously concerned with the **'disclaimer audit opinions'** issued to all the 44 financial statements of the 14 Provincial Councils that were audited. This is a negative reflection on the iTaukei Affairs Board and the respective Provincial Councils.

The Public Accounts Committee strongly encourages the 14 Provincial Councils to implement the recommendations as a matter of priority, as the Committee will monitor and will visit councils in the near future to review the progress of its implementation.

We, the undersigned Members of the Standing Committee on Public Accounts agree with the contents of this report:



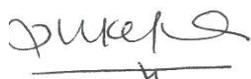
.....
Hon. Alvick Maharaj
(Chairperson)



.....
Hon. Joseph Nand
(Deputy Chairperson)



.....
Hon. Virendra Lal
(Member)



.....
Hon. Ro Teimumu Kepa
(Member)



.....
Hon. Aseri Radrodro
(Member)

APPENDICES

APPENDIX 1:
PUBLIC ACCOUNTS COMMITTEE QUESTIONS

PUBLIC ACCOUNTS COMMITTEE

QUESTIONS

1. Delays in submissions of draft financial statements by the Provincial Councils for audit is not uncommon and have been the trend from previous years. Why? And what resolutions have been identified for the long term?
2. The Auditor General issued “Disclaimer of Opinions” on all financial statements reported which will impact on subsequent financial statements. Have the iTAB and the Provincial Councils considered this? How will the iTAB and the Provincial Councils resolve this?
3. Balances reflected in the financial statements were not able to be substantiated because accounting and other related records were not available or have been misplaced, what have iTAB and the Provincial Councils done to improve records management?
4. The Auditor General made 9 significant high level recommendations in the report. Provide an update on the implementations of these recommendations?
5. Please provide a list of Provincial Councils with its registered Provincial Companies if any or has a Commercial arm which is registered under the Council. Also outlined the allocation of shares for those Provincial companies and if it is still in existence? How is the return of investment determined and how is the return from Fijian Holdings on Class B Shares determined?
6. Advise whether the OAG recommendations and the Committee Recommendations are filtered right through to Provincial Councils level? If not, why not?

APPENDIX 2:
**iTAUKEI AFFAIRS BOARD WRITTEN
RESPONSE TO THE COMMITTEE**



“A Transformed iTaukei Family for a Better Fiji”

TTFB Complex, Queen Elizabeth Drive, Suva | P.O.Box 2100, Government Building Suva
Telephone: 773 0909 | Facsimile: 330 5115 | Email: tab@govnet.gov.fj

Date: 14.09.2020

RESPONSE TO THE PUBLIC ACCOUNTS COMMITTEE

REPORT OF THE AUDITOR GENERAL ON PROVINCIAL COUNCILS – VOLUME 3

PUBLIC ACCOUNTS COMMITTEE

QUESTIONS

Questions

1. Delays in submissions of draft financial statements by the Provincial Councils for audit is not uncommon and have been the trend from previous years. Why? And what resolutions have been identified for the long term?

Responses

Reasons:

- Delay in the submission of draft financial statements was primarily due to the non-submission of financial statements since 1999.
- The then Management of TAB failed to make timely submissions of the financial statements which has resulted in the audit backlog. Perhaps the Honorable Member Adi Litia Qionibaravi in her capacity as the former CEO of iTaukei Affairs Board could elucidate on the fold.
- The current TAB Management has put in some strategies which has resulted in the reduction of audit backlog from 19 years to now 9 years. Targets have been set to clear this backlog in this financial year.

Strategies in place include:

- Periodic review of Business Process and Standard Operations Procedures (SOPs). This covers Revenue and Payment cycles, reconciliations, and other accounting processes including internal controls.
- Improvements made in the filing system
- Quality Assurance checks conducted on financial returns and queries flagged for immediate actions

	<ul style="list-style-type: none"> - In-house spot-checks conducted - Purchase of an integrated financial system - Set up of a Special Taskforce to focus on the backlog - Provincial Treasurers KPIs have been set to clear backlog tasks and ensure timely submission of Financial Statements going forward 	
<p>2. The Auditor General issued “Disclaimer of Opinions” on all financial statements reported which will impact on subsequent financial statements. Have the iTAB and the Provincial Councils considered this? How will the iTAB and the Provincial Councils resolve this?</p>	<p>The impact of unsubstantiated balances brought forward from previous years have been seriously considered as these are affecting the effectiveness of reporting. Following the submission of 2012 Financial statements to OAG for audit, a cut-off period will be set in 2013 financial year. This will await the final decision from the TAB board.</p>	
<p>3. Balances reflected in the financial statements were not able to be substantiated because accounting and other related records were not available or have been misplaced, what have iTAB and the Provincial Councils done to improve records management?</p>	<ul style="list-style-type: none"> - Filing systems have been improved - Locked cabinets and 20ft container was purchased to store records awaiting the audit conduct - Regular checks are carried out. - Employees have also been sent for Records Management trainings. 	
<p>4. The Auditor General made 9 significant high level recommendations in the report. Provide an update on the</p>	<p>TAB has developed a 5 year Strategic Development Plan, Annual costed Operations and Business Plan. The Monitoring and Evaluation unit has been established to monitor achievements against these plans and provide monthly reports to Management. Both qualitative and quantitative rating systems have been introduced to ensure quality and fair reporting. The Internal audit function</p>	

<p>implementations of these recommendations?</p>	<p>has been strengthened to zoom in on audit and compliance issues. Operations Manual was also developed and communicated to the 14 Provincial offices to guide offices in their daily work. In addition, TAB has established a Governance Unit that will harness the identified process gaps and deficiencies. The unit will work closely with the TAB Audit sub-committee with extended scope on risk management. Governance aspects of Provincial, Tikina and Village Councils forums have been strengthened through the development and implementation of the Council Members Guide, and Terms of Reference of Sub-committees. In 2019 an asset valuation was carried out on all Provincial Councils' assets. The Valuation Reports have been distributed to the Provincial Councils. The iTaukei Affairs Board has also set up a Commercial Unit that will explore economic empowerment opportunities, provide free financial advisory roles and organize financial literacy trainings for the iTaukei communities including the Provincial Companies.</p>	
<p>5. Please provide a list of Provincial Councils with its registered Provincial Companies if any or has a Commercial arm which is registered under the Council. Also outlined the allocation of shares for those Provincial companies and if it is still in existence? How is the return of investment determined and how is the return from Fijian Holdings on Class B Shares determined?</p>	<p>Provincial Companies were set up to financially assist Provincial Councils (in the form of returns on investments) fund its operations as well as assist in addressing development needs in the Province. While it must be noted that not all Provincial Companies are owned by the Provincial Councils through share ownership, over the years, the operations of the Provincial Companies have deviated from set-up intent resulting in non-remittance of dividend to the Provincial Councils and loss of management control. At present, this has become one of the exciting challenges at TAB, and the team will continue to strengthen collaboration, oversight and feasible interventions to ensure strategic realignment and viable operations for Provincial Companies. The list of Provincial Companies is attached as Annex 1.</p>	

	<p>The FHL dividend is distributed to the 14 Provincial Councils. This is used by the Councils to complement the government grant which is at the covers only the cost of personnel emoluments and subsidize provincial rates by partially covering the operations costs.</p>	
<p>6. Advise whether the OAG recommendations and the Committee Recommendations are filtered right through to Provincial Councils level? If not, why not?</p>	<p>The 1999 to 2007 audited accounts have been sent to the Provincial Councils. The 2008-2010 audited Financial Statements will be sent to the Provincial Councils once the Board's endorsement is received.</p>	

ANNEX 1 - PROVINCIAL COMPANIES

	Provincial Council	Provincial Company	No. of PC Shares	Status	Remarks
1	Ba PC	Ba Provincial Holding Limited	1,987,644	Active	Shares redistributed to Tikina level.
2	Bua PC	Bula Cakau Limited	1	Non Active	
		Bua Holdings Limited <i>renamed</i> to Bua Provincial Investment Company Limited in May 2012	0%	Non Active	
3	Cakaudrove PC	Cakaudrove Developent Corporation	100%	Active	
4	Kadavu PC	Kadavu Development Company	64,000	Active	Dividend is determined by the Board of Directors. No dividend received.
5	Lau PC	Yatu Lau Company Limited	662,782	Active	
6	Lomaiviti PC	Lomaiviti Holdings Limited	1,460	Non Active	
7	Macuata PC	Macuata Provincial Corporation Limited	100%	Active	Provides annual financial assistance of \$70,000 to Macuata PC
8	Nadroga/Navosa PC	Nadroga Navosa Corporation Ltd	289,603	Active	Dividend is determined by the Board of Directors. No dividend received.
9	Naitasiri PC	Naitasiri Investment Cooperative		Non Active	
10	Namosi PC	Namosi Development Company	0%	Active	Owned by Samisoni Tuilawaki, Rt Suliano Matanitobua, Kinivilame Taukeinikoro & Leone Tovutokana
11	Ra PC	Ra Provincial Holdings Limited		Non Active	
12	Rewa PC	Rewa Provincial Holding Company Ltd	514,800	Active	Pay annual dividend of \$36,036 to Rewa PC
13	Serua PC	Serua Provincial Investment Cooperative Limited	100,000	Active	Dividend is determined by the Board of Directors. No dividend received.
14	Tailevu PC	Tailevu Provincial Holdings Company Limited	731,986	Active	

APPENDIX 3:
QUALIFICATION ISSUES FOR THE FOURTEEN
(14) PROVINCIAL COUNCILS

Appendix B: Qualification Issues

Due to the absence of documentations to appropriately support the various balances reflected in the financial statements, we were unable to determine the necessary adjustments to correct the financial statements.

Provincial Council	Qualification Issues
Ba:	
2008	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$64,540 in the Statement of Financial Position as at 31 December 2008. Included in the balance were \$28,896 for the bank current account, \$35,642 under the bank 'Adi Salusalu' festival account and cash on hand of \$2. The Council was unable to provide me with appropriate documentations which included records such as bank reconciliations and cashbook reconciliations for the bank current account and cash receipt statements, cash payment statements, receipts, payment vouchers, bank reconciliations and cashbook reconciliations to support the bank 'Adi Salusalu' festival account. 2. The Council recorded salary advance of \$5,026, loans and advances to staff of \$13,465, loans and advances to public of \$31,629, provision for doubtful debts of \$26,056, component of other assets of \$35,714, current liabilities of (\$25,472), Ba Provincial Council advance of \$90,412 and special funds of \$35,642 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide appropriate documentations which included records such as subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors' ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances. 3. The Council recorded investments of \$1,987,644 with Ba Provincial Holdings Limited in the Statement of Financial Position as at 31 December 2008. I was not provided with investment confirmations from the company which was necessary to confirm the existence and completeness of the balances. 4. The Council recorded property, plant and equipment at a net value of \$556,157 which included land of \$130,596, building of \$293,244 and motor vehicle of \$84,478 in the Statement of Financial Position as at 31 December 2008. I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$496,626 which had been carried forward from previous years and prior year adjustment of \$42,910 in the Statement of Changes in Equity for the year ended 31 December 2008. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the above balances. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$252,291 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2008. 7. The Council recorded income from government subvention for operating expenses of \$188,890 and other income of \$42,311 in the Statement of Income

	<p>and Expenditure for the year ended 31 December 2008. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documents to adjustments made to the general ledger to support the above balances.</p> <p>8. The Council recorded salary, wages, allowances and related payments of \$124,291, special events of \$27,513 and doubtful debts of \$34,977 in the Statement of Income and Expenditure for the year ended 31 December 2008. The Council was unable to provide various other records such as the supporting documentations for adjustments made to the general ledger, some payment vouchers and documents to support the payments made during the year, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit.</p> <p>9. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 – Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.</p>
2009	<p>1. The Council recorded cash at bank and on hand of \$113,437 in the Statement of Financial Position as at 31 December 2009. Included in the balance were \$98,168 for the bank current account, \$14,952 for the bank 'Adi Salusalu' festival account and cash on hand of \$317. The Council was unable to provide me with appropriate documentations which included records such as bank reconciliations and cashbook reconciliations for the bank current account and cash receipt statements, cash payment statements, receipts, payment vouchers, bank reconciliations and cashbook reconciliations to support the bank 'Adi Salusalu' festival account.</p> <p>2. The Council recorded salary advance of \$5,596, loans and advances to staff of \$19,232, loans and advances to public of \$32,238, provision for doubtful debts of \$26,056, component of other assets of \$134,428, current liabilities of (\$26,257), Ba Provincial Council advance of \$90,412 and special funds of \$14,952 in the Statement of Financial Position as at 31 December 2009. The Council was unable to provide appropriate documentations which included records such as subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors' ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances.</p> <p>3. The Council recorded investments of \$1,987,644 with Ba Provincial Holdings Limited in the Statement of Financial Position as at 31 December 2009. I was not provided with investment confirmations from the company which was necessary to confirm the existence and completeness of the balances.</p> <p>4. The Council recorded property, plant and equipment at a net value of \$497,936 which included land of \$128,809, building of \$284,817 and motor vehicle of \$45,478 in the Statement of Financial Position as at 31 December 2009. I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances.</p> <p>5. The Council recorded an asset revaluation reserve of \$496,626 which had been carried forward from previous years in the Statement of Changes in Equity for</p>

	<p>the year ended 31 December 2009. The Council was unable to provide appropriate documentations which included the approved valuation report and supporting documentations to adjustments made to the general ledger to support the asset revaluation balance.</p> <p>6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$311,805 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2009.</p> <p>7. The Council recorded income from government subvention for operating expenses of \$225,507 and investment income of \$112,520 in the Statement of Income and Expenditure for the year ended 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documents to adjustments made to the general ledger to support the above balances.</p> <p>8. The Council recorded total expenditure of \$535,279 in the Statement of Income and Expenditure for the year ended 31 December 2009. The Council was unable to provide various other records such as the supporting documentations for journal entries, some payment vouchers and documents to support the payments made during the year, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit.</p> <p>9. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 – Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.</p>
<p>2010</p>	<p>1. The Council recorded cash at bank and on hand of \$81,450 in the Statement of Financial Position as at 31 December 2010. Included in the balance were \$72,773 in the bank current account, \$8,360 in the bank 'Adi Salusalu' festival account and cash on hand of \$317. The Council was unable to provide me with appropriate documentations which included records such as bank reconciliations and cashbook reconciliations for the bank current account and cash receipt statements, cash payment statements, receipts, payment vouchers, bank reconciliations and cashbook reconciliations to support the bank 'Adi Salusalu' festival account.</p> <p>2. The Council recorded salary advance of \$4,400, loans and advance to staff of \$22,583, loans and advances to public of \$36,381, provision for doubtful debts of \$26,056, component of other assets of \$63,000, current liabilities of (\$14,327), Ba Provincial Council advance of \$90,412 and special funds of \$8,360 in the Statement of Financial Position as at 31 December 2010. The Council was unable to provide appropriate documentations which included records such as subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors' ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances.</p>

	<ol style="list-style-type: none"> 3. The Council recorded investments of \$1,987,644 with Ba Provincial Holdings Limited in the Statement of Financial Position as at 31 December 2010. I was not provided with investment confirmations from the company which was necessary to confirm the existence and completeness of the balances. 4. The Council recorded property, plant and equipment at a net value of \$503,574 which included land of \$127,022, building of \$276,389 and motor vehicle of \$67,278 in the Statement of Financial Position as at 31 December 2010. I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$496,626 which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2010. The Council was unable to provide me with appropriate documentations which included the approved valuation report to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$228,537 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2010. 7. The Council recorded income from government subvention for operating expenses of \$181,128 and other income of \$45,614 in the Statement of Income and Expenditure for the year ended 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documents to adjustments made to the general ledger to support the above balances. 8. The Council recorded salaries, wages, allowance and related payments of \$120,590, rates refund of \$77,261, interest – loans of \$19,698 and repairs and maintenance of \$10,396 in the Statement of Income and Expenditure for the year ended 31 December 2010. The Council was unable to provide various other records such as the supporting documentations for journal entries, some payment vouchers and documents to support the payments made during the year, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit. 9. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 – Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.
<p>Bua: 2008</p>	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$662,460 in the Statement of Financial Position as at 31 December 2008. Included in the balance were \$399,559 for the bank current account, \$96,758 under bank 'Naulumatua' account, \$109,749 under bank savings account, \$22,245 under bank primary

school development, \$22,055 under bank scholarship and cash on hand of \$12,094. The Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements and cashbook reconciliations for bank current account; bank statements, bank reconciliation statements, cashbook reconciliations, receipts and payment vouchers for the bank 'Naulumatu' account, bank savings accounts, bank primary school development and bank scholarship; confirmations to support the cash on hand balance; and supporting documents to adjustments made to the general ledger of \$118,329.

2. The Council recorded advances of \$5,844, accrued income/interest of \$862, subvention claimed not received of \$15,755, other debtors of \$1,456, current liabilities of \$39,779, Native Land Trust Board loan (unsecured) of \$53,011 and special funds of \$309,594 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide appropriate documentations which included records such as subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors' ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances.
3. The Council recorded investments of \$397,861 in the Statement of Financial Position as at 31 December 2008. Included in the balance were investments with Bulacakau Limited of \$22,500, Colonial National Bank of \$38,259 and Unit Trust of Fiji of \$200,000. I was not provided with investment confirmation from the companies which was necessary to confirm the existence and completeness of the balances.
4. The Council recorded property, plant and equipment at a net value of \$864,044 in the Statement of Financial Position as at 31 December 2008. Included in the balance were land of \$30,000, building of \$774,047 and motor vehicle of \$36,300 for which I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances.
5. The Council recorded an asset revaluation reserve of \$654,613, which had been carried forward from previous years, and a component of prior year adjustment of \$5,180 in the Statement of Changes in Equity for the year ended 31 December 2008. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the above balances.
6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$28,381 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2008.
7. The Council recorded income of \$678,144 in the Statement of Income and Expenditure for the year ended 31 December 2008. Included in the balance were income from investment of \$243,560, income – rent from PC quarters of \$69,306 and other income of \$190,058. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balances.
8. The Council recorded total expenditure of \$286,699 which included payroll costs of \$43,427 and other operations – PC quarters repairs & maintenance of \$80,405

	<p>in the Statement of Income and Expenditure for the year ended 31 December 2008. The Council was unable to provide various other records such as the supporting documentations for journal entries, documents to support the current salary rate, pay run reports and payment vouchers. The missing records have provided limitation to the scope of my audit.</p> <p>9. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 – Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.</p>
2009	<p>1. The Council recorded cash at bank and on hand of \$506,037 in the Statement of Financial Position as at 31 December 2009. Included in the balance were \$237,377 for the bank current account, \$77,555 under bank 'Naulumatua' account, \$135,449 under bank savings account, \$22,428 under bank primary school development, \$22,484 under bank scholarship and cash on hand of \$10,744. The Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements and cashbook reconciliations for bank current account; bank statements, bank reconciliation statements, cashbook reconciliations, receipts and payment vouchers for the bank 'Naulumatua' account, bank savings accounts, bank primary school development and bank scholarship; confirmations to support the cash on hand balance; and supporting documents to adjustments made to the general ledger of \$58,856.</p> <p>2. The Council recorded advances of \$7,717, accrued income/interest of \$862, subvention claimed not received of \$4,026, other debtors of \$196, current liabilities of \$53,430, Native Land Trust Board loan (unsecured) of \$53,011 and special funds of \$309,594 in the Statement of Financial Position as at 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors' ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances.</p> <p>3. The Council recorded investments of \$603,356 in the Statement of Financial Position as at 31 December 2009. Included in the balance were investments with Fijian Holdings Limited of \$137,102, Bulacakau Limited of \$22,500, Colonial National Bank of \$38,259, term deposit with Merchant Finance of \$205,495 and Unit Trust of Fiji of \$200,000. I was not provided with investment confirmation from the companies which was necessary to confirm the existence and completeness of the balances.</p> <p>4. The Council recorded property, plant and equipment at a net value of \$838,709 in the Statement of Financial Position as at 31 December 2009. Included in the balance were land of \$30,000, building of \$754,053 and motor vehicle of \$26,400 for which I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances.</p> <p>5. The Council recorded an asset revaluation reserve of \$654,613, which had been carried forward from previous years, and prior year net adjustment of \$21,259 in the Statement of Changes in Equity for the year ended 31 December 2009. The</p>

	<p>Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the above balances.</p> <ol style="list-style-type: none"> 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$21,555 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2009. 7. The Council recorded total income of \$350,641 in the Statement of Income and Expenditure for the year ended 31 December 2009. Included in the balance were government subvention for operating expenses of \$134,642, income – rent from PC quarters of \$69,877 and other income of \$73,083. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balances. 8. The Council recorded total expenditure of \$327,818 in the Statement of Income and Expenditure for the year ended 31 December 2009. Included in the balance were personal cost of \$41,036, other personal costs of \$6,908, ‘mata ni tikina’ allowance of \$17,381, travelling and subsistence allowance of \$3,076, occupancy of \$5,953, motor vehicle cost of \$11,682, repair and maintenance of \$3,272, administration cost of \$2,856, special events of \$16,631, other expenses of \$16,182 and other operations – PC quarters repairs and maintenance of \$81,716. The Council was unable to provide various other records such as the supporting documentations for journal entries, documents to support the current salary rate, pay run reports and payment vouchers. The missing records have provided limitation to the scope of my audit. 9. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 – Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.
2010	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$583,612 in the Statement of Financial Position as at 31 December 2010. Included in the balance were \$304,175 for the bank current account, \$73,678 under bank ‘Naulumatua’ account, \$140,353 under bank savings account, \$25,213 under bank primary school development, \$29,355 under bank scholarship and cash on hand of \$10,838. The Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements and cashbook reconciliations for bank current account; bank statements, bank reconciliation statements, cashbook reconciliations, receipts and payment vouchers for the bank ‘Naulumatua’ account, bank savings accounts, bank primary school development and bank scholarship; confirmations to support the cash on hand balance; and supporting documents to adjustments made to the general ledger of \$122,416. 2. The Council recorded advances of \$13,663, accrued income/interest of \$862, subvention claimed not received of \$18,299, other debtors of \$214, current

liabilities of \$88,504, Native Land Trust Board loan (unsecured) of \$53,011 and special funds of \$309,594 in the Statement of Financial Position as at 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors' ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances.

3. The Council recorded investments of \$557,006 in the Statement of Financial Position as at 31 December 2010. Included in the balance were investments with Fijian Holdings Limited of \$137,102, Bulacakau Limited of \$22,500, Colonial National Bank of \$38,259, term deposit with Merchant Finance of \$59,145 and Unit Trust of Fiji of \$200,000. I was not provided with investment confirmation from the companies which was necessary to confirm the existence and completeness of the balances.
4. The Council recorded property, plant and equipment at a net value of \$828,630 in the Statement of Financial Position as at 31 December 2010. Included in the balance were land of \$30,000, building of \$734,058 and motor vehicle of \$16,500 for which I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances.
5. The Council recorded an asset revaluation reserve of \$654,613, which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2010. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the above balance.
6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$30,685 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2010.
7. The Council recorded income of \$408,671 in the Statement of Income and Expenditure for the year ended 31 December 2010. Included in the balance were government subvention for operating expenses of \$127,871, income from investment of \$39,281, income – rent from PC quarters of \$75,289 and other income of \$132,858. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balances.
8. The Council recorded expenditure of \$399,675 in the Statement of Income and Expenditure for the year ended 31 December 2010. Included in the balance were personal cost of \$39,178, other personal costs of \$6,470, travelling and subsistence allowance of \$9,497, occupancy of \$10,581, motor vehicle cost of \$34,286, administration cost of \$5,660, special events of \$30,447, and other expenses of \$6,117 and other operations – PC quarters repair and maintenance of \$165,498. The Council was unable to provide various other records such as the supporting documentations for journal entries, documents to support the current salary rate, pay run reports and payment vouchers. The missing records have provided limitation to the scope of my audit.
9. The Council did not disclose the Statement of Compliance, Information about the

	<p>entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 – Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.</p>
Cakaudrove:	
2008	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$186,468 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide me with appropriate documentations to support the cash at bank balance of \$186,486. 2. The Council recorded loans and advances of \$61,207, other assets of \$156,547, current liabilities of \$125,388, special funds – savings account of \$9,182 and deferred income of \$47,592 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors’ ledgers and loan approvals, payment vouchers, receipts, creditors’ ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances. 3. The Council recorded an asset revaluation reserve of \$583,226 which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2008. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the above balance. 4. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$33,524 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2008. 5. The Council recorded income from government subvention for operating expenses of \$201,380, income from investment of \$90,664 and other income of \$106,118 in the Statement of Income and Expenditure for the year ended 31 December 2008. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balance. 6. The Council recorded salaries, wages, allowance and related payments of \$58,726 in the Statement of Income and Expenditure for the year ended 31 December 2008. The Council was unable to provide various other records such as the supporting documentations for journal entries, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit.
2009	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$267,791 in the Statement of Financial Position as at 31 December 2009. Included in the balance were \$264,177 for the cash at bank and cash on hand of \$3,614. The Council was unable to provide me with appropriate documentations which included records such as bank reconciliations statements, cashbook reconciliations, receipts,

	<p>payment vouchers for cash at bank and confirmations to support the cash on hand balance.</p> <ol style="list-style-type: none"> 2. The Council recorded loans and advances of \$53,728, other assets of \$191,495, current liabilities of \$136,777, special funds – savings account of \$9,182 and deferred income of \$47,592 in the Statement of Financial Position as at 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors’ ledgers and loan approvals, payment vouchers, receipts, creditors’ ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$546,644 which included land of \$31,817, building of \$453,604 and motor vehicle of \$41,273 in the Statement of Financial Position as at 31 December 2009. I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances. 4. The Council recorded an asset revaluation reserve of \$583,226 which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2009. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the above balance. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$60,918 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2009. 6. The Council recorded income from government subvention for operating expenses of \$281,422 in the Statement of Income and Expenditure for the year ended 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balance. 7. The Council recorded salaries, wages, allowance and related payments of \$68,327 in the Statement of Income and Expenditure for the year ended 31 December 2009. The Council was unable to provide various other records such as the supporting documentations for journal entries, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit. 8. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.
2010	1. The Council recorded cash at bank and on hand of \$282,886 in the Statement of

Financial Position as at 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such as bank reconciliations statements, cashbook reconciliations, receipts, payment vouchers, cash receipt statements, cash payment statements for cash at bank and confirmations to support the cash on hand balance.

2. The Council recorded loans and advances of \$47,841, other assets of \$181,714, current liabilities of \$126,460, special funds – savings account of \$9,182 and deferred income of \$47,592 in the Statement of Financial Position as at 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors' ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances.
3. The Council recorded property, plant and equipment at a net value of \$582,709 which included land of \$31,464, building of \$440,692 and motor vehicle of \$87,643 in the Statement of Financial Position as at 31 December 2010. I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances.
4. The Council recorded an asset revaluation reserve of \$583,226 which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2010. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the above balance.
5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$54,448 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2010.
6. The Council recorded income from government subvention for operating expenses of \$229,448 and income from investment of \$64,604 in the Statement of Income and Expenditure for the year ended 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balance.
7. The Council recorded salaries, wages, allowance and related payments of \$51,005 in the Statement of Income and Expenditure for the year ended 31 December 2010. The Council was unable to provide various other records such as the supporting documentations for journal entries, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit.
8. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 –

	Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.
Kadavu:	
2008	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$321,521 in the Statement of Financial Position as at 31 December 2008. Included in the balance were \$328,304 cash at bank and credit cash on hand balance of \$6,783. The Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements and cashbook reconciliations for cash at bank; confirmations to support the cash on hand balance; and supporting documents to adjustments made to the general ledger of \$125,717. 2. The Council recorded gross loans and advances of \$6,402, provision for doubtful debt of \$15,194, special funds – Kadavu Provincial Council of \$13,000, current liabilities of \$145,067 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors' ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances. 3. The Council recorded investments of \$254,711 in the Statement of Financial Position as at 31 December 2008 which included investments with Kadavu Development Company of \$64,000. I was not provided with investment confirmations from the company which was necessary to confirm the existence and completeness of the balances. 4. The Council recorded property, plant and equipment at a net value of \$306,277 which included building of \$242,543 and motor vehicle of \$33,475 in the Statement of Financial Position as at 31 December 2008. I was not provided with the title deeds for building and registration details for motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$187,380 which had been carried forward from previous years and component of prior year adjustment of \$17,068 in the Statement of Changes in Equity for the year ended 31 December 2008. The Council was unable to provide appropriate documentations which included the approved valuation report and supporting documentations to adjustments made to the general ledger to support the above balances. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$49,091 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2008. 7. The Council recorded income from government subvention for operating expenses of \$158,766 and other income of \$71,595 in the Statement of Income and Expenditure for the year ended 31 December 2008. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for adjustments made to the general ledger to support the above balances. 8. The Council recorded salaries of \$29,256 and rates refund of \$23,033 in the Statement of Income and Expenditure for the year ended 31 December 2008.

	<p>The Council was unable to provide various other records such as the supporting documentations for journal entries, some payment vouchers and documents to support the payments made during the year, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit.</p> <p>9. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 – Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.</p>
2009	<p>1. The Council recorded cash at bank and on hand of \$397,052 in the Statement of Financial Position as at 31 December 2009. Included in the balance were \$404,682 for cash at bank and credit cash on hand balance of \$7,630. The Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements and cashbook reconciliations for cash at bank; confirmations to support the cash on hand balance; and supporting documents to adjustments made to the general ledger of \$14,907.</p> <p>2. The Council recorded gross loans and advances of \$5,931, provision for doubtful debt of \$15,194, special funds – Kadavu Provincial Council of \$13,000, current liabilities of \$159,864 in the Statement of Financial Position as at 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors' ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances.</p> <p>3. The Council recorded investments of \$309,757 in the Statement of Financial Position as at 31 December 2009 which included investments with Kadavu Development Company of \$64,000. I was not provided with investment confirmations from the company which was necessary to confirm the existence and completeness of the balances.</p> <p>4. The Council recorded property, plant and equipment at a net value of \$288,441 which included building of \$237,644 and motor vehicle of \$23,175 in the Statement of Financial Position as at 31 December 2009. I was not provided with the title deeds for building and registration details for motor vehicle to confirm the existence and completeness of the balances.</p> <p>5. The Council recorded an asset revaluation reserve of \$187,380 which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2009. The Council was unable to provide me with appropriate documentations which included the approved valuation report to support the asset revaluation balance.</p> <p>6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$119,978 is fairly stated in the financial statements and</p>

	<p>whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2009.</p> <p>7. The Council recorded income from government subvention for operating expenses of \$155,023 in the Statement of Income and Expenditure for the year ended 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for adjustments made to the general ledger to support the above balances.</p> <p>8. The Council recorded salaries of \$26,847 in the Statement of Income and Expenditure for the year ended 31 December 2009. The Council was unable to provide various other records such as the supporting documentations for journal entries, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit.</p> <p>9. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 – Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.</p>
2010	<p>1. The Council recorded cash at bank and on hand of \$351,321 in the Statement of Financial Position as at 31 December 2010. Included in the balance were \$357,870 and credit cash on hand balance of \$6,549. The Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements and cashbook reconciliations for cash at bank and confirmations to support the cash on hand balance.</p> <p>2. The Council recorded gross loans and advances of \$5,631, provision for doubtful debt of \$15,194, special funds – Kadavu Provincial Council of \$13,000, current liabilities of \$92,982 in the Statement of Financial Position as at 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors' ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances.</p> <p>3. The Council recorded investments of \$369,212 in the Statement of Financial Position as at 31 December 2010 which included investments with Kadavu Development Company of \$64,000. I was not provided with investment confirmations from the company which was necessary to confirm the existence and completeness of the balances.</p> <p>4. The Council recorded property, plant and equipment at a net value of \$267,210 which included building of \$232,746 and motor vehicle of \$12,875 in the Statement of Financial Position as at 31 December 2010. I was not provided with the title deeds for building and registration details for motor vehicle to confirm the existence and completeness of the balances.</p> <p>5. The Council recorded an asset revaluation reserve of \$187,380 which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2010. The Council was unable to provide me with appropriate documentations which included the approved valuation report to</p>

	<p>support the asset revaluation balance.</p> <ol style="list-style-type: none"> 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$78,940 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2010. 7. The Council recorded income from government subvention for operating expenses of \$172,058 in the Statement of Income and Expenditure for the year ended 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for adjustments made to the general ledger to support the above balances. 8. The Council recorded salaries of \$36,581 in the Statement of Income and Expenditure for the year ended 31 December 2010. The Council was unable to provide various other records such as the supporting documentations for journal entries, payment vouchers and documents to support the payments made in March, October, November and December, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit. 9. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 – Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.
<p>Lau: 2008</p>	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$61,906 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide me with appropriate documentations which included cashbook reconciliations and bank reconciliation statements for the current account; and bank reconciliation statements, bank statements, cashbook reconciliations, receipts, and payment vouchers for the saving accounts. 2. The Council recorded net loans and advances to staff of \$285, 223, net loans and advances to public of \$12,945, other assets of \$123,434, Inter iTaukei Affairs Board and Provincial Council transaction of \$362, deposits of \$68,819, other creditors of \$72,442, loans with iTaukei Affairs Board Central iTaukei Treasury of \$24,286 and deferred income of \$5,268 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide with me with appropriate documentations which included records such as loan approval, debtors' ledger, creditors' ledger, payment vouchers, receipts and supporting documentations to adjustments made to the general ledger, to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$58,931 which included land of \$5,134 and building of \$30,196 in the Statement of Financial Position as at 31 December 2008. I was not provided with the title

	<p>deeds for land and building to confirm the existence and completeness of the balances.</p> <ol style="list-style-type: none"> 4. The Council recorded an asset revaluation reserve of \$49,566 which had been carried forward from previous years and prior year adjustment – unsubstantiated balances for accrual expenses of \$6,969 in the Statement of Changes in Equity for the year ended 31 December 2008. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documentations to adjustments made to the general ledger to support the above balances. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$45,320 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2008. 6. The Council recorded income from government subvention for operating expenses of \$145,403, other income of \$16,046 and income from investment from Fijian Holdings Limited (TAB investment) of \$71,428 in the Statement of Income and Expenditure for the year ended 31 December 2008. The Council was unable to provide me with appropriate documentations which included records such as receipts, bank lodgements and supporting documentations to adjustments made to the general ledger, to support the above balances. 7. The Council recorded payroll of salary, wages, allowances and related payments of \$49,291 in the Statement of Income and Expenditure for the year ended 31 December 2008. The Council was unable to provide various other records such as the supporting documentations for journal entries, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit. 8. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.
2009	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$101,593 in the Statement of Financial Position as at 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such as cashbook reconciliations and bank reconciliation statements for the current account; and bank reconciliation statements, bank statements, cashbook reconciliations, receipts, and payment vouchers for the saving accounts. 2. The Council recorded net loans and advances to staff of \$279,023, net loans and advances to public of \$10,894, other assets of \$184,446, Inter iTaukei Affairs Board and Provincial Council transaction of \$362, deposits of \$61,771, other creditors of \$81,104, loans with iTaukei Affairs Board Central iTaukei Treasury of \$24,286 and deferred income of \$2,565 in the Statement of Financial Position as at 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such as loan approval, debtors' ledger,

	<p>creditors' ledger, payment vouchers, receipts and supporting documentations to adjustments made to the general ledger, to support the above balances.</p> <ol style="list-style-type: none"> 3. The Council recorded property, plant and equipment at a net value of \$53,573 which included land of \$5,134 and building of \$29,558 in the Statement of Financial Position as at 31 December 2009. I was not provided with the title deeds for land and building to confirm the existence and completeness of the balances. 4. The Council recorded an asset revaluation reserve of \$49,566 which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2009. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documentations to adjustments made to the general ledger to support the asset revaluation balance. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$45,924 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2009. 6. The Council recorded income from government subvention for operating expenses of \$143,061 in the Statement of Income and Expenditure for the year ended 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such as receipts, bank lodgments and supporting documentations to adjustments made to the general ledger to support the above balance. 7. The Council recorded payroll of salary, wages, allowances and related payments of \$49,900, rates refund of \$15,955, grant to school of \$10,699 and sundry expenses of \$5,044 in the Statement of Income and Expenditure for the year ended 31 December 2009. The Council was unable to provide various other records such as the supporting documentations for journal entries, some payment vouchers and documents to support the payments made during the year, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit. 8. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.
<p>2010</p>	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$104,630 in the Statement of Financial Position as at 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such as cashbook reconciliations and bank reconciliation statements for the current account; and bank reconciliation statements, bank statements, cashbook reconciliations, receipts, and payment vouchers for the saving accounts. 2. The Council recorded net loans and advances to staff of \$282,782, net loans and

advances to public of \$12,626, other assets (excluding accrued income) of \$10,538, Inter iTaukei Affairs Board and Provincial Council transaction of \$362, deposits of \$65,768, other creditors of \$83,670, loans with iTaukei Affairs Board Central iTaukei Treasury of \$24,286 and deferred income of \$1,438 in the Statement of Financial Position as at 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such as loan approval, debtors' ledger, creditors' ledger, payment vouchers, receipts and supporting documentations to adjustments made to the general ledger, to support the above balances.

3. The Council recorded property, plant and equipment at a net value of \$50,734 which included land of \$5,134 and building of \$28,920 in the Statement of Financial Position as at 31 December 2010. I was not provided with the title deeds for land and building to confirm the existence and completeness of the balances.
4. The Council recorded an asset revaluation reserve of \$49,566 which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2010. The Council was unable to provide appropriate documentations which included the approved valuation report and supporting documentations to adjustments made to the general ledger to support the asset revaluation balance.
5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$30,281 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2010.
6. The Council recorded income from government subvention for operating expenses of \$148,268 in the Statement of Income and Expenditure for the year ended 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such as receipts, bank lodgments and supporting documentations to adjustments made to the general ledger to support the above balance.
7. The Council recorded payroll of salary, wages, allowances and related payments of \$44,452, rates refund of \$9,817, grant to school of \$12,758, sundry expenses of \$2,411, outboard motor fuel of \$1,764, travelling and subsistence of \$30,904, occupancy cost of \$8,999, administration cost of \$11,429, special events of \$12,846 and repairs and maintenance of \$2,344 in the Statement of Income and Expenditure for the year ended 31 December 2010. The Council was unable to provide various other records such as the supporting documentations for journal entries, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit.
8. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 - Disclosure of prior period errors, Fiji Accounting Standards 16 - Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 - Borrowing Costs.

<p>Lomaiviti: 2008</p>	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$20,025 in the Statement of Financial Position as at 31 December 2008. Included in the balance were \$14,769 for the bank current account, \$317 under bank savings account, \$3,610 under bank house rent account and cash on hand of \$1,329. There was a variance of \$7,334 between the bank reconciliation statement for the current account and the general ledger at the end of financial year. In addition, the Council was unable to provide me with appropriate documentations which included records such as receipts, payment vouchers, bank statements, bank reconciliation statements, cheques books and lodgement books for the bank savings and house rent accounts; and confirmation to support the cash on hand balance. 2. The Council recorded loans and advances of \$51,978, Small Business Advisory Unit loan of \$264,379, other assets – subvention claimed not received and sundry debtors of \$5,048 and current liabilities of \$119,921 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors’ ledgers and loan approvals, payment vouchers, receipts, creditors’ ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$1,210,857 which included land of \$90,000, building of \$1,053,931 and motor vehicle of \$56,067 in the Statement of Financial Position as at 31 December 2008. I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances. 4. The Council recorded an asset revaluation reserve of \$340,660 which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2008. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the asset revaluation balance. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$29,670 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2008. 6. The Council recorded income from government subvention for operating expenses of \$146,897 and other income of \$16,648 in the Statement of Income and Expenditure for the year ended 31 December 2008. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balances. 7. The Council recorded payroll of salary, wages, allowances and related payments of \$42,710 in the Statement of Income and Expenditure for the year ended 31 December 2008. The Council was unable to provide various other records such as the supporting documentations for journal entries, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit. 8. The Council did not disclose a Statement of Compliance, information about the entity, the fact that it is impracticable to restate prior period errors, current
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	<p>portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.</p>
<p>2009</p>	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$102,049 in the Statement of Financial Position as at 31 December 2009. Included in the balance were \$80,792 for the bank current account, \$12,578 under bank savings account, \$5,388 under bank house rent and cash on hand of \$3,291. There was a variance of \$80,792 between the bank reconciliation statement for the current account and the general ledger at the end of financial year. In addition, the Council was unable to provide me with appropriate documentations which included records such as receipts, payment vouchers, bank statements, bank reconciliation statements, cheques books and lodgement books for the bank savings and house rent accounts; and confirmation to support the cash on hand balance. 2. The Council recorded loans and advances of \$57,282, Small Business Advisory Unit loan of \$264,379, other assets – subvention claimed not received and sundry debtors of \$8,134 and current liabilities of \$149,945 in the Statement of Financial Position as at 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors’ ledgers and loan approvals, payment vouchers, receipts, creditors’ ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$1,185,532 which included land of \$90,000, building of \$1,037,823 and motor vehicle of \$44,467 in the Statement of Financial Position as at 31 December 2009. I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances. 4. The Council recorded an asset revaluation reserve of \$340,660 which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2009. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the asset revaluation balance. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$52,140 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2009. 6. The Council recorded income from government subvention for operating expenses of \$149,546 and other income of \$173,839 in the Statement of Income and Expenditure for the year ended 31 December 2009. Included in other income balance are income from DAS funds of \$167,500 and miscellaneous income of \$6,339. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the income from government subvention for operating expenses and other income from DAS funds.

	<p>7. The Council recorded payroll of salary, wages, allowances and related payments of \$33,965 in the Statement of Income and Expenditure for the year ended 31 December 2009. The Council was unable to provide various other records such as the supporting documentations for journal entries, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit.</p> <p>8. The Council did not disclose a Statement of Compliance, information about the entity, the fact that it is impracticable to restate prior period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.</p>
2010	<p>1. The Council recorded cash at bank and on hand of \$157,713 in the Statement of Financial Position as at 31 December 2010. Included in the balance were \$90,630 for the bank current account, \$61,555 under bank savings account, \$2,412 under bank house rent and cash on hand of \$3,116. The Council was unable to provide me with appropriate documentations which included records such as cashbook reconciliations for the current account; receipts, payment vouchers, bank statements, bank reconciliation statements, cheques books and lodgement books for the bank savings and house rent accounts; and confirmation to support the cash on hand balance.</p> <p>2. The Council recorded loans and advances of \$66,481, Small Business Advisory Unit loan of \$264,379, other assets – subvention claimed not received and sundry debtors of \$12,177 and current liabilities of \$87,642 in the Statement of Financial Position as at 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors’ ledgers and loan approvals, payment vouchers, receipts, creditors’ ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances.</p> <p>3. The Council recorded property, plant and equipment at a net value of \$1,156,078 which included land of \$90,000, building of \$1,021,716 and motor vehicle of \$32,867 in the Statement of Financial Position as at 31 December 2010. I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances.</p> <p>4. The Council recorded an asset revaluation reserve of \$340,660 which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2010. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the asset revaluation balance.</p> <p>5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$100,128 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2010.</p> <p>6. The Council recorded income from government subvention for operating</p>

	<p>expenses of \$164,842, income from investment of \$33,391 and other income of \$35,149 in the Statement of Income and Expenditure for the year ended 31 December 2010. Included in other income balance are income from DAS funds of \$167,500 and miscellaneous income of \$6,339. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balances.</p> <p>7. The Council recorded total expenditure of \$215,952 in the Statement of Income and Expenditure for the year ended 31 December 2010. The Council was unable to provide various other records such as the supporting documentations for journal entries, payment vouchers and documents to support the payments made in January, February, March, June, July, October, November and December, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit.</p> <p>8. The Council did not disclose a Statement of Compliance, information about the entity, the fact that it is impracticable to restate prior period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.</p>
<p>Macuata: 2008</p>	<p>1. The Council recorded cash at bank and on hand of \$1,346 and bank overdraft of \$68,362 in the Statement of Financial Position as at 31 December 2008. Included in the balance were cash on hand of \$1,346, \$59,835 for the bank overdraft - current account, \$8,527 under bank overdraft savings account. Although the bank had confirmed a total balance of \$31,308 for the current account, the Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements, cashbook reconciliations, payment vouchers and receipts for bank savings account; confirmation to support the cash on hand balance; and supporting documents to adjustments made to the general ledger of \$7,042.</p> <p>2. The Council recorded gross loans and advances of \$155,245, provision for doubtful debts of \$179,167, payables of \$38,525 and deferred income of \$4,597 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors' ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances.</p> <p>3. The Council recorded investments of \$389,860 in the Statement of Financial Position as at 31 December 2008. Included in the balance were investments with Macuata Fijian Cane Farmers for \$4,861. I was not provided with investment confirmations from the companies which was necessary to confirm the existence and completeness of the balances.</p> <p>4. The Council recorded property, plant and equipment at a net value of \$3,820,414 in the Statement of Financial Position as at 31 December 2008. Included in the balance were land of \$372,291, building of \$3,377,379 and motor vehicle of \$54,266. I was not provided with the title deeds for land and building and</p>

	<p>registration details for motor vehicle to confirm the existence and completeness of the balances.</p> <ol style="list-style-type: none"> 5. The Council recorded interest bearing borrowings of \$3,284,747 in the Statement of Financial Position as at 31 December 2008. Included in the balance were loans with Fiji Development Bank of \$81,090. I was not provided with loan confirmations from the companies which was necessary to confirm the existence and completeness of the balances. 6. The Council recorded an asset revaluation reserve of \$839,199 in the Statement of Changes in Equity for the year ended 31 December 2008, which had been carried forward from previous years. The Council was unable to provide me with appropriate documentations which included the approved valuation report to support the above balances. 7. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$56,417 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2008. 8. The Council recorded income of \$1,067,531 in the Statement of Income and Expenditure for the year ended 31 December 2008. Included in the balance were government subvention for operating income of \$148,879, other income of \$157,914 and income from investment of \$54,890. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balances. 9. The Council recorded salaries of \$41,171, special events of \$143,368, insurance of \$11,500, Macuata House repairs and maintenance of \$62,095 and Value Added Tax of \$30,115 in the Statement of Income and Expenditure for the year ended 31 December 2008. The Council was unable to provide various other records such as the supporting documentations for journal entries taken up in the general ledger, payment vouchers and documents to support the payments made during the year, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit. 10. The Council did not disclose a Statement of Compliance, information about the entity, the fact that it is impracticable to restate prior period errors, current portion of interest bearing, and reconciliation of the carrying amounts for property, plant and equipment in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, and Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment.
<p>2009</p>	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$5,847 and bank overdraft of \$8,822 in the Statement of Financial Position as at 31 December 2009. Included in the balance were \$4,999 for current account, cash on hand of \$848 and \$8,822 under bank overdraft. Although the bank had confirmed a total balance of \$101,333 for the current account, the Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements, cashbook reconciliations, payment vouchers and receipts for the overdraft account; confirmation to support the cash on hand balance; and

supporting documents to adjustments made to the general ledger.

2. The Council recorded gross loans and advances of \$123,997, provision for doubtful debts of \$179,767, payables of \$82,199 and deferred income of \$4,597 in the Statement of Financial Position as at 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors' ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances.
3. The Council recorded investments of \$389,860 in the Statement of Financial Position as at 31 December 2009. Included in the balance were investments with Macuata Fijian Cane Farmers for \$4,861. I was not provided with investment confirmations from the companies which was necessary to confirm the existence and completeness of the balances.
4. The Council recorded property, plant and equipment at a net value of \$3,751,166 in the Statement of Financial Position as at 31 December 2009. Included in the balance were land of \$372,291, building of \$3,327,867 and motor vehicle of \$37,466. I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances.
5. The Council recorded interest bearing borrowings of \$2,853,070 in the Statement of Financial Position as at 31 December 2009. Included in the balance were loans with Fiji Development Bank of \$81,090. I was not provided with loan confirmations from the companies which was necessary to confirm the existence and completeness of the balances.
6. The Council recorded an asset revaluation reserve of \$839,199 in the Statement of Changes in Equity for the year ended 31 December 2009, which had been carried forward from previous years. The Council was unable to provide me with appropriate documentations which included the approved valuation report to support the above balances.
7. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$16,515 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2009.
8. The Council recorded income of \$876,634 in the Statement of Income and Expenditure for the year ended 31 December 2009. Included in the balance were government subvention for operating income of \$150,277, other income of \$61,233 and income from investment of \$45,010. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balances.
9. The Council recorded salaries of \$30,272, sundry expense of \$40,469, Macuata House repairs and maintenance of \$36,422 and Value Added Tax of \$32,161 in the Statement of Income and Expenditure for the year ended 31 December 2009. The Council was unable to provide various other records such as the supporting documentations for journal entries taken up in the general ledger, payment

	<p>vouchers and documents to support the payments made during the year, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit.</p> <p>10. The Council did not disclose a Statement of Compliance, information about the entity, the fact that it is impracticable to restate prior period errors, current portion of interest bearing, and reconciliation of the carrying amounts for property, plant and equipment in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, and Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment.</p>
2010	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$59,411 and bank overdraft of \$75,129 in the Statement of Financial Position as at 31 December 2010. Included in the balance were \$40,564 for sinking fund account, \$18,618 for savings account, cash on hand of \$229 and \$75,129 under bank overdraft – current account. There was a variance of \$85,633 between the bank reconciliation statement for the current account and the general ledger at the end of financial year. In addition, the Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements, cashbook reconciliations, payment vouchers and receipts for the sinking fund and savings account; confirmation to support the cash on hand balance; and supporting documents to adjustments made to the general ledger of \$22,781. 2. The Council recorded gross loans and advances of \$146,992, provision for doubtful debts of \$179,767, payables of \$39,700 and deferred income of \$4,597 in the Statement of Financial Position as at 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors’ ledgers and loan approvals, payment vouchers, receipts, creditors’ ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances. 3. The Council recorded investments of \$291,544 in the Statement of Financial Position as at 31 December 2010. Included in the balance were investments with Macuata Fijian Cane Farmers for \$4,861. I was not provided with investment confirmations from the companies which was necessary to confirm the existence and completeness of the balances. 4. The Council recorded property, plant and equipment at a net value of \$3,761,239 in the Statement of Financial Position as at 31 December 2010. Included in the balance were land of \$372,291, building of \$3,278,354 and motor vehicle of \$92,616. I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded interest bearing borrowings of \$2,551,183 in the Statement of Financial Position as at 31 December 2010. Included in the balance were loans with Fiji Development Bank of \$81,090. I was not provided with loan confirmations from the companies which was necessary to confirm the existence and completeness of the balances. 6. The Council recorded an asset revaluation reserve of \$839,199 in the Statement of Changes in Equity for the year ended 31 December 2010, which had been carried forward from previous years. The Council was unable to provide me with appropriate documentations which included the approved valuation report to support the above balances.

	<ol style="list-style-type: none"> 7. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$15,351 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2010. 8. The Council recorded income of \$968,377 in the Statement of Income and Expenditure for the year ended 31 December 2010. Included in the balance were government subvention for operating income of \$151,648. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balances. 9. The Council recorded salaries of \$29,151, 'turaga ni koro' allowance of \$66,717, Macuata House repairs and maintenance of \$75,535 and Value Added Tax of \$28,176 in the Statement of Income and Expenditure for the year ended 31 December 2010. The Council was unable to provide various other records such as the supporting documentations for journal entries taken up in the general ledger, payment vouchers and documents to support the payments made during the year, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit. 10. The Council did not disclose a Statement of Compliance, information about the entity, the fact that it is impracticable to restate prior period errors, current portion of interest bearing, and reconciliation of the carrying amounts for property, plant and equipment in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, and Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment.
Nadroga/Navosa: 2008	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$318,666 in the Statement of Financial Position as at 31 December 2008. Included in the balance were bank current account of \$117,902, bank 'Adi Nadroga' carnival account of \$200,695 and cash on hand of \$69. There was an unreconciled variance of \$75,913 between the bank reconciliation statement for the current account and the amount reflected in the financial statements. In addition, the Council was unable to provide me with appropriate documentations which included cashbook reconciliations for the current account; bank reconciliation for the Carnival Account; and supporting documentations to adjustments made to the general ledger amounting to \$81,064. 2. The Council recorded gross loans and advances of \$287,162, provision for doubtful debts of \$36,618, current liabilities of \$45,664 and 'Adi Nadroga' carnival account of \$200,695 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide appropriate documentations which included records such as loan approval, debtors' ledger, creditors' ledger, payment vouchers, receipts and supporting documentations to adjustments made to the general ledger, to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$179,755 in the Statement of Financial Position as at 31 December 2008. Included in the balance were land of \$12,259 and building of \$148,967 for which I was not

	<p>provided with the title deeds for land and building to confirm the existence and completeness of the balances.</p> <ol style="list-style-type: none"> 4. The Council recorded investment of \$157,390 in the Statement of Financial Position as at 31 December 2008. I was not provided with investment confirmations which was necessary to confirm the existence and completeness of the ANZ term deposit of \$54,890. 5. The Council recorded an asset revaluation reserve of \$108,664, which had been carried forward from previous years, and components of prior year adjustment of \$61,965 in the Statement of Changes in Equity for the year ended 31 December 2008. The Council was unable to provide appropriate documentations which included the approved valuation report and supporting documentations to adjustments made to the general ledger to support the above balances. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$72,526 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2008. 7. The Council recorded total income of \$397,595 in the Statement of Income and Expenditure for the year ended 31 December 2008 which include other income of \$145,001. The Council was unable to provide appropriate supporting documentations which included records such as receipts and supporting documents to adjustments made to the general ledger to support the other income balance. 8. The Council recorded total expenditure of \$322,959 in the Statement of Income and Expenditure for the year ended 31 December 2008 which included personal costs of \$65,738, special events of \$13,114 and other expenses of \$38,776. The Council was unable to provide appropriate supporting documentations which included records such as payment vouchers, supporting documentations to adjustments made to the general ledger, documents to support the current salary rate and pay run reports to support the above balance. 9. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 – Presentation of Financial Statements, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.
<p>2009</p>	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$188,046 in the Statement of Financial Position as at 31 December 2009. Included in the balance were \$63,495 for the bank 'Adi Nadroga' carnival account, bank current account of \$124,482 and cash on hand of \$69. There was an unreconciled variance of \$96,732 between the bank reconciliation statement for the current account and the amount reflected in the financial statements. In addition, the Council was unable to provide me with appropriate documentations which included cashbook reconciliations for the current account; bank reconciliation for the Carnival Account; and supporting documentations to adjustments made to the general

	<p>ledger amounting to \$36,414.</p> <ol style="list-style-type: none"> 2. The Council recorded gross loans and advances of \$86,411, provision for doubtful debts of \$36,618, receivable from PC company of \$128,545, current liabilities of \$36,572 and 'Adi Nadroga' carnival account of \$63,495 in the Statement of Financial Position as at 31 December 2009. The Council was unable to provide appropriate documentations which included records such as loan approval, debtors' ledger, creditors' ledger, payment vouchers, receipts and supporting documentations to adjustments made to the general ledger, to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$216,466 in the Statement of Financial Position as at 31 December 2009. Included in the balance were land of \$12,259, building of \$143,733 and motor vehicle of \$40,670 for which I was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances. 4. The Council recorded investment of \$122,064 in the statement of financial position as at 31 December 2009. There was an unreconciled variance of \$19,176 between the bank audit confirmation and the amount reflected in the financial statements for the BSP term deposits. 5. The Council recorded an asset revaluation reserve of \$108,664 in the Statement of Changes in Equity for the year ended 31 December 2009, which had been carried forward from previous years. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documentations to adjustments made to the general ledger to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$95,145 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2009. 7. The Council recorded total expenditure of \$295,333 in the Statement of Income and Expenditure for the year ended 31 December 2009 which included personal costs of \$80,314. The Council was unable to provide appropriate supporting documentations which included records such as payment vouchers, supporting documentations to adjustments made to the general ledger, documents to support the current salary rate and pay run reports to support the above balance. 8. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 – Presentation of Financial Statements, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.
2010	1. The Council recorded cash at bank and on hand of \$348,469 in the Statement of

Financial Position as at 31 December 2010. The Council was unable to provide me with appropriate documentations which included cashbook reconciliations, bank reconciliations, receipts, payment vouchers for the cash at bank account, supporting documentations to adjustments made to the general ledger of \$83,677; and confirmations to support the cash on hand balance.

2. The Council recorded gross loans and advances of \$84,924, provision for doubtful debts of \$36,618, receivable from PC company of \$128,545, current liabilities of \$39,216 and 'Adi Nadroga' carnival account of \$218,773 in the Statement of Financial Position as at 31 December 2010. The Council was unable to provide appropriate documentations which included records such as loan approval, debtors' ledger, creditors' ledger, payment vouchers, receipts and supporting documentations to adjustments made to the general ledger, to support the above balances.
3. The Council recorded property, plant and equipment at a net value of \$255,835 in the Statement of Financial Position as at 31 December 2010. Included in the balance were land of \$12,259, building of \$138,833 and motor vehicle of \$83,510 for which I was not provided with the title deeds for land and building and vehicle registration details to confirm the existence and completeness of the balances.
4. The Council recorded investment of \$199,284 in the Statement of Financial Position as at 31 December 2010. There was an unreconciled variance of \$4,705 between the bank audit confirmation and the amount reflected in the financial statements for the BSP term deposits.
5. The Council recorded an asset revaluation reserve of \$108,664, which had been carried forward from previous years, and prior year adjustment of \$66,000 in the Statement of Changes in Equity for the year ended 31 December 2010. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documentations to adjustments made to the general ledger to support the above balances.
6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$97,343 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2010.
7. The Council recorded total expenditure of \$273,910 in the Statement of Income and Expenditure for the year ended 31 December 2010. Included in the balance were personal costs of \$68,996, occupancy of \$11,354, special events of \$5,685, 'mata ni tikina' allowance of \$19,916, fuel of \$5,765, repairs, maintenance and insurance of \$13,002, other expenses of \$8,039, youth of \$3,120 and 'soqosoqo vakamarama' of \$2,175. The Council was unable to provide appropriate supporting documentations which included records such as payment vouchers, supporting documentations to adjustments made to the general ledger, documents to support the current salary rate and pay run reports to support the above balances.
8. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part

	<p>of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 – Presentation of Financial Statements, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.</p>
Naitasiri:	
2008	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$124,008 in the Statement of Financial Position as at 31 December 2008. Included in the balance were \$32,910 for the bank current account, \$88,290 under bank savings account, and cash on hand of \$2,808. Although the bank had confirmed a total balance of \$35,063 for the current account, the Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements, cashbook reconciliations, payment vouchers, receipts and bank statement for bank savings account; confirmation to support the cash on hand balance; and supporting documents to adjustments made to the general ledger of \$25,541. 2. The Council recorded loans and advances of \$3,367, other assets of \$35,744, current liabilities of \$46,045, and special funds of \$103,320 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide me with appropriate documentations which included records such subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$495,228 in the Statement of Financial Position as at 31 December 2008. Included in the balance were land of \$64,025, building of \$371,960 and motor vehicle of \$45,326 for which I was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances. 4. The Council recorded an asset revaluation reserve of \$378,665, which had been carried forward from previous years, and prior year adjustments of \$14,651 in the Statement of Changes in Equity for the year ended 31 December 2008. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the above balances. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$25,398 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2008. 6. The Council recorded income of \$281,241 in the Statement of Income and Expenditure for the year ended 31 December 2008. Included in the balance were government subvention for operating income of \$159,848, other income of \$40,341 and income from investment of \$54,890. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balances. 7. The Council recorded total expenditure of \$246,639 in the Statement of Income and Expenditure for the year ended 31 December 2008. Included in the balance

	<p>were salary, wages allowance and related payments of \$44,502, travelling and subsistence of \$3,864, occupancy of \$9,571, insurance of \$3,911, repairs and maintenance of \$5,144, special events of \$21,740, write-off loans and advances of \$13,440, sundry expenses of \$3,718, and 'ka vakavanua' of \$3,535. The Council was unable to provide me with appropriate documentations which included records such as payment vouchers, documents to support the current salary rate and supporting documentations for journal entries to support the above balances.</p> <p>8. The Council did not disclose a Statement of Compliance, information about the entity, the fact that it is impracticable to restate prior period errors, current portion of interest bearing, and reconciliation of the carrying amounts for property, plant and equipment in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, and Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment.</p>
2009	<p>1. The Council recorded cash at bank and on hand of \$118,569 in the Statement of Financial Position as at 31 December 2009. Included in the balance were \$14,167 bank current account, \$2,576 under bank savings account, \$100,141 under bank dividend account and cash on hand of \$1,685. The Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements for the current account; bank statements, bank reconciliation statements, cashbook reconciliations, receipts, payment vouchers for the dividend and savings accounts; and confirmation to support the cash on hand balance.</p> <p>2. The Council recorded loans and advances of \$4,240, other assets of \$32,456, current liabilities of \$36,719, and special funds of \$97,657 in the Statement of Financial Position as at 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances.</p> <p>3. The Council recorded property, plant and equipment at a net value of \$474,677 in the Statement of Financial Position as at 31 December 2009. Included in the balance were land of \$64,025, building of \$370,594 and motor vehicle of \$25,006 for which I was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances.</p> <p>4. The Council recorded investments of \$166,629 in the Statement of Financial Position as at 31 December 2009 which included the term deposit with Fiji Development Bank of \$66,000. I was not provided with investment confirmations from the bank which was necessary to confirm the existence and completeness of the investment balance.</p> <p>5. The Council recorded an asset revaluation reserve of \$378,665 in the Statement of Changes in Equity for the year ended 31 December 2009, which had been carried forward from previous years. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the asset revaluation balance.</p> <p>6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend</p>

	<p>beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$23,451 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2009.</p> <p>7. The Council recorded total income of \$440,827 in the Statement of Income and Expenditure for the year ended 31 December 2009. Included in the balance were government subvention for operating income of \$181,704, other income of \$15,693 and income from investment of \$219,059. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balances.</p> <p>8. The Council recorded total expenditure of \$253,460 in the Statement of Income and Expenditure for the year ended 31 December 2009. Included in the balance were salary, wages allowance and related payments of \$60,640, insurance costs of \$3,322, repairs and maintenance of \$6,460, special events of \$18,524, motor vehicle cost of \$5,638, sundry expenses of \$5,731, interest and financial costs of \$12,683 and rates refund of \$3,443. The Council was unable to provide me with appropriate documentations which included records such as payment vouchers, documents to support the current salary rate and supporting documentations for journal entries to support the above balances.</p> <p>9. The Council did not disclose a Statement of Compliance, information about the entity, the fact that it is impracticable to restate prior period errors, current portion of interest bearing, and reconciliation of the carrying amounts for property, plant and equipment in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, and Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment.</p>
2010	<p>1. The Council recorded cash at bank and on hand of \$136,907 in the Statement of Financial Position as at 31 December 2010. Included in the balance were \$39,589 bank current account, \$2,576 under bank savings account, \$93,207 under bank dividend account and cash on hand of \$1,535. The Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements for the current account; bank statements, bank reconciliation statements, cashbook reconciliations, receipts, payment vouchers for the dividend and savings accounts; and confirmation to support the cash on hand balance.</p> <p>2. The Council recorded loans and advances of \$3,701, other assets of \$16,728, current liabilities of \$37,669, and special funds of \$98,387 in the Statement of Financial Position as at 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances.</p> <p>3. The Council recorded property, plant and equipment at a net value of \$471,206 in the Statement of Financial Position as at 31 December 2010. Included in the balance were land of \$64,025, building of \$364,728 and motor vehicle of \$5,582 for which I was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances.</p>

	<ol style="list-style-type: none"> 4. The Council recorded investments of \$166,629 in the Statement of Financial Position as at 31 December 2009 which included the term deposit with Fiji Development Bank of \$66,000. I was not provided with investment confirmations from the bank which was necessary to confirm the existence and completeness of the investment balance. 5. The Council recorded an asset revaluation reserve of \$378,665 in the Statement of Changes in Equity for the year ended 31 December 2010, which had been carried forward from previous years. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$14,014 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2010. 7. The Council recorded total income of \$227,347 in the Statement of Income and Expenditure for the year ended 31 December 2010. Included in the balance were government subvention for operating income of \$169,236, other income of \$23,946 and income from investment of \$19,176. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balances. 8. The Council recorded total expenditure of \$246,639 in the Statement of Income and Expenditure for the year ended 31 December 2008. Included in the balance were salary, wages allowance and related payments of \$53,171, occupancy of \$7,880, insurance of \$1,080, and special events of \$16,690. The Council was unable to provide me with appropriate documentations which included records such as payment vouchers, documents to support the current salary rate and supporting documentations for journal entries to support the above balances. 9. The Council did not disclose a Statement of Compliance, information about the entity, the fact that it is impracticable to restate prior period errors, current portion of interest bearing, and reconciliation of the carrying amounts for property, plant and equipment in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, and Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment.
<p>Namosi: 2008</p>	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$34,879 in the Statement of Financial Position as at 31 December 2008. Included in the balance were \$20,320 for the bank current, \$320 under bank savings account and \$14,329 under bank trust account. The Council was unable to provide me with appropriate documentations which included records such as cashbook reconciliations, bank reconciliation statements for the current account; and bank reconciliation statements, bank statements, cashbook reconciliations, receipts, payment vouchers for the savings and trust accounts. 2. The Council recorded loans and advances of \$18,535, advance to public of

	<p>\$48,601, loans to public of \$774,310, other assets – subvention claimed not received of \$21,529, current liabilities of \$86,849 and borrowings - Taukei Affairs Board loan of \$275,000 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide me with appropriate documentations which included records such subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances.</p> <ol style="list-style-type: none"> 3. The Council recorded property, plant and equipment at a net value of \$280,810 which included land of \$10,000 building of \$229,499 and motor vehicle of \$21,920 in the Statement of Financial Position as at 31 December 2008. I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances. 4. The Council recorded an asset revaluation reserve of \$37,054 which had been carried forward from previous years and prior year adjustment of \$2,595 in the Statement of Changes in Equity for the year ended 31 December 2008. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the above balances. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$37,836 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2008. 6. The Council recorded income from government subvention for operating expenses of \$84,743, income from investment of \$73,999 and other income of \$35,755 in the Statement of Income and Expenditure for the year ended 31 December 2008. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balance. 7. The Council recorded payroll of salary, wages, allowances and related payments of \$38,194, bad debts of \$7,015, special events of \$2,800 and doubtful debts of \$51,465 in the Statement of Income and Expenditure for the year ended 31 December 2008. The Council was unable to provide various other records such as the supporting documentations for journal entries, some payment vouchers and documents to support the payments made during the year, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit. 8. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.
2009	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$28,611 in the Statement of Financial Position as at 31 December 2009. Included in the balance were \$26,721

for the bank current account, \$260 under bank savings account and \$1,630 under bank trust account. The Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements, cashbook reconciliations for the current account; bank reconciliation statements, cashbook reconciliations, payment vouchers, receipts, cheques book, lodgement forms to support the savings and trust account balances.

2. The Council recorded loans and advances of \$23,061, advance to public of \$52,145, loans to public of \$774,310, other assets – subvention claimed not received of \$26,485, current liabilities of \$73,909 and non-current liabilities - loan with Taukei Affairs Board loan of \$275,000 in the Statement of Financial Position as at 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances.
3. The Council recorded property, plant and equipment at a net value of \$263,898 which included land of \$10,000 building of \$222,785 and motor vehicle of \$12,525 in the Statement of Financial Position as at 31 December 2009. I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances.
4. The Council recorded an asset revaluation reserve of \$37,054 which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2009. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the asset revaluation reserve.
5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$39,837 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2009.
6. The Council recorded income from government subvention for operating expenses of \$89,541 and other income of \$1,788 in the Statement of Income and Expenditure for the year ended 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balance.
7. The Council recorded payroll of salary, wages, allowances and related payments of \$38,725, insurance of \$2,399, repairs and maintenance of \$15,477 and rates refund of \$10,508 in the Statement of Income and Expenditure for the year ended 31 December 2009. The Council was unable to provide various other records such as the supporting documentations for journal entries, some payment vouchers and documents to support the payments made during the year, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit.
8. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part

	<p>of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.</p>
<p>2010</p>	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$52,656 in the Statement of Financial Position as at 31 December 2010. Included in the balance were \$27,065 for the bank current account, \$200 under bank savings account, \$24,895 under bank trust account and cash on hand of \$496. The Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements, cashbook reconciliations for the current account; bank reconciliation statements, cashbook reconciliations, payment vouchers, receipts, cheques book, lodgement forms for the savings and trust accounts; and confirmation to support the cash on hand balance. 2. The Council recorded loans and advances of \$22,405, advance to public of \$50,275, loans to public of \$774,310, other assets – subvention claimed not received of \$29,110, current liabilities of \$79,896 and non-current liabilities - loan with Taukei Affairs Board loan of \$275,000 in the Statement of Financial Position as at 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$312,492 which included land of \$10,000 building of \$216,071 and motor vehicle of \$68,637 in the Statement of Financial Position as at 31 December 2010. I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances. 4. The Council recorded an asset revaluation reserve of \$37,054 which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2010. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the asset revaluation reserve. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$32,824 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2010. 6. The Council recorded income from government subvention for operating expenses of \$75,418, income from investment of \$19,206 and other income of \$47,261 in the Statement of Income and Expenditure for the year ended 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balance. 7. The Council recorded payroll of salary, wages, allowances and related payments of \$36,300, special events of \$2,000, repairs and maintenance of \$4,578, rates refund of \$11,524 and sundry expense of \$35,741 in the Statement of Income and Expenditure for the year ended 31 December 2010. The Council was unable

	<p>to provide various other records such as the supporting documentations for journal entries, some payment vouchers and documents to support the payments made during the year, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit.</p> <p>8. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.</p>
<p>Ra: 2008</p>	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$57,968 in the Statement of Financial Position as at 31 December 2008. Included in the balance were bank current account of \$30,014, bank savings account of \$21,204 and cash on hand of \$6,750. There was an unreconciled variance of \$13,369 between the bank reconciliation statement for the current account and the amount reflected in the financial statements. In addition, the Council was unable to provide me with appropriate documentations which included bank reconciliation statements, cashbook reconciliations, receipts, and payment vouchers for the saving accounts; confirmations to support cash on hand; and supporting documents to the journal entries made to the general ledger of \$90,845. 2. The Council recorded gross receivables - loans and advances of \$58,679, provision for doubtful debts of \$16,526, component of other assets of \$18,092, current liabilities of \$87,349 and Fiji Cane Growers Development fund of \$6,369 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide with me with appropriate documentations which included records such as loan approval, debtors' ledger, creditors' ledger, payment vouchers, receipts and supporting documentations to adjustments made to the general ledger, to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$350,584 in the Statement of Financial Position as at 31 December 2008. Included in the balance were land of \$22,400, building of \$280,490 and motor vehicle of \$32,143 for which I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances. 4. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$15,077 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2008. 5. The Council recorded salary, wages allowances and related payments of \$44,605, personal costs - salaries of \$4,648, 'turaga ni koro' allowance of \$3,420 and sundry expenses of \$34,796 in the Statement of Income and Expenditure for the year ended 31 December 2008. The Council was unable to provide various other records such as the supporting documentations for journal entries, documents to support the current salary rate and pay run reports. The missing records have

	<p>provided limitation to the scope of my audit.</p> <p>6. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.</p>
2009	<p>1. The Council recorded cash at bank and on hand of \$48,781 in the Statement of Financial Position as at 31 December 2009. Included in the balance were cash at bank current account of \$36,287, cash at bank savings account of \$5,744 and cash on hand of \$6,750. There was an unreconciled variance of \$23,603 between the bank reconciliation statement for the current account and the amount reflected in the financial statements. In addition, the Council was unable to provide me with appropriate documentations which included bank reconciliation statements, cashbook reconciliations, cash receipt statements, cash payment statements, receipts, and payment vouchers for the current and saving accounts; confirmations to support cash on hand; and supporting documents to the journal entries made to the general ledger of \$11,299.</p> <p>2. The Council recorded gross receivables - loans and advances of \$58,853, provision for doubtful debts of \$16,526, component of other assets of \$21,684, current liabilities of \$91,331 and Fiji Cane Growers Development fund of \$6,369 in the Statement of Financial Position as at 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such as loan approval, debtors' ledger, creditors' ledger, payment vouchers, receipts and supporting documentations to adjustments made to the general ledger, to support the above balances.</p> <p>3. The Council recorded property, plant and equipment at a net value of \$330,258 in the Statement of Financial Position as at 31 December 2009. Included in the balance were land of \$22,400, building of \$274,893 and motor vehicle of \$19,786 for which I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances.</p> <p>4. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$20,143 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2009.</p> <p>5. The Council recorded total income of \$228,234 in the Statement of Income and Expenditure for the year ended 31 December 2009. Included in the balance were income from government subvention for operating expenses of \$135,866, income from other operations of \$4,303, other income of \$3,911 and income from investment of \$63,404. The Council was unable to provide me with appropriate documentations such as receipts and supporting documentations to adjustments made to the general ledger to support the above balances.</p> <p>6. The Council recorded salary, wages allowances and related payments of \$33,974,</p>

	<p>personal costs - salaries of \$15,479, occupancy of \$1,414, motor vehicle cost of \$19,050, administration cost \$9,148, special events of \$17,449, 'turaga ni koro' allowance of \$55,650, 'mata ni tikina' allowance of \$12,908, repair and maintenance of \$9,570, 'ka vakavanua' of \$12,726 and sundry expenses of \$23,875 in the Statement of Income and Expenditure for the year ended 31 December 2009. The Council was unable to provide various other records such as the payment vouchers, supporting documentations for adjustments made to the general ledger, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit.</p> <p>7. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.</p>
2010	<p>1. The Council recorded cash at bank and on hand of \$67,101 in the Statement of Financial Position as at 31 December 2010. Included in the balance were cash at bank current account of \$59,754, cash at bank savings account of \$246 and cash on hand of \$7,101. There was an unreconciled variance of \$13,548 between the bank reconciliation statement for the current account and the amount reflected in the financial statements. In addition, the Council was unable to provide me with appropriate documentations which included bank reconciliation statements, cashbook reconciliations, cash receipt statements, cash payment statements, receipts, and payment vouchers for the current and saving accounts; confirmations to support cash on hand; and supporting documents to the journal entries made to the general ledger of \$76,255.</p> <p>2. The Council recorded gross receivables - loans and advances of \$54,241, provision for doubtful debts of \$16,526, component of other assets of \$41,360, current liabilities of \$87,459 and Fiji Cane Growers Development fund of \$6,369 in the Statement of Financial Position as at 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such as loan approval, debtors' ledger, creditors' ledger, payment vouchers, receipts and supporting documentations to adjustments made to the general ledger, to support the above balances.</p> <p>3. The Council recorded property, plant and equipment at a net value of \$375,243 in the Statement of Financial Position as at 31 December 2010. Included in the balance were land of \$22,400, building of \$269,296 and motor vehicle of \$62,680 for which I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances.</p> <p>4. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$22,682 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2010.</p> <p>5. The Council recorded total income of \$336,312 in the Statement of Income and Expenditure for the year ended 31 December 2010. Included in the balance was</p>

	<p>income from investment of \$116,547. The Council was unable to provide me with appropriate documentations such as receipts and supporting documentations to adjustments made to the general ledger to support the above balances.</p> <p>6. The Council recorded salary, wages allowances and related payments of \$56,223 and personal costs - salaries of \$12,805 in the Statement of Income and Expenditure for the year ended 31 December 2010. The Council was unable to provide various other records such as the payment vouchers, supporting documentations for adjustments made to the general ledger, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit.</p> <p>7. The Council did not disclose the Statement of Compliance, Information about the entity, the fact that it is impracticable to restate period errors, current portion of interest bearing, reconciliation of the carrying amounts for property, plant and equipment and accounting policy for borrowing costs in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment, and Fiji Accounting Standards 23 – Borrowing Costs.</p>
<p>Rewa: 2008</p>	<p>1. The Council recorded cash at bank and on hand of \$269,917 in the Statement of Financial Position as at 31 December 2008. Included in the balance were \$280,381 for bank current account and credit cash on hand balance of \$10,764. Although the bank had confirmed a total balance of \$70,504 for the current account, the Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements, cashbook reconciliations, payment vouchers, receipts and bank statement for bank savings account; confirmation to support the cash on hand balance; and supporting documents to journal adjustments made to the general ledger of \$54,990.</p> <p>2. The Council recorded gross loans and advances of \$63,952, provision for doubtful debts of \$1,896, other assets of \$81,279, current liabilities of \$24,048, deferred income of \$4,753 and special funds of \$80,000 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide me with appropriate documentations which included records such subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors ledgers, account reconciliation statements and relevant supporting documents to journal adjustments made to the general ledger, to support the above balances.</p> <p>3. The Council recorded property, plant and equipment at a net value of \$139,160 in the Statement of Financial Position as at 31 December 2008. Included in the balance were building of \$106,167 and motor vehicle of \$11,600. I was not provided with the title deeds for building and the registration details of the motor vehicle to confirm the existence and completeness of the balances.</p> <p>4. The Council recorded an asset revaluation reserve of \$140,936 which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2008. The Council was unable to provide me with appropriate documentations which included the approved valuation report to support the above balance.</p> <p>5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend</p>

	<p>beyond the amounts recorded in the official receipts issued by the Provincial Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$38,699 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2008.</p> <p>6. The Council recorded income of \$505,735 in the Statement of Income and Expenditure for the year ended 31 December 2008. Included in the balance were government subvention for operating income of \$201,808, government subvention for fixed assets of \$1,751 and income from investment of \$191,456. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balances.</p> <p>7. The Council did not disclose a Statement of Compliance, information about the entity, the fact that it is impracticable to restate prior period errors, current portion of interest bearing, and reconciliation of the carrying amounts for property, plant and equipment in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, and Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment.</p>
2009	<p>1. The Council recorded cash at bank and on hand of \$281,908 in the Statement of Financial Position as at 31 December 2009. Included in the balance were \$292,645 for bank current account and credit cash on hand balance of \$10,737. Although the bank had confirmed a total balance of \$71,980 for the current account, the Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements, cashbook reconciliations, payment vouchers, receipts and bank statement for bank savings account; confirmation to support the cash on hand balance; and supporting documents to journal adjustments made to the general ledger of \$17,282.</p> <p>2. The Council recorded gross loans and advances of \$63,952, provision for doubtful debts of \$3,792, other assets of \$30,835, current liabilities of (\$12,027) and special funds of \$80,000 in the Statement of Financial Position as at 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors' ledgers, account reconciliation statements and relevant supporting documents to journal adjustments made to the general ledger, to support the above balances.</p> <p>3. The Council recorded property, plant and equipment at a net value of \$176,496 in the Statement of Financial Position as at 31 December 2009. Included in the balance were building of \$102,667 and motor vehicle of \$50,214. I was not provided with the title deeds for building and the registration details of the motor vehicle to confirm the existence and completeness of the balances.</p> <p>4. The Council recorded an asset revaluation reserve of \$140,936 which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2009. The Council was unable to provide me with appropriate documentations which included the approved valuation report to support the above balance.</p> <p>5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Provincial Councils for provincial rates. Accordingly, I am unable to determine whether</p>

	<p>income from provincial rates of \$47,560 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2009.</p> <p>6. The Council recorded income of \$313,674 in the Statement of Income and Expenditure for the year ended 31 December 2009. Included in the balance were government subvention for operating income of \$115,312, other income – profit from sale of fixed asset of \$10,724 and income from investment of \$132,137. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balances.</p> <p>7. The Council did not disclose a Statement of Compliance, information about the entity, the fact that it is impracticable to restate prior period errors, current portion of interest bearing, and reconciliation of the carrying amounts for property, plant and equipment in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, and Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment.</p>
2010	<p>1. The Council recorded cash at bank and on hand of \$358,923 in the Statement of Financial Position as at 31 December 2010. Included in the balance were \$369,722 for bank current account and credit cash on hand balance of \$10,799. Although the bank had confirmed a total balance of \$76,646 for the current account, the Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements, cashbook reconciliations, payment vouchers, receipts and bank statement for bank savings account; confirmation to support the cash on hand balance; and supporting documents to journal adjustments made to the general ledger of \$53,833.</p> <p>2. The Council recorded gross loans and advances of \$68,697, provision for doubtful debts of \$5,688, other assets of \$26,637, current liabilities of \$8,621 and special funds of \$80,000 in the Statement of Financial Position as at 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors ledgers, account reconciliation statements and relevant supporting documents to journal adjustments made to the general ledger, to support the above balances.</p> <p>3. The Council recorded property, plant and equipment at a net value of \$158,509 in the Statement of Financial Position as at 31 December 2010. Included in the balance were building of \$99,167 and motor vehicle of \$38,240. I was not provided with the title deeds for building and the registration details of the motor vehicle to confirm the existence and completeness of the balances.</p> <p>4. The Council recorded an asset revaluation reserve of \$140,936 which had been carried forward from previous years in the Statement of Changes in Equity for the year ended 31 December 2010. The Council was unable to provide me with appropriate documentations which included the approved valuation report to support the above balance.</p> <p>5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Provincial Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$46,398 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect</p>

	<p>of the provincial rates income for the year ended 31 December 2010.</p> <ol style="list-style-type: none"> 6. The Council recorded income of \$255,141 in the Statement of Income and Expenditure for the year ended 31 December 2010. Included in the balance were government subvention for operating income of \$129,627, other income – profit from sale of fixed asset of \$10,724 and income from investment of \$74,271. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balances. 7. The Council recorded expenditure of \$202,830 in the Statement of Income and Expenditure for the year ended 31 December 2010. The Council was unable to provide with appropriate documentations which included records such as payments vouchers, pay run reports and supporting documentations for journal adjustment entries to support the above balances. 8. The Council did not disclose a Statement of Compliance, information about the entity, the fact that it is impracticable to restate prior period errors, current portion of interest bearing, and reconciliation of the carrying amounts for property, plant and equipment in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, and Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment.
<p>Serua: 2008</p>	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$103,769 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide me with appropriate documentations to support the cash at bank and on hand balance of \$103,769. 2. The Council recorded loans and advances of \$496, other assets of \$93,498, current liabilities of \$58,354 and special funds of \$100,000 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide appropriate documentations to support the above balance. 3. The Council recorded investments of \$946,266 in the Statement of Financial Position as at 31 December 2008. Included in the balance were investments with Unit Trust of Fiji and Serua Provincial Investment Company Limited for \$17,258 and \$825,289 respectively. I was not provided with investment confirmations from the companies which was necessary to confirm the existence and completeness of the balances. As a result, I was unable to determine whether any adjustments might have been necessary in respect of investment balances at year end. 4. The Council recorded property, plant and equipment at a net value of \$78,570 which included land of \$45,000, building of \$4,550 and motor vehicle of \$11,600 in the Statement of Financial Position as at 31 December 2008. I was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$9,234 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2008.

	<p>6. The Council recorded income from investment of \$40,573 in the Statement of Income and Expenditure for the year ended 31 December 2008. The Council was unable to provide appropriate documentations to support the above balances.</p>
<p>2009</p>	<p>1. The Council recorded cash at bank and on hand of \$200,138 in the Statement of Financial Position as at 31 December 2009. The Council was unable to provide me with appropriate documentations to support the cash at bank and on hand balance of \$200,138.</p> <p>2. The Council recorded loans and advances of \$429, current liabilities of \$141,131 and special funds of \$100,000 in the Statement of Financial Position as at 31 December 2009. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>3. The Council recorded investments of \$946,309 in the Statement of Financial Position as at 31 December 2009. Included in the balance were investments with Unit Trust of Fiji and Serua Provincial Investment Company Limited for \$17,258 and \$825,289 respectively. I was not provided with investment confirmations from the companies which was necessary to confirm the existence and completeness of the balances.</p> <p>4. The Council recorded property, plant and equipment at a net value of \$125,851 which included land of \$45,000, building of \$4,400 and motor vehicle of \$54,167 in the Statement of Financial Position as at 31 December 2009. I was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances.</p> <p>5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$13,590 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2009.</p> <p>6. The Council was unable to provide various other records such as the payment vouchers and documents to support the payments made during the year and supporting documentation for journal entries taken up in the general ledger. The missing records have provided limitation to the scope of my audit.</p>
<p>2010</p>	<p>1. The Council recorded cash at bank and on hand of \$97,132 in the Statement of Financial Position as at 31 December 2010. There was an unreconciled variance of \$51,453 between the bank reconciliation statement and the amount reflected in the financial statements. As a result, I was unable to determine whether any adjustment might have been necessary in respect of the Council's cash at bank balance at year end and any corresponding adjustments to the elements making up the Statement of Income and Expenditure.</p> <p>2. The Council recorded loans and advances of \$301, current liabilities of \$141,130 and special funds of \$100,000 in the Statement of Financial Position as at 31 December 2010. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>3. The Council recorded investments of \$946,361 in the Statement of Financial Position as at 31 December 2010. Included in the balance were investments with Unit Trust of Fiji and Serua Provincial Investment Company Limited for \$17,258 and \$825,289 respectively. I was not provided with investment confirmations</p>

	<p>from the companies which was necessary to confirm the existence and completeness of the balances. As a result, I was unable to determine whether any adjustments might have been necessary in respect of investment balances at year end.</p> <ol style="list-style-type: none"> 4. The Council recorded property, plant and equipment at a net value of \$108,129 which included land of \$45,000, building of \$4,250 and motor vehicle of \$41,167 in the Statement of Financial Position as at 31 December 2010. I was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$11,090 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2010. 6. The Council was unable to provide various other records such as the payment vouchers and documents to support the payments made during the year and supporting documentation for journal entries taken up in the general ledger. The missing records have provided limitation to the scope of my audit.
<p>Tailevu: 2008</p>	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$176,741 in the Statement of Financial Position as at 31 December 2008. Included in the balance were \$176,336 for the bank current account and cash on hand of \$405. There was a variance of \$141,060 between the bank statement for the current account and bank audit certificate at the end of financial year. In addition, the Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements and cashbook reconciliations for bank current account and confirmations to support the cash on hand balance. 2. The Council recorded loans and advances of \$23,677, other assets of \$35,714, current liabilities of \$125,520 and special funds held in trust of \$208,586 in the Statement of Financial Position as at 31 December 2008. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors' ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances. 3. The Council recorded investments of \$803,825 in the Statement of Financial Position as at 31 December 2008. Included in the balance were investments with Tailevu Provincial Cooperative Dairy Farm Ltd and Tailevu Provincial Holdings Company Ltd of \$41,900 and \$731,986 respectively. I was not provided with investment confirmations from the companies which was necessary to confirm the existence and completeness of the balances. 4. The Council recorded property, plant and equipment at a net value of \$233,920 which included land of \$32,111 and building of \$186,967 in the Statement of Financial Position as at 31 December 2008. I was not provided with the title deeds for land and building to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$710,574 which had been carried forward from previous years and prior year adjustment of \$32,966 in the

	<p>Statement of Changes in Equity for the year ended 31 December 2008. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the above balances.</p> <ol style="list-style-type: none"> 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$20,775 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2008. 7. The Council recorded income from government subvention for operating expenses of \$255,077 and other income of \$308,068 in the Statement of Income and Expenditure for the year ended 31 December 2008. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balance. 8. The Council was unable to provide various other records such as supporting documentations for journal entries, some payment vouchers and documents to support the payments made during the year, documents to support the salary rate and pay run reports. The missing records have provided limitation to the scope of my audit. 9. The Council did not disclose a Statement of Compliance, information about the entity, the fact that it is impracticable to restate prior period errors and reconciliation of the carrying amounts for property, plant and equipment in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, and Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment.
<p>2009</p>	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$223,219 in the Statement of Financial Position as at 31 December 2009. Included in the balance were \$156,191 for the bank current account, \$64,568 under bank savings account, and cash on hand of \$2,460. There was a variance of \$15,206 between the bank statement for the current account and the bank audit certificate at the end of financial year. In addition, the Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements and cashbook reconciliations for the current account; bank statements, bank reconciliation statements, cashbook reconciliations, payment vouchers and receipts for the savings account; and confirmation to support the cash on hand balance. 2. The Council recorded loans and advances of \$13,884, current liabilities of \$150,539, and special funds held in trust of \$208,586 in the Statement of Financial Position as at 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors’ ledgers and loan approvals, payment vouchers, receipts, creditors’ ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances. 3. The Council recorded investments of \$804,257 in the Statement of Financial Position as at 31 December 2009. Included in the balance were investments with Tailevu Provincial Cooperative Dairy Farm Ltd and Tailevu Provincial Holdings

	<p>Company Ltd for \$41,900 and \$731,986 respectively. I was not provided with investment confirmations from the companies which was necessary to confirm the existence and completeness of the balances.</p> <ol style="list-style-type: none"> 4. The Council recorded property, plant and equipment at a net value of \$264,081 which included land of \$32,000, building of \$184,067 and motor vehicle of \$36,031 in the Statement of Financial Position as at 31 December 2009. I was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$710,574 in the Statement of Changes in Equity for the year ended 31 December 2009, which had been carried forward from previous years. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$22,781 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2009. 7. The Council recorded income from government subvention for operating expenses of \$194,843 in the Statement of Income and Expenditure for the year ended 31 December 2009. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balance. 8. The Council was unable to provide various other records such as supporting documentations for journal entries, some payment vouchers and documents to support the payments made during the year, documents to support the salary rate and pay run reports. The missing records have provided limitation to the scope of my audit. 9. The Council did not disclose a Statement of Compliance, information about the entity, the fact that it is impracticable to restate prior period errors and reconciliation of the carrying amounts for property, plant and equipment in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, and Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment.
<p>2010</p>	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$259,748 in the Statement of Financial Position as at 31 December 2010. Included in the balance were \$171,072 for the bank current account, \$87,982 under bank savings account, and cash on hand of \$694. There was an unreconciled variance of \$152,544 between the bank reconciliation statement and the financial statement for the current account. In addition, the Council was unable to provide me with appropriate documentations which included records such as bank reconciliation statements and cashbook reconciliations for the current account; bank statements, bank reconciliation statements, cashbook reconciliations, payment vouchers and receipts for the savings account; and confirmation to support the cash on hand balance. 2. The Council recorded loans and advances of \$8,173, current liabilities of \$78,664,

and special funds held in trust of \$208,586 in the Statement of Financial Position as at 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such as subsidiary debtors' ledgers and loan approvals, payment vouchers, receipts, creditors' ledgers, account reconciliation statements and relevant supporting documents to adjustments made to the general ledger, to support the above balances.

3. The Council recorded investments of \$804,831 in the Statement of Financial Position as at 31 December 2010. Included in the balance were investments with Tailevu Provincial Cooperative Dairy Farm Ltd and Tailevu Provincial Holdings Company Ltd for \$41,900 and \$731,986 respectively. I was not provided with investment confirmations from the companies which was necessary to confirm the existence and completeness of the balances.
4. The Council recorded property, plant and equipment at a net value of \$246,162 which included land of \$31,889, building of \$178,692 and motor vehicle of \$27,207 in the Statement of Financial Position as at 31 December 2010. I was not provided with the title deeds for land and building and registration details for motor vehicle to confirm the existence and completeness of the balances.
5. The Council recorded an asset revaluation reserve of \$710,574 in the Statement of Changes in Equity for the year ended 31 December 2010, which had been carried forward from previous years. The Council was unable to provide me with appropriate documentations which included the approved valuation report and supporting documents to adjustments made to the general ledger to support the asset revaluation balance.
6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, I am unable to determine whether income from provincial rates of \$1,615 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2010.
7. The Council recorded income from government subvention for operating expenses of \$264,594 in the Statement of Income and Expenditure for the year ended 31 December 2010. The Council was unable to provide me with appropriate documentations which included records such as receipts and supporting documentations for journal entries to support the above balances.
8. The Council was unable to provide various other records such as supporting documentations for journal entries, some payment vouchers and documents to support the payments made during the year, documents to support the salary rate and pay run reports. The missing records have provided limitation to the scope of my audit.
9. The Council did not disclose a Statement of Compliance, information about the entity, the fact that it is impracticable to restate prior period errors and reconciliation of the carrying amounts for property, plant and equipment in the notes forming part of the financial statements. This is a departure from the requirements of the Fiji Accounting Standards 1 - Presentation of Financial Standards, Fiji Accounting Standards 8 – Disclosure of prior period errors, and Fiji Accounting Standards 16 – Disclosure of Property, Plant and Equipment.

APPENDIX 4:
**ABRIDGED FINANCIAL STATEMENTS FOR THE
FOURTEEN (14) PROVINCIAL COUNCILS**

Appendix C: Abridged Financial Statements

Ba Provincial Council

Abridged Statement of Financial Performance

	2008 \$	2009 \$	2010 \$
Govt Subvention for operating expenses	188,890	225,507	181,128
Provincial Rates	252,291	311,805	228,537
Income from Investment	55,463	112,520	-
Other Income	42,844	5,712	46,147
Total Income	539,488	655,544	455,812
Personal Cost	45,088	63,253	38,037
Travelling and Subsistence	11,155	8,370	8,356
Fuel, repair and maintenance motor vehicle	18,126	17,756	12,631
Administration	16,379	14,539	12,124
Special Events	27,881	24,483	18,462
Turaga ni Koro allowance	67,950	69,361	63,358
Mata ni Tikina allowance	10,474	11,791	18,361
Other Expenses	23,075	7,144	15,432
Total Expenses covered by subvention	220,128	216,697	186,761
Personal cost-salaries	79,203	66,171	82,553
Depreciation-expenses	60,617	58,688	61,729
Other Expenses	201,039	193,723	246,619
Total Expenses not covered by subvention	340,859	318,582	390,901
Total Expenditure	560,987	535,279	577,662
Net (deficit)/ profit	(21,499)	120,265	(121,850)

Abridged Statement of Financial Position

	2008 \$	2009 \$	2010 \$
Cash at bank and on hand	64,540	113,437	81,450
Other current assets	174,917	282,339	219,423
Property, plant and equipment	556,157	497,936	503,574
Investments	1,987,644	1,987,644	1,987,644
Total Assets	2,783,258	2,881,356	2,792,091
Other creditors	12,244	(9,764)	(4,959)
Interest bearing borrowings	251,206	251,047	278,827
Total Liabilities	263,450	241,283	273,868
Net Assets	2,519,808	2,640,073	2,518,223
Accumulated Funds	2,023,182	2,143,447	2,021,597
Asset revaluation reserve	496,626	496,626	496,626
Total Funds Employed	2,519,808	2,640,073	2,518,223

Bua Provincial Council

Abridged Statement of Financial Performance

	2008 \$	2009 \$	2010 \$
Govt Subvention for operating expenses	144,152	134,642	127,871
Provincial Rates	28,381	21,555	30,685
Income from Investment	243,560	48,797	39,281
Other Income	262,051	145,647	210,834
Total Income	678,144	350,641	408,671
Personal Cost	36,365	38,817	34,629
Travelling and Subsistence	4,699	7,005	5,867

	2008 \$	2009 \$	2010 \$
Fuel, repair and maintenance motor vehicle	12,515	12,430	8,155
Administration	10,923	5,524	5,660
Special Events	13,520	7,667	20,882
Turaga ni Koro allowance	27,120	32,440	32,400
Mata ni Tikina allowance	8,430	17,381	14,072
Other Expenses	26,980	21,565	11,856
Total Expenses covered by subvention	140,552	142,829	133,521
Personal cost-salaries	7,062	9,127	11,019
Depreciation-expenses	33,358	32,198	31,803
Other Expenses	105,728	143,664	223,331
Total Expenses not covered by subvention	146,148	184,989	266,153
Total Expenditure	286,700	327,818	399,674
Net profit	391,444	22,823	8,997

Abridged Statement of Financial Position

	2008 \$	2009 \$	2010 \$
Cash at bank and on hand	662,460	506,037	583,612
Other current assets	23,917	12,819	33,038
Property, plant and equipment	864,044	838,709	828,630
Investments	397,861	603,356	557,006
Total Assets	1,948,282	1,960,921	2,002,286
Other creditors	522,030	533,124	565,492
Interest bearing borrowings	(2,092)	(2,111)	(2,111)
Total Liabilities	519,938	531,013	563,381
Net Assets	1,428,344	1,429,908	1,438,905
Accumulated Funds	773,731	775,295	784,292
Asset revaluation reserve	654,613	654,613	654,613
Total Funds Employed	1,428,344	1,429,908	1,438,905

Cakaudrove Provincial Council

Abridged Statement of Financial Performance

	2008 \$	2009 \$	2010 \$
Govt Subvention for operating expenses	201,380	281,422	229,448
Provincial Rates	33,524	60,918	54,449
Income from Investment	90,664	111,813	64,604
Other Income	106,118	15	12,000
Total Income	431,686	454,168	360,501
Personal Cost	58,726	68,327	51,005
Travelling and Subsistence	18,632	20,918	25,286
Fuel, repair and maintenance motor vehicle	26,714	22,814	24,233
Administration	22,842	17,821	19,880
Special Events	47,515	35,593	34,640
Turaga ni Koro allowance	76,157	82,450	71,212
Mata ni Tikina allowance	12,808	17,137	15,220
Other Expenses	7,610	8,364	6,407
Total Expenses covered by subvention	271,004	273,424	247,883
Personal cost-salaries	13,231	10,668	29,397
Depreciation-expenses	37,196	36,002	45,799
Other Expenses	137,531	51,708	55,145
Total Expenses not covered by subvention	187,958	98,378	130,341
Total Expenditure	458,962	371,802	378,224
Net (deficit)/profit	(27,276)	82,366	(17,723)

Abridged Statement of Financial Position

	2008 \$	2009 \$	2010 \$
Cash at bank and on hand	186,468	267,791	282,886
Other current assets	217,754	245,223	229,555
Property, plant and equipment	577,240	546,644	582,709
Investments	646,845	650,731	656,925
Total Assets	1,628,307	1,710,389	1,752,075
Other creditors	310,293	325,568	321,444
Interest bearing borrowings	45,048	30,032	95,252
Total Liabilities	355,341	355,600	416,696
Net Assets	1,272,966	1,354,789	1,335,379
Accumulated Funds	689,740	771,563	752,153
Asset revaluation reserve	583,226	583,226	583,226
Total Funds Employed	1,272,966	1,354,789	1,335,379

Kadavu Provincial Council**Abridged Statement of Financial Performance**

	2008 \$	2009 \$	2010 \$
Govt Subvention for operating expenses	158,766	155,023	172,058
Provincial Rates	49,091	119,978	78,940
Income from Investment	68,325	76,688	121,262
Other Income	71,595	1,558	2,395
Total Income	347,777	353,247	374,655
Personal Cost	29,256	26,847	19,327
Travelling and Subsistence	22,071	17,038	15,073
Fuel, repair and maintenance motor vehicle	11,362	8,590	10,376
Administration	11,086	8,926	7,356
Special Events	31,546	24,284	31,418
Turaga ni Koro allowance	45,320	41,850	44,035
Mata ni Tikina allowance	12,821	17,137	18,045
Other Expenses	6,647	3,891	5,186
Total Expenses covered by subvention	170,109	148,563	150,816
Personal cost-salaries	11,758	16,397	17,254
Depreciation-expenses	22,025	22,295	21,201
Other Expenses	120,201	69,527	128,627
Total Expenses not covered by subvention	156,984	108,219	167,082
Total Expenditure	327,093	256,782	317,898
Net profit	20,684	96,465	56,757

Abridged Statement of Financial Position

	2008 \$	2009 \$	2010 \$
Cash at bank and on hand	321,521	397,052	351,321
Other current assets	149,692	149,221	148,921
Property, plant and equipment	306,277	288,441	267,240
Investments	404,711	459,757	519,212
Total Assets	1,182,201	1,294,471	1,286,694
Other creditors	176,849	192,654	128,103
Interest bearing borrowings	10,000	10,000	10,000
Total Liabilities	186,849	202,654	138,103
Net Assets	995,352	1,091,817	1,148,591
Accumulated Funds	807,972	904,437	961,211
Asset revaluation reserve	187,380	187,380	187,380

	2008 \$	2009 \$	2010 \$
Total Funds Employed	995,352	1,091,817	1,148,591

Lau Provincial Council

Abridged Statement of Financial Performance

	2008 \$	2009 \$	2010 \$
Govt Subvention for operating expenses	145,403	143,061	148,268
Govt Subvention for fixed assets	5,307	2,703	1,127
Provincial Rates	45,320	45,924	30,281
Income from Investment	105,338	150,129	85,257
Other Income	16,046	202,524	3,163
Total Income	317,414	544,341	268,096
Personal Cost	49,291	49,900	44,452
Travelling and Subsistence	7,382	12,710	15,036
Fuel, repair and maintenance motor vehicle	4,555	4,687	3,832
Administration	7,997	7,812	7,148
Special Events	12,308	10,699	7,472
Turaga ni Koro allowance	43,210	42,220	42,300
Mata ni Tikina allowance	16,096	16,711	20,345
Other Expenses	10,398	8,433	6,826
Total Expenses covered by subvention	151,237	153,172	147,411
Personal cost-salaries	12,008	9,019	8,607
Depreciation-expenses	4,578	4,656	4,704
Other Expenses	72,582	84,816	59,820
Total Expenses not covered by subvention	89,168	98,491	73,131
Total Expenditure	240,405	251,663	220,542
Net Profit/(deficit)	77,009	292,678	47,554

Abridged Statement of Financial Position

	2008 \$	2009 \$	2010 \$
Cash at bank and on hand	61,906	101,593	104,630
Other current assets	421,602	474,363	527,142
Property, plant and equipment	58,931	53,573	50,734
Investments	685,915	890,678	891,932
Total Assets	1,228,354	1,520,207	1,574,438
Other creditors	141,623	143,237	149,800
Interest bearing borrowings	248,649	248,649	248,649
Deferred Income	5,268	2,565	1,438
Special funds	67,666	67,930	69,171
Total Liabilities	463,206	462,381	469,058
Net Assets	765,148	1,057,826	1,105,380
Accumulated Funds	715,582	1,008,260	1,055,814
Asset revaluation reserve	49,566	49,566	49,566
Total Funds Employed	765,148	1,057,826	1,105,380

Lomaiviti Provincial Council

Abridged Statement of Financial Performance

	2006 \$	2007 \$	2008 \$	2009 \$	2010 \$
Govt Subvention for operating expenses	291,922	351,282	146,897	149,546	164,842
Provincial Rates	54,365	32,856	29,670	52,140	100,128
Income from Investment	133,260	135,399	108,025	108,363	33,391

	2006 \$	2007 \$	2008 \$	2009 \$	2010 \$
Other Income	2,229	2,342	19,370	175,913	35,892
Total Income	481,776	521,879	303,962	485,962	334,253
Personal Cost	172,404	142,095	28,576	24,571	37,682
Travelling and Subsistence	16,275	11,058	10,750	20,780	15,437
Fuel, repair and maintenance motor vehicle	16,064	9,520	15,780	15,062	9,521
Administration	23,521	15,667	12,722	15,487	12,670
Special Events	15,726	20,568	26,809	11,571	5,624
Turaga ni Koro allowance	43,200	38,692	44,770	43,760	36,400
Mata ni Tikina allowance	8,839	8,504	8,224	13,053	17,541
Other Expenses	9,312	7,656	11,665	6,256	10,842
Total Expenses covered by subvention	305,341	253,760	159,296	150,540	145,717
Personal cost-salaries	33,644	20,831	14,134	9,394	730
Depreciation-expenses	22,063	22,063	32,435	29,899	29,380
Other Expenses	90,785	29,075	47,730	61,544	40,125
Total Expenses not covered by subvention	146,492	71,969	94,299	100,837	70,235
Total Expenditure	451,833	325,729	253,595	251,377	215,952
Net profit	29,943	196,150	50,367	234,585	118,301

Abridged Statement of Financial Position

	2006 \$	2007 \$	2008 \$	2009 \$	2010 \$
Cash at bank and on hand	48,652	29,272	20,025	102,049	157,713
Other current assets	370,701	400,164	437,769	347,935	355,426
Property, plant and equipment	1,167,674	1,177,185	1,210,857	1,185,532	1,156,078
Investments	251,212	224,494	206,416	207,976	210,469
Total Assets	1,838,239	1,831,115	1,875,067	1,843,492	1,879,686
Other creditors	245,610	217,101	182,751	227,573	164,126
Interest bearing borrowings	608,957	439,779	508,782	197,800	179,140
Total Liabilities	854,567	656,880	691,533	425,373	343,266
Net Assets	983,672	1,174,235	1,183,534	1,418,119	1,536,420
Accumulated Funds	643,012	833,575	842,874	1,077,459	1,195,760
Asset revaluation reserve	340,660	340,660	340,660	340,660	340,660
Total Funds Employed	983,672	1,174,235	1,183,534	1,418,119	1,536,420

Macuata Provincial Council

Abridged Statement of Financial Performance

	2008 \$	2009 \$	2010 \$
Govt Subvention for operating expenses	148,879	150,277	151,648
Provincial Rates	56,417	16,515	63,117
Income from Investment	75,898	45,010	139,637
Other Income	795,758	692,133	613,477
Total Income	1,076,953	903,935	967,879
Personal Cost	41,171	30,272	29,151
Travelling and Subsistence	8,834	6,181	6,052
Fuel, repair and maintenance motor vehicle	20,142	14,088	11,737
Administration	8,564	9,910	10,954
Special Events	25,566	13,156	11,609
Turaga ni Koro allowance	59,940	63,440	66,717
Mata ni Tikina allowance	18,426	21,627	28,129
Other Expenses	3,330	6,638	8,416
Total Expenses covered by subvention	185,973	165,313	172,765
Personal cost-salaries	8,128	6,000	6,627

	2008 \$	2009 \$	2010 \$
Depreciation-expenses	67,014	69,249	68,393
Other Expenses	667,377	380,553	395,604
Total Expenses not covered by subvention	742,520	455,801	470,625
Total Expenditure	928,493	621,114	643,390
Net profit	148,460	282,821	324,489

Abridged Statement of Financial Position

	2008 \$	2009 \$	2010 \$
Cash at bank and on hand	1,346	5,847	59,411
Other current assets	(21,279)	(55,770)	(32,778)
Property, plant and equipment	3,820,415	3,751,166	3,761,240
Investments	389,860	410,032	369,811
Total Assets	4,190,342	4,111,275	4,157,684
Other creditors	116,283	119,634	143,442
Interest bearing borrowings	3,213,980	2,848,741	2,546,853
Total Liabilities	3,330,263	2,968,375	2,690,295
Net Assets	860,079	1,142,900	1,467,389
Accumulated Funds	20,880	303,701	628,190
Asset revaluation reserve	839,199	839,199	839,199
Total Funds Employed	860,079	1,142,900	1,467,389

Nadroga/Navosa Provincial Council

Abridged Statement of Financial Performance

	2008 \$	2009 \$	2010 \$
Govt Subvention for operating expenses	179,038	194,888	197,113
Provincial Rates	72,526	95,145	97,343
Income from Investment	124,001	163,100	130,721
Other Income	22,030	849	767
Total Income	397,595	453,982	425,944
Personal Cost	37,908	41,434	34,131
Travelling and Subsistence	4,046	4,550	5,127
Fuel, repair and maintenance motor vehicle	17,181	12,960	13,116
Administration	8,455	9,556	9,443
Special Events	15,243	9,938	5,685
Turaga ni Koro allowance	74,806	76,430	55,720
Mata ni Tikina allowance	22,926	20,895	19,916
Other Expenses	5,873	5,174	4,879
Total Expenses covered by subvention	186,438	180,937	148,017
Personal cost-salaries	27,830	38,880	34,865
Depreciation-expenses	8,352	16,754	30,471
Other Expenses	100,339	58,762	60,557
Total Expenses not covered by subvention	136,521	114,396	125,893
Total Expenditure	322,959	295,333	273,910
Net profit	74,636	158,649	152,034

Abridged Statement of Financial Position

	2008 \$	2009 \$	2010 \$
Cash at bank and on hand	318,666	188,046	348,469
Other current assets	250,544	321,194	419,478
Property, plant and equipment	179,755	216,466	255,835

Investments	157,390	122,064	199,284
Total Assets	906,355	847,770	1,223,066
Other creditors	250,373	103,284	260,546
Interest bearing borrowings	70,145	-	-
Total Liabilities	320,518	103,284	260,546
Net Assets	585,837	744,486	962,520
Accumulated Funds	477,173	635,822	853,856
Asset revaluation reserve	108,664	108,664	108,664
Total Funds Employed	585,837	744,486	962,520

Naitasiri Provincial Council

Abridged Statement of Financial Performance

	2008 \$	2009 \$	2010 \$
Govt Subvention for operating expenses	159,848	181,704	169,236
Provincial Rates	25,398	23,451	14,014
Income from Investment	54,890	219,059	19,176
Other Income	41,105	16,613	24,921
Total Income	281,241	440,827	227,347
Personal Cost	34,172	52,440	45,302
Travelling and Subsistence	3,864	6,252	4,988
Fuel, repair and maintenance motor vehicle	19,256	19,001	16,604
Administration	5,522	5,636	7,165
Special Events	21,740	18,524	16,690
Turaga ni Koro allowance	54,150	54,600	54,270
Mata ni Tikina allowance	13,059	16,494	15,633
Other Expenses	10,607	9,349	9,115
Total Expenses covered by subvention	162,370	182,296	169,767
Personal cost-salaries	10,330	8,200	7,869
Depreciation-expenses	30,263	28,380	26,925
Other Expenses	43,676	34,584	23,834
Total Expenses not covered by subvention	84,269	71,164	58,628
Total Expenditure	246,639	253,460	228,395
Net profit/ (deficit)	34,602	187,367	(1,048)

Abridged Statement of Financial Position

	2008 \$	2009 \$	2010 \$
Cash at bank and on hand	124,008	118,569	136,907
Other current assets	39,111	36,696	20,429
Property, plant and equipment	495,228	474,677	471,206
Investments	108,379	166,629	152,686
Total Assets	766,726	796,571	781,228
Other creditors	155,138	141,928	142,633
Interest bearing borrowings	229,830	85,518	70,518
Total Liabilities	384,968	227,446	213,151
Net Assets	381,758	569,125	568,077
Accumulated Funds	3,093	190,460	189,412
Asset revaluation reserve	378,665	378,665	378,665
Total Funds Employed	381,758	569,125	568,077

Namosi Provincial Council

Abridged Statement of Financial Performance

	2008 \$	2009 \$	2010 \$
Govt Subvention for operating expenses	84,743	89,541	75,418
Provincial Rates	37,836	39,837	32,824
Income from Investment	73,999	41,121	19,206
Other Income	36,150	2,183	76,524
Total Income	232,728	172,682	203,972
Personal Cost	29,888	31,261	22,114
Travelling and Subsistence	899	2,247	5,210
Fuel, repair and maintenance motor vehicle	12,988	15,067	11,176
Administration	5,290	8,044	7,400
Special Events	12,937	12,644	13,517
Turaga ni Koro allowance	15,550	16,019	15,110
Mata ni Tikina allowance	8,020	7,999	3,697
Other Expenses	9,305	6,963	4,815
Total Expenses covered by subvention	94,877	100,244	83,039
Personal cost-salaries	8,306	7,464	14,186
Depreciation-expenses	16,516	16,516	17,679
Other Expenses	116,687	43,113	60,420
Total Expenses not covered by subvention	141,509	67,093	92,285
Total Expenditure	236,386	167,337	175,324
Net (deficit)/profit	(3,658)	5,345	28,648

Abridged Statement of Financial Position

	2008 \$	2009 \$	2010 \$
Cash at bank and on hand	34,879	28,611	52,656
Other current assets	957,690	877,050	896,884
Property, plant and equipment	280,810	263,898	312,492
Investments	18,726	18,726	18,726
Total Assets	1,292,105	1,188,285	1,280,758
Other creditors	138,299	130,552	141,732
Interest bearing borrowings	669,192	567,774	620,419
Total Liabilities	807,491	698,326	762,151
Net Assets	484,614	489,959	518,607
Accumulated Funds	447,560	452,905	481,553
Asset revaluation reserve	37,054	37,054	37,054
Total Funds Employed	484,614	489,959	518,607

Ra Provincial Council

Abridged Statement of Financial Performance

	2008 \$	2009 \$	2010 \$
Govt Subvention for operating expenses	161,881	135,866	184,041
Provincial Rates	15,077	20,143	22,682
Income from Investment	104,943	63,404	116,547
Other Income	23,313	8,821	13,042
Total Income	305,214	228,234	336,312
Personal Cost	44,605	33,974	56,223
Travelling and Subsistence	10,622	5,739	6,544
Fuel, repair and maintenance motor vehicle	12,798	12,631	20,553
Administration	5,112	7,308	5,861

Special Events	29,597	17,449	21,223
Turaga ni Koro allowance	55,800	55,650	55,800
Mata ni Tikina allowance	14,062	12,908	13,225
Other Expenses	7,657	2,982	8,353
Total Expenses covered by subvention	180,253	148,641	187,782
Personal cost-salaries	4,648	15,479	12,805
Depreciation-expenses	18,796	19,718	29,977
Other Expenses	67,461	61,150	54,773
Total Expenses not covered by subvention	90,905	96,347	97,555
Total Expenditure	271,158	244,988	285,337
Net profit/ (deficit)	34,056	(16,754)	50,975

Abridged Statement of Financial Position

	2008 \$	2009 \$	2010 \$
Cash at bank and on hand	57,968	48,781	67,101
Other current assets	67,506	64,287	99,659
Property, plant and equipment	350,584	330,258	375,243
Investments	244,867	251,272	260,175
Total Assets	720,925	694,598	802,178
Other creditors	95,608	98,983	94,504
Interest bearing borrowings	15,610	2,663	63,747
Total Liabilities	111,218	101,646	158,251
Net Assets	609,707	592,952	643,927
Accumulated Funds	400,433	383,678	434,653
Asset revaluation reserve	209,274	209,274	209,274
Total Funds Employed	609,707	592,952	643,927

Rewa Provincial Council

Abridged Statement of Financial Performance

	2008 \$	2009 \$	2010 \$
Govt Subvention for operating expenses	201,808	115,312	129,627
Provincial Rates	38,699	47,560	46,398
Income from Investment	191,456	132,137	74,271
Other Income	73,772	18,665	4,845
Total Income	505,735	313,674	255,141
Personal Cost	9,505	20,422	30,821
Travelling and Subsistence	5,674	7,721	4,816
Fuel, repair and maintenance motor vehicle	14,114	8,374	13,645
Administration	10,873	9,462	7,221
Special Events	18,433	10,935	10,236
Turaga ni Koro allowance	7,755	32,980	37,970
Mata ni Tikina allowance	-	8,510	14,341
Other Expenses	36,071	6,244	3,859
Total Expenses covered by subvention	102,425	104,648	122,909
Personal cost-salaries	6,329	7,001	6,656
Depreciation-expenses	16,337	21,474	17,155
Other Expenses	122,114	70,327	56,110
Total Expenses not covered by subvention	144,780	98,802	79,921
Total Expenditure	247,205	203,450	202,830
Net profit	258,530	110,224	52,311

Abridged Statement of Financial Position

	2008 \$	2009 \$	2010 \$
Cash at bank and on hand	269,617	281,908	358,923
Other current assets	143,335	90,995	89,647
Property, plant and equipment	139,160	176,496	158,509
Investments	719,378	719,674	720,183
Total Assets	1,271,490	1,269,073	1,327,262
Other creditors	108,801	71,894	91,710
Interest bearing borrowings	492,455	416,721	402,783
Total Liabilities	601,256	488,615	494,493
Net Assets	670,234	780,458	832,769
Accumulated Funds	529,298	639,522	691,833
Asset revaluation reserve	140,936	140,936	140,936
Total Funds Employed	670,234	780,458	832,769

Serua Provincial Council**Abridged Statement of Financial Performance**

	2008 \$	2009 \$	2010 \$
Govt Subvention for operating expenses	72,876	70,928	64,859
Provincial Rates	9,234	13,590	11,090
Income from Investment	40,573	47,370	7,043
Other Income	779	10,333	5,978
Total Income	123,462	142,221	88,970
Personal Cost	25,343	26,054	22,894
Travelling and Subsistence	5,547	7,072	8,325
Fuel, repair and maintenance motor vehicle	9,129	12,155	12,138
Administration	6,501	10,953	12,944
Special Events	6,802	7,302	5,662
Turaga ni Koro allowance	14,625	14,400	14,580
Mata ni Tikina allowance	4,235	2,028	6,016
Other Expenses	4,450	5,587	7,282
Total Expenses covered by subvention	76,632	85,551	89,841
Personal cost-salaries	675	-	8,636
Depreciation-expenses	15,261	17,278	17,721
Other Expenses	12,431	19,029	16,603
Total Expenses not covered by subvention	28,367	36,307	42,960
Total Expenditure	104,999	121,858	132,801
Net profit	18,463	20,363	(43,831)

Abridged Statement of Financial Position

	2008 \$	2009 \$	2010 \$
Cash at bank and on hand	103,769	200,138	97,132
Other current assets	494,025	421,688	416,465
Property, plant and equipment	78,570	125,851	108,129
Investments	946,266	946,309	946,361
Total Assets	1,622,630	1,693,986	1,568,087
Other creditors	158,354	241,131	174,945
Interest bearing borrowings	176,971	145,187	129,305
Total Liabilities	335,325	386,318	304,250
Net Assets	1,287,305	1,307,668	1,263,837
Accumulated Funds	1,210,305	1,230,668	1,186,837

	2008 \$	2009 \$	2010 \$
Asset revaluation reserve	77,000	77,000	77,000
Total Funds Employed	1,287,305	1,307,668	1,263,837

Tailevu Provincial Council

Abridged Statement of Financial Performance

	2008 \$	2009 \$	2010 \$
Govt Subvention for operating expenses	255,077	194,843	264,594
Provincial Rates	20,775	22,781	1,615
Income from Investment	97,732	154,651	95,955
Other Income	308,068	13,377	2,663
Total Income	681,652	385,652	364,827
Personal Cost	74,004	67,908	66,814
Travelling and Subsistence	8,487	11,380	13,835
Fuel, repair and maintenance motor vehicle	46,259	31,499	37,904
Administration	-	-	-
Special Events	31,631	23,018	14,801
Turaga ni Koro allowance	84,459	66,840	78,100
Mata ni Tikina allowance	15,524	37,259	16,907
Other Expenses	19,709	15,745	9,659
Total Expenses covered by subvention	280,073	253,649	238,020
Personal cost-salaries	2,461	7,190	1,289
Depreciation-expenses	12,960	13,959	17,919
Other Expenses	209,327	16,248	22,251
Total Expenses not covered by subvention	224,748	37,397	41,459
Total Expenditure	504,821	291,046	279,479
Net profit	176,831	94,606	85,348

Abridged Statement of Financial Position

	2008 \$	2009 \$	2010 \$
Cash at bank and on hand	176,741	223,219	259,748
Other current assets	59,391	13,884	8,173
Property, plant and equipment	233,920	264,081	246,162
Investments	803,825	804,257	804,831
Total Assets	1,273,877	1,305,441	1,318,914
Other creditors	334,106	359,125	287,250
Interest bearing borrowings	88,062	-	-
Total Liabilities	422,168	359,125	287,250
Net Assets	851,709	946,316	1,031,664
Accumulated Funds	141,135	235,742	321,090
Asset revaluation reserve	710,574	710,574	710,574
Total Funds Employed	851,709	946,316	1,031,664

APPENDIX 5:
RESPONSES FROM ITAUKEI AFFAIRS BOARD
(MANAGEMENT COMMENTS RECEIVED) ON
THE SIGNIFICANT ISSUES THAT WERE
IDENTIFIED BY THE OAG

Appendix E: Responses from iTaukei Affairs Board

We provided the Final Management Letters for the fourteen Provincial Councils to the Chief Executive Officer of the iTaukei Affairs Board. The iTaukei Affairs Board is responsible for the accuracy, fairness, and balance of the comments for the Provincial Councils.

The Table below provides a summary of management comments received from the iTaukei Affairs Board on the significant issues highlighted in Sections 3 & 4.

Section 3: Internal Controls

<p>Cash Management:</p> <p>Major drawback was missing records. Proper bank reconciliations are carried out from 2011 onwards. Cashbooks are now subject to spot-check and regular monitoring.</p> <p>Receipts and payments records are now updated and kept well. Daily banking has now been strengthened.</p>
<p>Journals & Reconciliations</p> <p>This is primarily due to missing records. The auditors were provided with the records that were available at the time of the audit.</p>
<p>Purchases & Payments</p> <p>As part of the corrective actions introduced, Finance Manual and Standards Operating Procedures have been developed and compliance is strictly monitored by Supervisors and by the Internal Audit Function.</p> <p>Quality Assurance Check is conducted in-house on financial returns received from Provincial Councils on a bimonthly basis. This is to ensure that anomalies are identified and addressed in a timely manner.</p> <p>Roko Tui now no longer approve their own expenditure.</p>
<p>Payroll</p> <p>Missing records continue to impede the effectiveness of reporting. As part of corrective actions, filing system at the HR unit has been improved for ease of reference</p>

Section 4: Other Significant Matters

<p>Submission of financial statements for audit</p> <p>The iTaukei Affairs Board has developed submission targets to clear the audit backlog and it will continue to efficiently allocate its resources to meet the timeline. A Taskforce has been formed to focus on this backlog and target has been set to clear this by end of the financial year 31/07/2020.</p>
<p>Compliance with the accounting standards</p> <p>IFRS Training was organized for officers and Board will continue to build capacity of existing resources and ensure that qualified personnel is recruited for the Taskforce. Relevant trainings will be provided on financial reporting standards during Treasurers workshops.</p> <p>Statements were prepared and submitted for audit however few disclosures on domicile and legal form of the entity, and the carrying amount of property, plant and equipment was not provided. This has been rectified and included in the 2011 financial statement.</p>
<p>Limitation of scope</p> <p>Unavailability of supporting documents is a major drawback. The auditors were provided with the records that were available at the time of the audit.</p>

Records management
Records management has been improved and auditors will notice a vast improvement from 2013 onwards.
Asset Management
Assets valuation was carried out in 2019.
Loans and advances to staff and public
<p>The Provincial Councils have ceased loans to staff and public. The 2015 Finance Manual has clear provision on staff advances including a surcharge of 10% for late retirements. List of all staff imprest issued and retirements is reported during the monthly Senior Management Board meeting.</p> <p>Internal control has been strengthened such as all advances issued to Roko Tui requires Head Office assessment and approval. Strict measures now put in place for advances to staff. Retirement must be made within 7 days of return to station. No new advances issued to officers with outstanding imprest.</p>
Policies & Procedures
<p>ITAB and PCs now have a four year Strategic Development Plan (SDP) and an Annual Operations Plan (AOP). The Monitoring and Evaluation Unit has been established to monitor achievements of SDP and AOP targets on a monthly basis, quarterly and annual basis.</p> <p>Guideline for capitalizing versus expenses acquisition has been developed and captured in the Finance Manual.</p>
Provincial Rates
Rates reports are now maintained and updated daily. Quarterly reports are prepared and sent to HQ for monitoring and follow ups. Rates awareness is done in every Tikina Council meeting. TNKs have been advised to have this information disseminated and discussed at village council meetings.
Confirmations for Investment with Provincial Companies
Requests for audit confirmations were sent, however, no confirmation received till to date. Discussions on the issue is currently ongoing between the office of the Permanent Secretary and the Independent Directors of the Companies.