

# **SIGATOKA TOWN COUNCIL**

## Annual Report for the Year 2013

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# SIGATOKA TOWN COUNCIL



We envision Sigatoka Town as place where the Town Government generates relatively high quality of life for residents. Through sound and progressive policies for services and amenities. Where freedom and tolerance breed peace and harmony permitting industry and commerce to prosper for the benefit of all.



Our mission is to promote the health, welfare and convenience of the inhabitants of the Sigatoka Town Council area and to preserve its amenities and credit.



## Our Objectives

To fulfill out statutory responsibilities in the area of health, Town planning, traffic and entertainment of Sigatoka residents.

To provide adequate peace for the future expansion and the developments needs of the town.

To maintain and add to the existing facilities and services that meets the community needs and where possible exceeds present service.

To reduce congestion and overcrowded in town.

To provide adequate financial resources to meet the towns expenditure and ensure secure custody a proper accounting and reporting on the use of town's resources and assets.

To manage human resources employed in the delivery of municipal goods and services to the Sigatoka Community.



SIGATOKA  
TOWN COUNCIL

small town, BIG 

TAUNI HEWA, YALO VINA  
CHOTA SHAHAR, BADA DIL







# **SIGATOKA TOWN COUNCIL**

## **Annual Report AND Financial Statements 2013**



**SIGATOKA  
TOWN COUNCIL**

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**small town, BIG** 

TAUNI HEWA, YALO VINA  
CHOTA SHAHAR, BADA DIL





## SIGATOKA TOWN COUNCIL

### ANNUAL REPORT FOR THE YEAR ENDED 2013

#### 1.0 Appointment of Special Administrator

Mr. Aisea Tuidraki was appointed by the Government as the Special Administrator as in line with the amended Local Government Act, Cap. 125 from February, 2009 to June 13, 2013.

#### 1.1 Meetings of The Council

Annual Council	-	-
Ordinary Council	-	12
Special Council	-	-
Emergency Council	-	-
Finance, Library & IT Committee	-	12
Market Committee	-	12
Traffic Committee	-	12
Prosecution Committee	-	12
Works, Parks & Gardens Committee	-	12
Health, Building & 3R Projects Committee	-	12
Staff & Tender Committee	-	12
Management Committee	-	12
Emergency	-	-

**Total Number of Meetings**

**108**

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#### 1.2 Staff Details

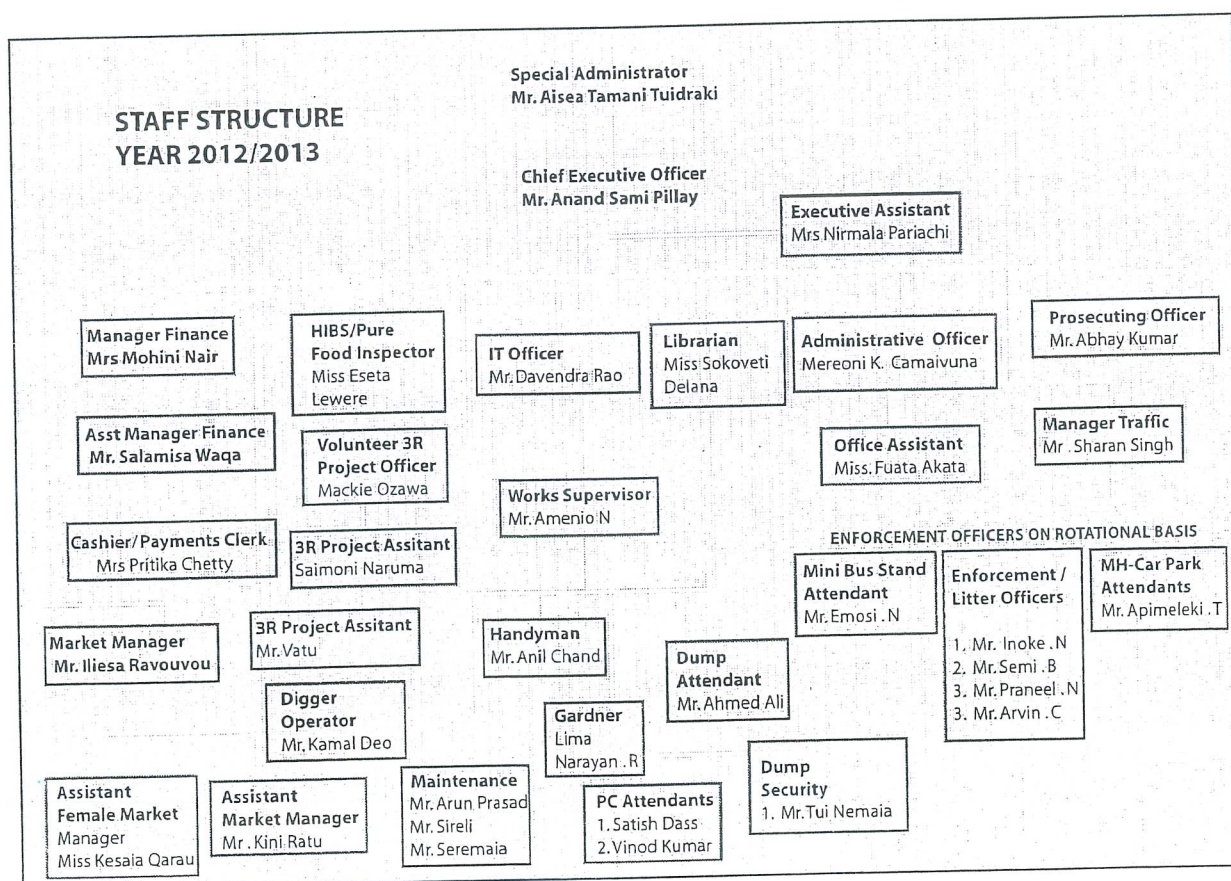
##### Established Staffs

<u>No.</u>	<u>Name</u>	<u>Position</u>
1.	Azam Azmat Khan	Town Clerk/Chief Executive Officer
2.	Mereoni Camaivuna	Operations Assistant 1
3.	Nirmala Pariachi	Operations Assistant II
.	Surandar	Parking Meter Supervisor
5.	Sate Narayan	Market Master [Actg.]
6.	Salamisa Waqa	Debtors Clerk
7.	Mohini Nair	Senior Accounts Clerk
8.	Livia Vereivalu	Cashier
9.	Sharan Dip Singh	Parking Meter Attendant
10.	Abhay Kumar	Prosecutor
11.	Taufiq Ameer Mohammed	Town Ranger
12.	Rajesh Ram	Town Ranger
13.	Anand Sami Pillay	AHI/Building Surveyor
14.	Emosi Nayabe	Parking Meter Attendant
15.	Mereia Mairewa	Office Assistant

## Un-established Staffs

No.	Name	Position
1.	Ahmed Ali	Dump Attendant
2.	Anil Chand	Handyman
3.	Apimeleki	Labourer
4.	Chandraiya	Labourer
5.	Narayan Reddy	Gardener
6.	Limanivai	Assistant Gardener
7.	Sireli Naoba	Assistant Gardener
8.	Limanivai	Assistant Gardener
9.	Kamal Chand	Digger Driver
10.	Ratu Isoa	Dump Attendant
11.	Arun Prasad	Carpenter
12.	Kemenieli Vatu	3R Assistant
13.	Seremaia N	Labourer
14.	Nemaia Tui	"
13.	Simione Vua	"

1.3



#### 1.4 Council's Service Delivery

Our Council provides a wide range of services to our ratepayers and the inhabitants of town. Services provided to them include:

1. Solid Waste Collection and Disposal Management
2. Public Areas Upkeep & Upgrade
3. Market Services
4. Street Light Services, Maintenance of Roads/Footpaths/Drains/Parks
5. Health and Building Inspections
6. Finance Management
7. General Administration of the Town
8. Parking Meter Services/Maintenance

#### 1.5 Solicitors for the Council

The Council engaged three [3 Law Firms during the year namely:

1. M/s Pillai, Naidu & Associates
2. M/S Samusamuvodre, Sharma & Associates
3. M/S West Law, Sigatoka

#### 1.6 Auditors for the Council

As per Section 50 of the Local Government Act, Cap 125, Auditor-General has been the Auditor for the Council.

#### 1.7 Visiting Dignatories

A list of Visitors who made courtesy visits to the Council Office during the ensuing year 2013 are as per the table down below:

No.	Name	Organisation
1.	Mr. Cokanasiga	Minister for Defence
2.	Mr. Jone.Usamate	Ministry of Labor, Industrial Relations & Employment
3.	Mr. I. Naivalarua	Commissioner of Police
4.	Mr. Bob Kennedy	Sandy Beach Resort
5.	Mr. Siromi Turaga	Resident Magistrate – Sigatoka
6.	Mr. Ranjeet Singh Chaudhary	Mt. Roskill, New Zealand [Former Deputy Mayor]
7.	Mr. Aslam Khan	Vodafone Fiji



2.0 HEALTH & BUILDING REPORT – 20132.1 Health Summary

	Licence Type	Total Number
1.	Catering Premises	23
2.	Catering Premises (School)	4
3.	Mobile or Temporary Small Scale Catering	16
4.	Bake House	4
5.	Butcher Shop	5
6.	Retail and Catering (e.g. Retailer with fast food counter)	22

Total Number of Insanitary Condition Notice Served:	-	11
Total Number Statutory Notice Served:	-	Nil
Total No. of Condemnation Certificate Issued:	-	Nil
Total no. of House to House inspection	-	190

The house to house was conducted at the 3 wards of the Sigatoka Town similar to year 2013. In year 2013 mosquito spraying was done within the town boundary to ensure that town is free from Dengue Fever. The quarterly clean-up campaigns were conducted within the town boundary to allow the ratepayers and business houses to live in healthy environment. The ratepayers and business houses were to took advantage to clean and clear the overgrowth of grasses, white goods and discarded all items which can hold the water for the mosquitoes breeding.

2.2 Building / Development Permit Summary ReportNumber of Inspection Certificate Issued

- Total Certificate of Inspection: - 1

Building Development Permit Summary Report

Item	Types of Building	Number	Value	Approval	Rejected	Remarks
1	Residential	-	-	-	-	-
2	Commercial	19	\$1,624,450.00	19	-	-
3	Civic	3	\$2,508,000.00	3	-	-
4	Industrial	-	-	-	-	-
5	Others	-	-	-	-	-

In the year 2013 there was a total of 22 building applications which were from Commercial, Residential and Civic development applications. Civic was noted to have the higher number of applications which totaled up to the value of \$2,508,000.00. It was also noted that also at this year there were no subdivision and rezoning application received by the council.

**2.3 Environment Report**

The faith base group were supported the council to conduct clean campaign with in the town boundary. That the same time council tend to create awareness on the litter to the general public by means of the school kids.

That the council were engaged the night security at the dump site to ensure that no one can put open fire in the land –fill. Council was very concerned about the villagers and settlements close to the dump –site. Most of the earth drain was up-graded in town to ensure that all drains shall have proper openings to allow proper flow of rain water. It was done through disilting.

**2.4 Illegal Dumping of Waste**

That the illegal dumping of wastes along the road sides were monitored by the Health Department.

**2.5 Contractual Works**

That the contractual works were carried out satisfactory.

**2.6 ENGINEERING / WORKS REPORT**

Basically small maintenance and beautification works were carried out by the Council's un-established staffs. Other major works were contracted out.

**2.7 Service Delivery:**

Works carried out are as follows: Grass cutting at the Koromumu Cemetery, Streetlight maintenance, Footpath maintenance, Public Convenience maintenance, road markings / road signs maintenance and market maintenance, Installing of new street lights at town end.

Rubbish collection outside town boundaries.

**2.8 Beautification Projects:**

General beautification works were carried out around town in all the wards; Vunasalu Ward, Lawaqa Ward and Laselase Ward. These works are planting of new flowers, painting of flower beds, trimming and pruning of hedges, and clearing of tree branches after TC Evans.

**2.9 Capital Projects:**

Listed here are some of capital projects for the year; market upgrade (funded project), civic building interior upgrade.

**2.10 General Contractual Works**

Works that were contracted out are; Grass cutting, Drain Cleaning, Street Sweeping, tree pruning and Street light maintenance.

**3.0 Annual Accounts Audit - 2013****Rates**

No. of Ratepayers	Amount Charged per year (in a dollar on U.C Value)	Collection per year
<b>2013</b>	General Rate – 0.86c	\$124,459
248	Special Loan Rate – 1.25c	\$194,425
	Local Rate – 3.75c	\$ 28,616

Sigatoka Town Council had 248 rate payers in year 2013. It provides services such as Garbage Collection, Town sweeping, street cleaning, streetlight repairs and road maintenance to the ratepayers.

(Note: 41 properties were unalienated for STC in year 2013).

**3.1 Reason Rates Charged by STC.**

1. General Rates – Council provides services such as Garbage collection, streetlight and road maintenance.
2. Special Loan Rates - is to service Loan repayments for the borrowings pre year 2000 by the Council.

**3.2 Business Licence**

Year	No. of Business License Holders	Amount Collected
2013	600 over	\$113,029

**3.3 Council Properties Management**

Sigatoka Town Council doesn't have a Property Manager but instead all the properties are managed by the Council in house and the day to day operations is the responsibility of the Finance Department. Council has **6 Tenants** which has occupied space in the Market area.

**3.4 Auditor General Opinion**

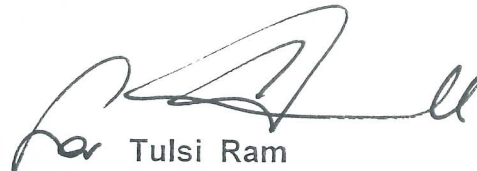
Sigatoka Town Council was provided the Audit Opinion – **Qualified Audit Opinion** in year 2010.



3.5 Appreciation

The Council wishes to record its appreciation to the ratepayers and citizens of the town for their co-operation.

The Council also acknowledges the dedicated services rendered by the Staffs and Employees and the support and co-operation of the Ministry of Local Government, Housing and Environment.



Tulsi Ram  
CHIEF EXECUTIVE OFFICER

# OFFICE OF THE AUDITOR GENERAL

*Excellence in Public Sector Auditing*



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



File: 970/1

3 November 2014

The Administrator  
Sigatoka Town Council  
PO Box 118  
**SIGATOKA**

Dear Sir

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## AUDIT OF THE ACCOUNTS OF THE SIGATOKA TOWN COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2013

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Two copies of the audited financial statements of the Sigatoka Town Council for the year ended 31 December 2013 together with an audit report on them are enclosed.

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

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

Yours sincerely

Tevita Bolanavanua  
**AUDITOR GENERAL**

cc: Minister for Local Government, Urban Development, Housing & Environment

Encl.

**SIGATOKA TOWN COUNCIL  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

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



## SIGATOKA TOWN COUNCIL

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

#### INDEPENDENT AUDIT REPORT

I have audited the accompanying financial statements of Sigatoka Town Council, which comprise the statement of financial position as at 31 December 2013, the statement of income and expenditure, statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information as set out on pages 12 to 20.

#### *Management's Responsibility for the Financial Statements*

The Special Administrator and management are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium Sized Entities and the requirements of Section 57 (2) of the Local Government Act. These responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material miss-statements, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on these financial statements based on my audit. I have conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Basis for Disclaimer of Opinion**

1. The Council was unable to provide any supporting documentation to substantiate the existence of sundry deposits amounting to \$57,817 as stated in the Statement of Financial Position. Accordingly, I was not able to satisfy myself if the sundry deposits balance is fairly stated in the Statement of Financial Position.
2. Sigatoka Town Council is a Municipal Council and the Financial Statements are required to be prepared in accordance with the International Financial Reporting Standards for Small and Medium Entities ("IFRS for SMEs"). The Council is yet to comply with IFRS for SMEs as required for general purpose financial statements.

Accordingly, I am unable to determine the impact on the financial statements of the Council if any, adjustment which may be necessary if the financial statements were prepared under IFRS for SMEs.

### **Disclaimer of Opinion**

Because of the significance of the matters described in the Basis for disclaimer of opinion paragraphs, I am unable to and do not express an opinion as to whether the financial statements present fairly in accordance with International Financial Reporting Standards for Small and Medium Sized Entities the financial position of Sigatoka Town Council as at 31 December 2013 and the results of its operations for the year then ended.



Tevita Bolanavanua  
**AUDITOR- GENERAL**

Suva, Fiji

3 November 2014



**SIGATOKA TOWN COUNCIL  
GENERAL FUND ACCOUNT  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2013**

	NOTES	2013 \$	2012 \$
<b><u>ASSETS</u></b>			
<b><u>Current assets</u></b>			
Cash on hand		200	200
Cash at bank	2	152,610	662,850
Term deposits	2	60,000	-
Debtors	3	98,900	98,960
Sundry advances	4	10,506	9,978
Prepayments and electricity deposits	5	10,197	5,154
Vat receivable		40,824	-
		<u>373,237</u>	<u>777,142</u>
<b><u>Non current assets</u></b>			
Property, plant and equipment	6	1,287,243	1,337,945
<b>TOTAL ASSETS</b>		<u>1,660,480</u>	<u>2,115,087</u>
<b><u>EQUITY AND LIABILITIES</u></b>			
Accumulated (losses)/ funds	7	(114,814)	390,863
<b><u>Current liabilities</u></b>			
Vat payable		-	29,361
Employee entitlement		19,633	16,404
Income received in advance	12	58,083	28,410
Creditors and other accruals		206,640	116,414
Loan funds	8	156,000	156,000
Sundry deposits	9	57,817	57,817
Lease liability	10	15,258	15,256
Deferred income	11	9,191	9,191
		<u>522,622</u>	<u>428,853</u>
<b><u>Non current liabilities</u></b>			
Loan funds	8	1,146,550	1,164,798
Lease liability	10	38,136	53,396
Deferred income	11	67,986	77,177
		<u>1,252,672</u>	<u>1,295,371</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>1,660,480</u>	<u>2,115,087</u>

*The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 12 to 20.*

**COUNCIL'S STATEMENT**

In our opinion, the financial statement have been properly drawn up so as to show a true and fair view of the Sigatoka Town Council's operations for the year ended 31 December 2013 and of the state of affairs and cash flows as at that date.

.....  
Special Administrator

Mr. Jay Whyte

Date: 29.10.14

.....  
Manager Finance

Mrs. Mohini Nair

Date: 29/10/14



**SIGATOKA TOWN COUNCIL  
GENERAL FUND ACCOUNT  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	NOTES	2013 \$	2012 \$
<b>The Revenue for the year was derived from:</b>			
General rates		119,433	107,689
General rates on state land		2,577	24,090
Local rates		28,616	-
Interest on overdue rates		16,536	7,533
<b>Fees and charges</b>			
Interest earned		1,000	-
Advertisement		3,131	-
Business licence		113,029	113,543
Building fees		16,320	5,254
Bus stand charges		11,375	11,323
Commercial vehicle		8,424	7,777
Taxi		55,951	62,990
Cemetery		2,219	2,083
Garbage		125,277	153,662
Illegal parking fines		4,005	3,572
Interest others		5,659	6,227
Library		1,076	-
Legal action		546	801
Market fees		246,224	232,142
Miscellaneous		19,935	16,069
Rental properties		64,322	80,131
Grant UN Women		8,696	-
Car parking contribution		2,790	9,477
Car parking fees [MH//Market]		41,832	49,127
Loading & unloading zone		8,456	8,943
Mini van		15,799	17,922
Amortisation of deferred income	11	9,191	9,191
Monetary contribution		3,044	4,566
Special traffic operations		3,167	-
5% Gate Takings- Sports Council		1,558	4,325
FSC grass cutting		4,556	-
Revenue Others [ new taxis, carrier, minivan, garbage]		53,024	3,445
Jacks - income realised		4,256	1,500
3 R project		2,105	1,315
<b>Total Revenue</b>		<b>1,004,129</b>	<b>944,697</b>
<b>The Expenditure for the year was incurred on:</b>			
<b>Recurrent expenditure</b>			
Audit fees		9,000	9,000
Uniforms		5,451	4,801
Depreciation		69,306	61,867
Doubtful debts		8,972	28,591
Fiji Local Government Association		-	684
Garbage service		39,619	39,043
Legal expenses		2,892	2,152
Mayoral, councillors allowance & civic reception		6,846	9,701
Office expenses		3,820	5,605

**SIGATOKA TOWN COUNCIL  
GENERAL FUND ACCOUNT  
STATEMENT OF INCOME AND EXPENDITURE (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013	2012
	\$	\$
<b>Recurrent expenditure - continued</b>		
Printing, stationery & advertising	22,201	23,785
Salaries & related payments	440,806	399,957
Telecom/fax/internet/courier	17,120	15,897
Travelling expenses	16,868	20,228
Rates waived	-	35,428
3R Project	4,269	6,373
Electricity	39,387	43,499
NPTC levy	2,740	2,344
Insurance	8,747	6,533
Market	24,915	39,763
Mini bus stand rental	-	12,000
Miscellaneous	6,546	4,044
Office rental	-	12,160
Public convenience	8,907	4,844
Roads, drains, paths & verges	178,616	125,138
Water	8,553	12,126
<b>Total recurrent expenditure</b>	<b>925,581</b>	<b>925,563</b>
<b><u>Capital expenditure</u></b>		
Footpath, road marking/patching	1,815	18,564
General maintenance	5,801	19,704
Koromumu cemetery	517	1,250
Valuation fees	1,500	6,932
Loss on disposal	319	370
Nayawa upgrade	17,438	65,317
Maint. of mini bus stand	4,603	-
River bank upgrade	3,768	-
Maintenance of office furniture/equipment	2,402	1,560
Maintenance of rubbish bin/chambers	-	44
Rubbish dump	51,746	45,526
Flood	136	23,128
Streetlights	58,766	2,043
Upgrade admin building	3,823	1,792
Beautification of town	8,426	1,264
Maintenance of bus stand	-	355
UN Women grant	4,347	-
FRA - Road Upgrade	444,213	-
Capital projects	7,612	17,002
<b>Total capital expenditure</b>	<b>617,232</b>	<b>204,851</b>
<b><u>Financial expenses</u></b>		
Bank charges & interest	4,087	3,544
Discount allowed	15,642	13,744
<b>Total financial expenditure</b>	<b>19,729</b>	<b>17,288</b>
<b>Total Expenditure</b>	<b>1,562,542</b>	<b>1,147,702</b>
<b>Net deficit surplus for the year was</b>	<b>(558,413)</b>	<b>(203,005)</b>
<b>Deficit balance at 1 January was</b>	<b>(460,976)</b>	<b>(257,971)</b>
<b>Leaving a deficit balance at 31 December of</b>	<b>(1,019,389)</b>	<b>(460,976)</b>

**SIGATOKA TOWN COUNCIL**  
**SPECIAL LOAN FUND ACCOUNT**  
**STATEMENT OF INCOME AND EXPENDITURE**

	2013	2012
	\$	\$
<b>The Revenue for the year was derived from</b>		
Special Loan Rate	179,594	151,816
Special Loan Rate on Stateland	10,894	11,569
<b>Total Revenue</b>	<u>190,488</u>	<u>163,385</u>
 <b>The Expenditure for the year was incurred on</b>		
Interest	137,752	138,800
<b>Total Expenditure</b>	<u>137,752</u>	<u>138,800</u>
 <b>Net surplus for the year was</b>	52,736	24,585
<b>Deficit balance at 1 January was</b>	(194,615)	(219,200)
 <b>Leaving a deficit balance at 31 December of</b>	<u>(141,879)</u>	<u>(194,615)</u>

**SIGATOKA TOWN COUNCIL  
PARKING METER FUND ACCOUNT  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2013**

	NOTES	2013 \$	2012 \$
<b><u>Current assets</u></b>			
Funds for parking meter	2	17,553	39,523
<b>Total current assets</b>		<u>17,553</u>	<u>39,523</u>
<b><u>Non current assets</u></b>			
Property, plant & equipment	6	12,957	15,306
<b>Total Assets</b>		<u>30,510</u>	<u>54,829</u>
<b><u>Current liabilities</u></b>			
Employee entitlement		1,108	948
<b>Total current liabilities</b>		<u>1,108</u>	<u>948</u>
<b>Total Liabilities</b>		<u>1,108</u>	<u>948</u>
<b>Net Assets</b>		<u>29,402</u>	<u>53,881</u>
<b>Accumulated Funds</b>		<u>29,402</u>	<u>53,881</u>

*The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 12 to 20.*

**COUNCIL'S STATEMENT**

In our opinion, the financial statement have been properly drawn up so as to show a true and fair view of the Sigatoka Town Council's operations for the year ended 31 December 2013 and of the state of affairs and cash flows as at that date.

  
Special Administrator

Mr. Jay Whyte

Date: 29.10.14

  
Manager Finance

Mrs. Mohini Nair

Date: 29.10.14



**SIGATOKA TOWN COUNCIL  
PARKING METER FUND ACCOUNT  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013	2012
	\$	\$
<b>The Revenue for the year was derived from</b>		
Infringement fines	6,138	9,774
Parking meter tolls	42,749	47,432
Miscellaneous	-	9
Parking permit	3,433	3,520
<b>Total Revenue</b>	<b>52,320</b>	<b>60,735</b>
<b>The Expenditure for the Year was Incurred from</b>		
Office rental	90	851
Bank charges	308	267
Road, footpath marking/patching	13,444	9,861
Depreciation	2,349	2,519
Printing & stationery	787	1,592
NPTC Levy	206	176
Salaries & related payments	46,481	30,881
Parking meter verification	5,200	-
Parking meter maintenance	3,158	733
Office expenses	288	433
Travelling cost	1,523	1,523
Electricity	2,965	3,278
<b>Total Expenditure</b>	<b>76,799</b>	<b>52,114</b>
<b>Net (deficit) / surplus for the year was</b>	<b>(24,479)</b>	<b>8,621</b>
<b>Add surplus balance at 1 January of</b>	<b>53,881</b>	<b>45,260</b>
<b>Leaving a surplus balance at 31 December of</b>	<b>29,402</b>	<b>53,881</b>

**SIGATOKA TOWN COUNCIL  
GENERAL FUND ACCOUNT  
STATEMENT OF CASH FLOWS**

	NOTES	2013 \$	2012 \$
<b>Cash Flows From Operating Activities</b>			
Cash was provided from:			
Rates and other revenue		1,017,484	932,274
Interest		6,659	6,227
		<u>1,024,143</u>	<u>938,501</u>
Cash was applied to:			
Payments to suppliers & employees		<u>(857,777)</u>	<u>(835,102)</u>
<b>Net cash provided by Operating Activities</b>	<b>17(a)(i)</b>	<u><b>166,366</b></u>	<u><b>103,399</b></u>
<b>Cash Flows From Investing Activities</b>			
Cash was applied to:			
Payments for property, plant and equipment		(18,604)	(70,388)
Payment for capital projects		<u>(617,232)</u>	<u>(204,851)</u>
<b>Net cash used by Investing Activities</b>		<u><b>(635,836)</b></u>	<u><b>(275,239)</b></u>
<b>Cash Flows From Financing Activities</b>			
Cash was provided from:			
Loan rate		190,488	163,385
Cash was applied to:			
Lease liability		(15,258)	(7,628)
Loan repayments		(18,248)	(17,200)
Interest on loan		<u>(137,752)</u>	<u>(138,800)</u>
<b>Net cash provided / (used) by Financing Activities</b>		<u><b>19,230</b></u>	<u><b>(243)</b></u>
Net (decrease) / increase in cash held		(450,240)	(172,083)
Cash at the beginning of the year		663,050	835,133
<b>Cash at the end of year</b>	<b>17(a)(ii)</b>	<u><b>212,810</b></u>	<u><b>663,050</b></u>

**SIGATOKA TOWN COUNCIL  
PARKING METER FUND ACCOUNT  
STATEMENT OF CASH FLOWS**

	NOTES	2013 \$	2012 \$
<b>Cash Flows From Operating Activities</b>			
Cash was provided from:			
Rates and other revenue		52,320	60,735
		<u>52,320</u>	<u>60,735</u>
Cash was applied to:			
Payments to suppliers & employees		(74,290)	(49,557)
<b>Net cash provided by operating activities</b>	<b>17(b)(i)</b>	<u>(21,970)</u>	<u>11,178</u>
<b>Cash Flows From Investing Activities</b>			
Cash was applied to:			
Payment for property, plant and equipment		-	(38)
<b>Net cash used by Investing Activities</b>		<u>-</u>	<u>(38)</u>
Net increase/(decrease) in cash held		<u>(21,970)</u>	<u>11,140</u>
Cash at the begininig of the year		39,523	28,383
<b>Cash at the end of the year</b>	<b>17(b)(ii)</b>	<u><u>17,553</u></u>	<u><u>39,523</u></u>



**SIGATOKA TOWN COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

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**Note 1**

**Statement of Significant Accounting Policies**

Set out hereunder are the significant accounting policies adopted by the Council in the preparation of the accounts for the year ended 31 December 2013. Unless otherwise stated similar policies were followed in the previous year.

**a) Basis of preparation of the financial statements**

The accrual basis of accounting is adopted for all financial transactions.

**b) Revenue**

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

**c) Income tax**

Under section 17(4) of the Income Tax Act, the Council is exempt from tax on its income.

**d) Property, Plant and Equipment**

*Acquisition*

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of self-constructed assets includes the cost of materials, direct labour and an appropriate proportion of overheads.

*Depreciation*

Depreciation has been provided using straight line method so as to write off the assets over estimated useful lives.

The principal rates adopted are:

Computers	33% p.a
Furniture & Fittings	7% p.a
Motor Vehicle	20% p.a
Office Equipment	7% p.a
Plant & Machinery	7% p.a
Land & Building	2.5% p.a

**e) Employee Entitlements**

Contributions are paid to the Fiji National Provident Fund on behalf of employees to secure retirement benefits and the cost are included in the Statement of Income and Expenditure.

**f) Trade and other receivables**

Trade and other receivables are stated at their cost less impairment losses.

**SIGATOKA TOWN COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**Note 1**                    **Statement of Significant Accounting Policies - continued**

**g) Impairment**

The carrying amount of the Council's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated at each balance sheet date. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. All impairment losses are recognised in the Statement of Income and Expenditure.

**h) Trade and other Payables**

Trade and other payables are stated at their cost.

**i) Deferred income**

Grants relating to assets are included as deferred income and are credited to the statement of income on a straight-line basis over the expected useful lives of the related assets

**j) Comparatives**

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

**Note 2**                    **Cash at Bank**

	2013	2012
	\$	\$
Colonial Bank - General Fund	(523,047)	(119,588)
- Capital Fund	689,528	798,661
- Nayawa Project Account	3,682	23,300
	<u>170,163</u>	<u>702,373</u>
<i>Disclosed as:</i>		
Cash at bank - General Fund	152,610	662,850
Funds for Parking Meter	17,553	39,523
	<u>170,163</u>	<u>702,373</u>

**Investments**

Term Deposits	<u>60,000</u>	<u>-</u>
---------------	---------------	----------

The Council invested \$60,000 on 25/11/13 into Bank of South Pacific as term deposits repayable in one year (date of maturity of 25/11/14) bearing interest at a rate of 2.25 percent per annum

**Note 3**                    **Debtors**

Rates	46,910	45,015
Bus stand	412	348
Business licence	2,062	1,177
Commercial vehicle	1,185	1,382
Garbage fees	27,299	27,779
Rental properties	2,409	2,143
Taxi base	2,307	4,821
Fiji Sugar Corporation	254	-
Mini van	4,920	2,846
WAF/Education/Labour	7,172	7,172
DISMAC	8,892	27,318
Monetary contribution	4,050	7,550
	<u>107,872</u>	<u>127,551</u>
Less provision for doubtful debts	(8,972)	(28,591)
	<u>98,900</u>	<u>98,960</u>

SIGATOKA TOWN COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONT'D  
FOR THE YEAR ENDED 31 DECEMBER 2013

		2013	2012
		\$	\$
Note 4	<b><u>Sundry advances</u></b>		
	Other advances	3,159	3,159
	Mayoral appeal	1,486	1,486
	Dishonored cheques	5,177	4,805
	Telephone	200	200
	Electricity	22	22
	Land	10	10
	Post box key	2	2
	Staff wages and salaries advance	450	294
		<u>10,506</u>	<u>9,978</u>
Note 5	<b><u>Prepayments and electricity deposits</u></b>		
	Electricity deposits	3,326	3,326
	Insurance prepayments	5,743	1,828
	FNU levy prepayments	1,128	
	Total	<u>10,197</u>	<u>5,154</u>
Note 6	<b><u>Property, plant and equipment</u></b>		
	<b><u>Property, plant and equipment - General Fund</u></b>		
	Computers - at cost	12,115	8,126
	less provision for depreciation	(6,322)	(3,177)
		<u>5,793</u>	<u>4,949</u>
	Furniture & fittings - at cost	17,266	14,776
	less provision for depreciation	(5,561)	(4,487)
		<u>11,705</u>	<u>10,289</u>
	Land & building - at cost	1,413,766	1,413,766
	less provision for depreciation	(340,309)	(304,965)
		<u>1,073,457</u>	<u>1,108,801</u>
	Motor vehicles -FM 272	76,280	76,280
	less provision for depreciation	(22,884)	(7,628)
		<u>53,396</u>	<u>68,652</u>
	Office equipment - at cost	47,898	35,772
	less provision for depreciation	(12,689)	(9,469)
		<u>35,209</u>	<u>26,303</u>
	Plant & equipment - at cost	160,959	160,960
	less provision for depreciation	(53,276)	(42,009)
		<u>107,683</u>	<u>118,951</u>
	Net written down value	<u>1,287,243</u>	<u>1,337,945</u>



SIGATOKA TOWN COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONT'D  
FOR THE YEAR ENDED 31 DECEMBER 2013

Note 6	<u>Property, plant and equipment - continued</u>	2013 \$	2012 \$
	<u>Property, plant and Equipment - Parking Meter Fund</u>		
	Plant & machinery - at cost	30,501	30,501
	less provision for depreciation	(19,393)	(17,258)
		<u>11,108</u>	<u>13,243</u>
	Office equipment - at cost	3,059	3,059
	Less provision for depreciation	(1,210)	(996)
		<u>1,849</u>	<u>2,063</u>
	Net written down value	<u>12,957</u>	<u>15,306</u>
	<u>Movements in carrying amounts for each class of property, plant and equipment.</u>		
	<u>General Fund</u>		
	<u>Land and building</u>		
	Carrying amount at beginning	1,108,801	1,094,182
	Additions	-	49,448
	Depreciation expense	(35,344)	(34,829)
	Balance as at 31st December	<u>1,073,457</u>	<u>1,108,801</u>
	<u>Motor vehicles -FM272</u>		
	Carrying amount at beginning	68,652	8,880
	Additions	-	76,280
	Disposals	-	(6,055)
	Depreciation expense	(15,256)	(10,453)
	Balance as at 31st December	<u>53,396</u>	<u>68,652</u>
	<u>Computers</u>		
	Carrying amount at beginning	4,949	3,327
	Additions	3,988	4,312
	Disposal	-	(370)
	Depreciation expense	(3,144)	(2,320)
	Balance as at 31st December	<u>5,793</u>	<u>4,949</u>
	<u>Furniture and fittings</u>		
	Carrying amount at beginning	10,289	7,136
	Additions	2,490	4,056
	Depreciation expense	(1,074)	(903)
	Balance as at 31st December	<u>11,705</u>	<u>10,289</u>
	<u>Office equipment</u>		
	Carrying amount at beginning	26,303	18,400
	Additions	12,126	10,097
	Depreciation expense	(3,220)	(2,194)
	Balance as at 31st December	<u>35,209</u>	<u>26,303</u>

SIGATOKA TOWN COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONT'D  
FOR THE YEAR ENDED 31 DECEMBER 2013

Note 6	<u>Property, plant and equipment - continued</u>	2013	2012
		\$	\$
	<u>Movement in Carrying Amounts - continued</u>		
	<u>Plant &amp; machinery</u>		
	Carrying amount at beginning	118,951	121,219
	Additions	-	8,899
	Depreciation expenses	(11,268)	(11,167)
	Balance as at 31st December	<u>107,683</u>	<u>118,951</u>
	<b>Net written down value</b>	<u><b>1,287,243</b></u>	<u><b>1,337,945</b></u>
	<u>Parking Meter Fund</u>		
	<u>Plant and machinery</u>		
	Carrying amount at beginning	13,243	15,378
	Depreciation expense	(2,135)	(2,135)
	Balance as at 31st December	<u>11,108</u>	<u>13,243</u>
	<u>Office equipment</u>		
	Carrying amount at beginning	2,063	2,277
	Depreciation expense	(214)	(214)
	Balance as at 31st December	<u>1,849</u>	<u>2,063</u>
	<u>Computers</u>		
	Carrying amount at beginning	-	132
	Additions	-	-
	Depreciation	-	(132)
	Balance as at 31st December	<u>-</u>	<u>-</u>
	<b>Net written down value</b>	<u><b>12,957</b></u>	<u><b>15,306</b></u>
Note 7	<u>Accumulated losses</u>		
	This consists of:		
	General fund account	(1,019,389)	(460,976)
	Loan repayment account	(141,879)	(194,615)
	Asset revaluation reserve	816,597	816,597
	Adjustment - debtors	229,857	229,857
	<b>Net accumulated losses</b>	<u><b>(114,814)</b></u>	<u><b>390,863</b></u>

The Council adopted accrual basis of accounting in 2003. An adjustment was made to accumulated funds to record debtors balances relating to prior year that are still owing at the current balance date.

**SIGATOKA TOWN COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONT'D**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

		2013 \$	2012 \$
<b>Note 8</b>	<b><u>Loan funds</u></b>		
	<u>BSP Life (Fiji) Limited</u>		
	Balance at 1st January	1,320,798	1,337,998
	Add: Interest and other fees	137,752	138,800
		1,458,550	1,476,798
	Less: Loans repaid	(156,000)	(156,000)
	Balance as at 31st December	1,302,550	1,320,798
	<b>Total loan funds</b>	<b>1,302,550</b>	<b>1,320,798</b>
	Loans raised by the Council bear interest charges at the rate of 10.5 per cent per annum and are repayable over a period of twenty years. All loans are raised under the provisions of the Local Government Act and are secured on the assets of the Council.		
	Analysed as :		
	Current	156,000	156,000
	Non current	1,146,550	1,164,798
		<b>1,302,550</b>	<b>1,320,798</b>
<b>Note 9</b>	<b><u>Sundry deposits</u></b>		
	Car park development	34,007	34,007
	Council properties/ shop - security	20,193	20,193
	Security deposit	1,747	1,747
	Nomination fee	1,240	1,240
	Market stall	500	500
	Unknown deposit	100	100
	Ticket booth	30	30
		<b>57,817</b>	<b>57,817</b>
<b>Note 10</b>	<b><u>Lease liability</u></b>		
	<u>Credit Corporation (Fiji) Limited</u>		
	Opening balance	68,652	76,280
	Less Repayments	(15,258)	(7,628)
	Closing balance	<b>53,394</b>	<b>68,652</b>
	Credit Corporation (Fiji) Limited finance lease was undertaken to finance the purchasing of motor vehicle registration no. FY489 at an interest rate of 8.5% per annum for a term of 5 years.		
	Analysed as:		
	Current ANZ Finance Lease	15,258	15,256
	Non Current ANZ Finance Lease	38,136	53,396
		<b>53,394</b>	<b>68,652</b>



**SIGATOKA TOWN COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONT'D**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

		2013	2012
		\$	\$
<b>Note 11</b>	<b><u>Deferred Income</u></b>		
	<b><u>Back Hoe Digger</u></b>		
	The amount represents Back Hoe Digger which was donated by the Japanese Government in 2008, which is treated in accordance with FAS 20:		
	Balance as at 1 Jan 2013	86,368	95,559
	Less: amortisation charge	(9,191)	(9,191)
	Balance as at 31 Dec 2013	<u>77,177</u>	<u>86,368</u>
	Analysed as:		
	Current	9,191	9,191
	Non Current	67,986	77,177
		<u>77,177</u>	<u>86,368</u>
<b>Note 12</b>	<b><u>Income Received in Advance</u></b>		
	Income received in advance comprises of the following:		
	Lease Space - Tramline -Tapoos	17,024	-
	Parking space - Tapoos Duty Free Conc., Retailers & Wholesalers Internatio	13,860	7,400
	Parking space - Jacks Retails Limited	19,000	20,500
	Rates received in advance	8,161	510
	Taxi income received in advance	38	-
		<u>58,083</u>	<u>28,410</u>
	<b>a) <u>Parking Square</u></b>		
	The amount represents leasing of an open space between the tramline and STC garden to Tappoos effective for the next 10 years and is treated in accordance with FAS 20:		
	<b><u>Tapoos</u></b>		
	Balance as at 25 April	18,240	-
	Less: lease income realised up to 31 December 2013	(1,216)	-
	Balance as at 31 Dec 2013	<u>17,024</u>	<u>-</u>
	The amount represents reservation of parking space to Tappoos and Jack effective for the next 10 and 15 years and is treated in accordance with FAS 20:		
	<b><u>Tapoos</u></b>		
	Opening balance	7,400	8,000
	Additions	8,000	-
	Less: parking space income realised upto 31 December 2013	(1,540)	(600)
	Balance as at 31 Dec 2013	<u>13,860</u>	<u>7,400</u>
	<b><u>Jacks</u></b>		
	Opening balance	20,500	22,000
	Less: parking space income realised upto 31 December 2013	(1,500)	(1,500)
	Balance as at 31 Dec 2013	<u>19,000</u>	<u>20,500</u>
<b>Note 13</b>	<b><u>Discount on rates</u></b>		
	The Council in its 2013 budget granted discount on rates as follows:		
	Rates paid in full on or before 31/01/13 - 7%		
	Rates paid in full on or before 28/02/13 - 4%		
	Rates paid in full on or before 31/03/13 - 2%		
<b>Note 14</b>	<b><u>Capital commitment at balance date</u></b>		
	NIL		

**SIGATOKA TOWN COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONT'D**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**Note 15**      **Contingent liabilities**

There were no contingent liabilities at as balance date (2012:Nil)

**Note 16**      **Subsequent Event**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Council, the results of those operations, or the state of affairs of the Council in future financial years.

**Note 17**      **Cash Flow Reconciliation**

**(a) General Fund Account**

**(i) Reconciliation of the Net Surplus to**

Net (deficit) / surplus from Operations

- General Fund	(558,413)	(203,005)
- Loan Rate Fund	52,736	24,585
Depreciation	69,306	61,867
Capital purchases	-	-
Capital commitment	617,232	204,851
Loan Income	(190,488)	(163,385)
Interest on loan	137,752	138,800
PM Fund contribution	-	-
	<u>128,125</u>	<u>63,713</u>

Changes in Assets and Liabilities

Decrease/(increase) in debtors	60	8,509
(Decrease) / increase in creditors and other accruals	20,041	42,073
(Decrease) / increase in VAT payable	-	-
(Decrease)/increase in other liabilities	29,673	(9,733)
(Decrease)/increase in employee entitlements	3,229	8,963
Decrease /(increase) in deferred income	(9,191)	(9,191)
Decrease/(Increase) in sundry advance	(5,571)	(935)
Debtor adjustment from previous years	-	-
<b>Net Cash Inflows (used in) from Operating Activities</b>	<b><u>166,366</u></b>	<b><u>103,399</u></b>

**Reconciliation of cash**

- (ii) For the purpose of statement of cash flows, cash includes cash at bank and on hand. Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in balance sheet as follows:

Cash at Bank	<u>152,810</u>	<u>663,050</u>
	<b><u>152,810</u></b>	<b><u>663,050</u></b>

**(b) Parking Meter Fund Account**

**(i) Net cash flows from operations**

Net Surplus from operations	(24,479)	8,621
Add: Depreciation	2,349	2,519
Changes in assets and liabilities		
Increase/(decrease) in employee entitlements	160	38
<b>Net cash inflows from operating activities</b>	<b><u>(21,970)</u></b>	<b><u>11,178</u></b>

**SIGATOKA TOWN COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONT'D**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

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**Note 17**      **Cash Flow Reconciliation - continued**

**(b) Parking Meter Fund Account -continued**

**(ii) Reconciliation of cash**

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

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Cash	17,553	39,523
	<u>17,553</u>	<u>39,523</u>