

# **SIGATOKA TOWN COUNCIL**

## Annual Report for the Year 2017

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**Salad Bowl of Fiji - Sigatoka**



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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**

# Annual Report AND Financial Statements 2017



SIGATOKA TOWN COUNCILANNUAL REPORT FOR THE YEAR ENDED 2017**1.0 SIGATOKA TOWN COUNCIL**

- 1.1 Mr. Tulsi Ram was appointed as the Chief Executive Officer for the Council with effect from December, 2014 to date.

**1.2 Council Staff 2017****Administration Department**

Chief Executive Officer	-	Tulsi Ram
Executive Secretary	-	Nirmala Pariachi
IT Officer	-	Davendra Rao
Administration/HR Officer	-	Mereoni K Camaivuna
Office Assistant	-	Fuata Pau'u

**Finance Department**

Manager Finance	-	Mohini Nair
Assistant Manager Finance	-	Salamisa Waqa
Market Manager	-	Iliesa Ravouvou
Market Assistant	-	Arvin Chand
Cashier	-	Sereseini Kilivou

**Health & Building Department**

Health Inspector/Building Surveyor	-	Anand Sami Pillay
Litter Prevention Officer	-	Esava Manulevu
3R Officer	-	Salanieta Kerekerelevu
Male PC Attendant 1	-	Senivalati Koroduadua
Male PC Attendant 2	-	Naruma Ratu
Male PC Attendant 3	-	Vinod Chand
Male PC Attendant 4	-	Filimoni Farasiko
Female PC Attendant 1	-	Melaia Drekevutu
Female PC Attendant 2	-	Watelaite Radinivuna
PC Cashier 1	-	Anish Govind
PC Cashier 2	-	Lavenia Cagilaba
PC Cashier 3	-	Makereta Bulikalaba

**Works Department**

Work Supervisor	-	Laveti Kotobalavu
Foreman	-	Peter Lucas
Carpenter	-	Rajnesh Lal
Welder	-	Nilesh Dutt
Welder	-	Mohammed Nazeem
Digger Driver	-	Kamal Deo
Unestablished	-	Ahmed Ali
Unestablished	-	Kamenieli Navatu
Unestablished	-	Narayan Reddy
Unestablished	-	Limanivai Dusaino
Unestablished	-	Sireli Naoba
Unestablished	-	Simione Vua

**Traffic Department**

Manager Traffic	-	Sharan Dip Singh
Carpark Attendant	-	Emosi Nayabe
Enforcement Officer	-	Semi Buakula
Enforcement Officer	-	Waisea Narara
Enforcement Officer	-	Taufiq Mohammed
Enforcement Officer	-	Savenaca Nasome
Carpark Attendant	-	Kini Ratu

**1.3 Solicitors for the Council**

Nil

**1.4 Auditors for the Council**

Auditor General of Fiji by virtue of Section 50 of the Local Government Act, Cap 125 has been the Auditor for the Council.

**1.5 Meeting of the Council****Details Of Meeting of the Year 2017**

Particulars of Meetings	2017
Ordinary Council	12
Staff and Tender Committee	23
Finance, Library, IT Committee	12
Market Committee	12
Traffic Committee	12
Works, Parks & Gardens Committee	12
Health, Building & 3R Project	12
Beautification	1
Ministry of Local Government, Housing & Environment	1
Joint Meeting – STC, LTA & Police Department	3
Dismac Committee	1
Ministry of Economy Department	1
Lands Department/Amete Volavola	1
Meeting with Mata Ni Tikina Nasigatoka (Mataqali Etuba)	3
Clean Green Town Competition	2
Roko Tui / ITLTB Meeting	3
Local Government Review Committee	3
National Heritage Park	1
Vodafone – STC Meeting	1
Fiji Roads Authority	1
Meeting with Former Director Town & Country Planning	1
STC & Carptrac Limited	2
Pacific Islands Pageant Meeting	1
Mobile Crane	1
Ministry of Agriculture / STC	2
HODs – All Government Departments	1

**2.0 RATES AND FINANCE - 2017****2.1 Town Rates Collection****Arrears:-**

2017 Rates In Arrears (as at 31/12/16)	-	\$79284.93
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**Quarterly Target**

-	\$17571.23 (25%)
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**Rates Collected:-**

1 <sup>st</sup> Quarter	-	\$ 5482.48
2 <sup>nd</sup> Quarter	-	\$ 4074.75
3 <sup>rd</sup> Quarter	-	\$ 7238.07
4 <sup>th</sup> Quarter	-	\$21381.72

Total Arrears collected as at 31/12/17	-	\$38177.02
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% Collected as at 31 <sup>st</sup> December	-	54%
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**Current**

Current Rates due on 1 January 2017	-	316224.10
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Amount collected as at 31 December 2017	-	288591.45
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Balance of Current Rates to be collected	-	32491
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% Collected	-	91%
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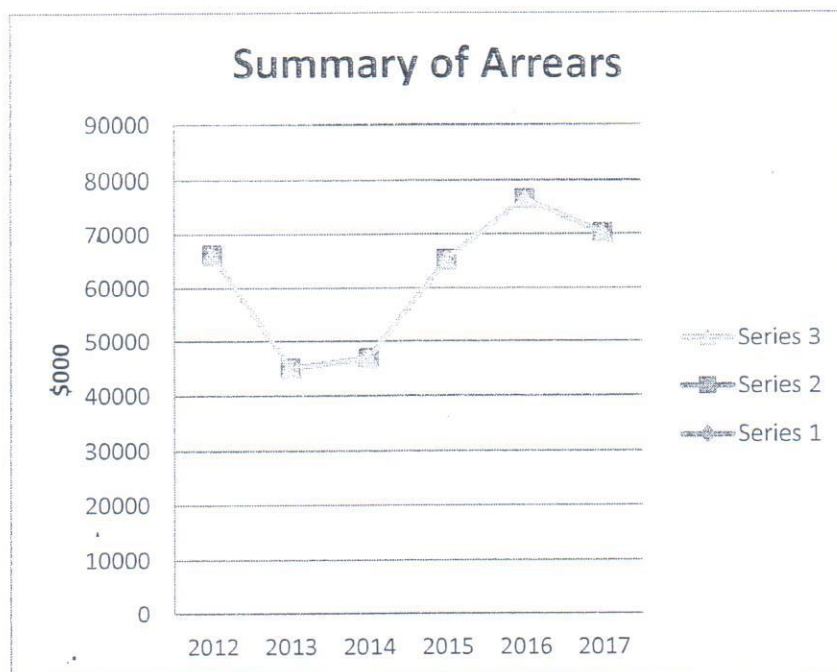
**2.2 Rateable Properties According to Zoning**

1.	INDG	-	15
2.	SPEC	-	1
3.	RESB	-	104
4.	CDEV	-	5
5.	COMB	-	90
6.	CIVIC	-	20
7.	COMC	-	13

Total Ratepayers	248
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## 2.3 Summary of Arrears of Previous Years



<u>Years</u>	<u>Arrears</u>
2012	66242
2013	45015
2014	46910
2015	65320
2016	76611
2017	70284

Rates not collected falls under unalienated Land and General. Council has been charging rates and is consistently negotiating with the Native Land Trust Board to have the same settled. From 2008 these un alienated land is not attracting rates as the Local Government Act Cap 125 has been amended to exclude un alienated properties from being charged rates.

All ratepayers under arrears have either made arrangement for payments or are been taken to Court.

## 2.4 Recurrent Revenue and Expenditure

The total recurrent revenue and expenditure of the Council for the year ending December, 2017 were as follows:

Year	Fund	Revenue	Expenditure	Deficit	Surplus
2017	General	11369477	1483799	[114322]	

## 2.5 Current Loan

The Councils two (2) Loan Liabilities as at December 31<sup>st</sup>, 2017 amounted to:

### BSP Life

1058755

### Credit Corporation

Nil

## 2.6 Works On Contract

	Services	Contractors
1.	Garbage Contract Services	Sudesh Transport
2.	Streetlights	Fiji Roads Authority
3.	Grass Cutting, Drain Cleaning	Sudesh Transport
4.	Market Washing	Sudesh Transport

## 3.0 MARKET

The Municipal Market is located right in the center of town. Our Market department consists of three (3) Staff - Market Manager, a female Assistant Market Manager and a Market Assistant who performed the market duties in general.

	Vendor Type	No. Of Vendors in Operation
1	Vegetable Inside	464
2	Vegetable Outside	183
3	Grocery	137
4	Handicraft	19
5	Sweetcart	7
6	Juice & Food Parcel	32
7	Corn	12
8	Kai	72
9	Seaweed	20
10	Fish	28
11	Seasonal Fruit (mango/ pineapple, madrine, etc.)	10
<b>Total Market Vendors 2017</b>		<b>984</b>

3.1 **Number of vacant Stalls** - 12 vegetable stalls, 3 grocery stall

3.2 **New Registered Vendor** - 10 vegetables & 2 grocery

### 3.3 Market Official Opening Hours

Mondays to Saturdays - 7.00am to 5.00pm

Vendors are allowed to sell their produce outside after the closure of market daily.

**3.4 Accommodation**

A fulltime Market Accommodation Attendant has been employed to maintain the cleanliness and collect \$2.00 fees per night from female Vendors who wish to stay overnight.

**3.5 Public Convenience**

The public convenience is open 24 hours. Maintained by fulltime male and female attendants from 6.00am till 10.00pm and afterwards 1 male attendant till 6.am.

**3.6 Revenue 2017**

Market - Stall Fees	-	\$235608
Public Convenience	-	\$82115
Vendors Accommodation	-	\$5857

**4. TRAFFIC AND ENFORCEMENT DEPARMENT****4.1 Revenue for the Year 2017**

1	Parking Meter Tolls	\$39,715.60
2	Parking Meter Notice Fines	\$14,710.00
3	Other Offence Fines	\$10,755.00
4	MH Car Park	\$32,601.00
5	Market Car Park	\$27,548.15
6	Parking Permits	\$ 2,712.50
	<b>Total Revenue</b>	<b>\$128,042.25</b>

**4.2 Number of Parking Meter**

We have a total of 137 Parking Meters installed around in town as follows:-

<b>Location of Parking Meters</b>	<b>Total number in each street</b>
SOLEVU	49
OPPOSITE JACKS RIVER SIDE	8
BOB LANE	2
MAIN STREET	7
MARKET ROAD	12
MISSION ROAD	25
VALLEY ROAD	17
OFF-MISSION ROAD	17
<b>TOTAL</b>	<b>137</b>

**5.0 HEALTH AND BUILDING DEPARTMENT****5.1 BUILDING STATISTICS**

	Type of Application	Received	Approved	Rejected	Total Value
1.	Building Application	14	14	-	\$764,000.00
2.	Subdivision Application	2	2	-	-
3.	Rezoning Application	2	2	-	-

**5.2 NUMBER OF INSPECTION CERTIFICATE ISSUED**

Total Certificate of Inspection: - 3

**5.3 CERTIFICATE ISSUED BEFORE OCCUPY**

Total No. of Completion Certificate issued - 3

**6.0 TOWN PLANNING MANAGEMENT**

6.1 Total No. Rezoning Application - 2

**7.0 HEALTH REPORT**

7.1 Total Number of Insanitary Condition Notice Served: - 91

7.2 Total Number Statutory Notice Served: - Nil

7.3 Total No. of Condemnation Certificate Issued: - 15

7.3(a) Total Food Condemned - 2.3 tonne

7.4 Total No. of Health License Issued: - 96

7.5 Total No. of Litter Decree Notice Served - 14

7.6 Total No. of House to House Inspection - 339

**8.0 MOSQUITOE SPRAYING**

The mosquito spraying was carried out through out the year on quarterly basis. We thanked the Ministry of Health for providing the chemicals free of charge and their support had allowed us to carryout the duty satisfactorily.

**9.0 DOG LICENSING EXERCISE**

The dog trapping exercise was carried out with the assistance of the Ministry of Agriculture. There were 42 dogs trapped during the time frame of trapping exercise.

**10.0 CONTRACTUAL WORKS**

The Health /Building Department is monitoring the contractual works including grass- cutting, drain cleaning, street sweeping, paper collection and garbage collection services in town. Payment is released once the Health Inspector/ Building Surveyor justified the work that has been carried out on a fortnightly and monthly basis respectively.

**11.0 CLEAN UP – CAMPAIGN**

The seven villages around town area known as Jubaniwai in conjunction with the Nadroga Provincial Council took part in the clean up campaign organized by the Council.

**12.0 WASTE PICKERS AT LANDFILL**

Health department has created standard operating procedures for all Waste Picker's at the dump site. There are 22 Waster Pickers registered with the Council. The Council had a full time attendant employed at the landfill from 7.00am to 5.00pm daily.

**13.0 3R REPORT**

**13.1 Home Composting**

The home composting was introduced in Sigtoka Town in year 2011, through the technical assistance from JICA. The 3R Officer is engaged fulltime to monitor and promote 3R to the ratepayers and citizens of our town.

**13.2 Market Green Waste**

The Council has renewed green waste contract with OISCA for another period of 1 year. The green waste is taken to Oisca twice a week and the Council is receiving 30% of composted waste once processed. The Council is selling compost to interestd buyers at \$1.00 per kg. The total cash collected in 2017 - \$228.38.

**13.3 Clean School Program**

The primary schools in the Nadroga district continued to show case their talent and ideas in using what we call wastes as a resource in school.

**14.0 PROJECTS AND MAINTENANCE**

**14.1 2017 Achievements**

1. Construction of Four Roadside Shelter for Public & Taxi Drivers
2. Construction of three (3) Kiosk space underneath PC Water Tank base
3. Reconstuction of Wishing Well
4. Construction of Duabale Road Temporary Toilets
5. Construction fo Koromumu Cemetery Public Convenience

6. Refurbishment to Market Master Office
7. Solevu Drainage Work behind Mosque
8. Electrical Servicing Work to Market & Civic Building
9. Refurbishment to Bus Stand
10. Civic Building Repairing Work for attainment of Cyclone Certificate

#### 14.2 Garden & Beautification

1. Creating new Garden beside Rattan Bhan Building
2. Creating new Gardens along riverside opposite Jacks Shop towards Melrose bridge
3. Planting flowers in half drums and placed under the billboard near the new bridge
4. Painting and Repairing of Garden wall
5. Replanting of new plant and potting of plant at the Nursery

#### 15.0 Visiting Dignatories Year 2017

There was no list recorded for the above.

#### 16.0 EMPLOYEES

##### 16.1 Establishment

An employment policy guideline was prepared and implemented by the Council during the year 2017. At the end of year 2017, the following employees were on the Council payroll:

<u>Department</u>	<u>Staff</u>	<u>Unestablished</u>	<u>Total</u>
Administration	3	1	4
Health, Building & Works	3	25	28
Parking Meter & Traffic	7	-	7
Finance and IT	4	-	4
Market	2	-	2
<b>TOTAL</b>	<b>19</b>	<b>26</b>	<b>45</b>
	=====	=====	=====

##### 16.2 Obituary

The late Ms. Kesaia Qarau, Assistant Market Manager died on the 2<sup>nd</sup> of June, 2017 at Lautoka Hospital, Lautoka. Kesaia is survived by her mother, 3 sisters, a brother, two daughters and a son.

##### 17.0 Events

Council also has successfully organized the following events:-

1. Coral Coast Carnival
2. Christmas Carol singing
3. Street Party

**18.0 Appreciation**

The Council records its appreciation for the co-operation, support and assistance it received from the ratepayers, residents, business houses, government departments.

I also wish to express my appreciation of the support and contribution by the Management and Staff in the successful management and welfare of the Council during the year 2017.

Furthermore the Council in particular acknowledges the support and co-operation of the Ministry of Local Government, Housing and Environment.

A handwritten signature in dark ink, consisting of a circular loop with a diagonal stroke through it, followed by a horizontal line extending to the right.

**Tulsiram**  
**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

29 March 2019

Mr. Tulsi Ram  
The Chief Executive Officer  
Sigatoka Town Council  
P O Box 118  
**SIGATOKA**

Dear Mr. Ram

**SIGATOKA TOWN COUNCIL**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

The audited financial statements for the Sigatoka Town Council for the year ended 31 December 2017 together with my audit report on them are enclosed.

Particulars of the errors and omission arising from the audit have been forwarded to the management of the Council for necessary action.

Yours sincerely

Ajay Nand  
**AUDITOR-GENERAL**

Encl.

**SIGATOKA TOWN COUNCIL**

**FINANCIAL STATEMENTS**

**31 DECEMBER 2017**

**SIGATOKA TOWN COUNCIL  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**SIGATOKA TOWN COUNCIL  
STATEMENT BY THE COUNCIL  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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In accordance with a resolution of the council, we state that:

- (a) the accompanying statement of comprehensive income of the council is drawn up so as to give a true and fair view of the results of the council for the year ended 31 December 2017;
- (b) the accompanying statement of changes in equity is drawn up so as to give a true and fair view of the movement in the council's funds for the year ended 31 December 2017;
- (c) the accompanying statement of financial position of the council is drawn up so as to give a true and fair view of the state of affairs of the council as at 31 December 2017;
- (d) the accompanying statement of cash flows is drawn up so as to give a true and fair view of the state of the cash flows of the council for the year ended 31 December 2017;
- (e) at the date of this statement there are reasonable grounds to believe the council will be able to pay its debts as and when they fall due; and
- (f) all related party transactions have been adequately recorded in the books of the council.

For and on behalf of the council and in accordance with a resolution of the management.

Dated this 28<sup>th</sup> day of March 2019.



Chief Executive Officer  
Mr. Tulsi Ram



Manager Finance  
Ms. Mohini Nair

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## INDEPENDENT AUDITOR'S REPORT

### Report on the Audit of the Financial Statements of Sigatoka Town Council

#### Qualified Opinion

I have audited the financial statements of Sigatoka Town Council, which comprise the statement of financial position as at 31 December 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the effects of the matter described in the basis of Qualified Opinion Paragraph, the accompanying financial statements give a true and fair view of the financial position of Sigatoka Town Council as at 31 December 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities ("IFRS for SMEs").

#### Basis for Qualified Opinion

The Council recorded sundry deposits of \$63,717 and sundry advances of \$4,879 in the statement of financial position as at 31 December 2017. The Council was unable to provide any documentations to support the sundry deposit of \$57,817 out of the total of \$63,717, and sundry advances of \$4,879. As a result, I was unable to verify the completeness and accuracy of the balances and also unable to determine whether any adjustments might have been necessary in respect of sundry deposits, and sundry advances balance at the end of the financial year and any corresponding adjustments to the elements making up the statement of comprehensive income and statement of financial position.

#### Emphasis of Matter

I draw attention to the following:

- Statement of cash flows which recorded a negative cash flows from operating activities of \$77,951 (2016: positive cash flow of \$9,679). I also draw attention to the total cash at bank of \$789,884 as shown in the statement of financial position which included restricted cash of \$734,366. Excluding the restricted cash, the Council incurred a negative working capital of \$215,023. This situations indicate that the Council may not be generating adequate cash flows to be able to pay its debts as and when they fall due.
- Total Cash at Bank balance of \$55,518 (excluding restricted cash of \$734,366) is not sufficient to cover the total sundry deposits as shown in Note 13 of \$63,717 should depositor require a refund.

I conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Council in accordance with the International Ethics Standards Board for Accountant's *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **Responsibilities of the Management for the Financial Statements,**

The management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS for SMEs and the Local Government Act (CAP 125) and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management intend to cease operations, or have no realistic alternative but to do so.

The Management are responsible for overseeing the Council's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with ISA, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures, are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

#### **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Local Government Act (Cap 125), in my opinion:

- a) proper books of account have been kept by the Council, so far as it appears from my examination of those books,
- b) the accompanying financial statements:
  - a. are in agreement with the books of account; and
  - b. to the best of my information and according to the explanations given to me, give the information required by the Local Government Act (Cap 125), in the manner so required.



Ajay Nand  
**AUDITOR-GENERAL**

Suva, Fiji  
29 March, 2019

**SIGATOKA TOWN COUNCIL  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2017**

<b>INCOME</b>	<b>Notes</b>	<b>2017 \$</b>	<b>2016 \$</b>
Rates	3.1	356,706	361,324
Parking meter	3.2	67,651	56,920
Other fees and charges	3.3	963,469	890,518
<b>Total income</b>		<b>1,387,826</b>	<b>1,308,762</b>
<b>EXPENSES</b>			
<b>General fund</b>			
Administrative and operating costs	3.4	336,567	364,646
Capital expenditures		373,969	280,073
Depreciation		91,080	107,260
Employees salaries and benefits		516,014	497,366
Finance cost		24,140	2,589
<b>Total general fund expenses</b>		<b>1,341,770</b>	<b>1,251,934</b>
<b>Special loan expenses</b>			
Interest - BSP Life (Fiji) Limited		82,294	87,823
<b>Total special loan expenses</b>		<b>82,294</b>	<b>87,823</b>
<b>Parking meter expenses</b>			
Depreciation		3,189	4,478
Finance cost		-	195
Other operating costs	3.5	3,141	7,315
Salaries and related payments		53,405	35,449
<b>Total parking meter expenses</b>		<b>59,735</b>	<b>47,437</b>
<b>Total expenses</b>		<b>1,483,799</b>	<b>1,387,194</b>
<b>Operating deficit for the year</b>		<b>(95,973)</b>	<b>(78,432)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the year</b>		<b>(95,973)</b>	<b>(78,432)</b>

*The statement of comprehensive income is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 11 to 21.*

**SIGATOKA TOWN COUNCIL  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>General fund</b>		
Balance at the beginning of the year	68,714	257,543
Deficit for the year	(216,021)	(194,518)
Balance at the end of the year	<u>(147,307)</u>	<u>63,025</u>
<b>Special loan fund</b>		
Balance at the beginning of the year	144,749	38,146
Surplus for the year	112,132	106,603
Balance at the end of the year	<u>256,881</u>	<u>144,749</u>
<b>Parking meter fund</b>		
Balance at the beginning of the year	14,817	11,023
Surplus for the year	7,916	9,483
Balance at the end of the year	<u>22,733</u>	<u>20,506</u>
<b>Total equity</b>	<b><u>132,307</u></b>	<b><u>228,281</u></b>

**SIGATOKA TOWN COUNCIL  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2017**

	Notes	2017 \$	2016 \$
<b>CURRENT ASSETS</b>			
Cash at bank	4(a)	789,884	944,908
Cash on hand	4(b)	200	200
Term deposits	5	65,317	63,688
Debtors	6	120,306	128,795
Sundry advances	7	4,879	4,879
Prepayments and electricity deposits	8	9,200	9,474
<b>Total current assets</b>		<u>989,786</u>	<u>1,151,944</u>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	9	1,787,258	1,867,206
<b>Total non current assets</b>		<u>1,787,258</u>	<u>1,867,206</u>
<b>TOTAL ASSETS</b>		<u><b>2,777,044</b></u>	<u><b>3,019,150</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Council municipal fund</b>			
Accumulated funds	10	132,307	228,281
<b>Total equity</b>		<u>132,307</u>	<u>228,281</u>
<b>CURRENT LIABILITIES</b>			
Bank overdraft	11	96,622	99,865
VAT payable		31,039	32,102
Employee entitlement		10,839	20,725
Loan funds	12	156,000	156,000
Creditors and other accruals		52,242	86,649
Sundry deposits	13	63,717	62,517
Lease liability	14	-	7,620
Deferred income	15	18,176	18,176
Income received in advance	16	41,808	41,039
<b>Total current liabilities</b>		<u>470,443</u>	<u>524,693</u>
<b>NON-CURRENT LIABILITIES</b>			
Loan funds	12	902,755	976,461
Deferred income	15	1,271,539	1,289,715
<b>Total non-current liabilities</b>		<u>2,174,294</u>	<u>2,266,176</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>2,777,044</b></u>	<u><b>3,019,150</b></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 11 to 21.*

In our opinion the financial statements 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 2017 and of the state of affairs as at that date.

  
Chief Executive Officer  
Mr. Tulsi Ram

Date: 28/3/19

  
Manager Finance  
Ms. Mohini Nair

Date: 28/3/19

**SIGATOKA TOWN COUNCIL  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 \$	2016 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		1,313,669	1,298,807
Payments to suppliers and employees		<u>(1,391,620)</u>	<u>(1,289,128)</u>
Net cash (used) / provided by operating activities	23(i)	<u>(77,951)</u>	<u>9,679</u>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		<u>(16,382)</u>	<u>(202,515)</u>
Net cash flows used in investing activities		<u>(16,382)</u>	<u>(202,515)</u>
<b>Cash flows from financing activities</b>			
Receipt of Government grant		18,349	771,273
Lease repayments		(7,620)	(15,258)
Loan repayments		<u>(68,177)</u>	<u>(68,177)</u>
Net cash flows (used) / provided in financing activities		<u>(57,448)</u>	<u>687,838</u>
Net (decrease) / increase in cash and cash equivalents		(151,781)	495,002
Cash and cash equivalent at the beginning of the year		<u>845,243</u>	<u>350,241</u>
<b>Cash and cash equivalent at the end of the year</b>	23(ii)	<u><b>693,462</b></u>	<u><b>845,243</b></u>

*The statement of cash flow is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 11 to 21.*

**SIGATOKA TOWN COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**NOTE 1: BASIS OF PREPARATION**

The financial statements have been prepared on accrual basis under the historical cost convention using the accounting policies described below and except where stated, do not take into account current valuations of non-current assets. The financial statements are presented in Fijian dollars and all values are rounded to the nearest dollar, except when otherwise indicated.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

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

**Statement of compliance**

The financial statements of Sigatoka Town Council have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities ("IFRS for SMEs") issued by the International Accounting Standards Board and the Local Government Act.

**Comparatives**

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency in disclosure with current period amounts.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements:

**(a) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

**(b) Investments and other financial assets**

*Initial recognition of financial instruments*

The classification of financial instruments at initial recognition depends on the purpose for which the financial instruments were acquired and their characteristics. All financial instruments are measured initially at their fair value plus, in the case of financial assets and financial liabilities not at fair value through profit and loss, any directly attributable increment costs of acquisition or issue.

*Receivables*

Rates receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Rates receivables are initially recognized as receivables from the commencement of each rating period (inclusive of VAT where applicable). After initial measurement loans and receivables are carried at amortized cost using the effective interest method less any allowance for impairment. Gains or losses are recognized in the income statement when the receivables are derecognized or impaired, as well as through the amortization process. Bad debts are written-off as incurred.

**(c) Revenue**

Revenue is recognized in the Statement of Comprehensive Income 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.

**SIGATOKA TOWN COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(d) Income tax**

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

**(e) Employee entitlements**

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

**(f) 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 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	33.00%
Furniture and fittings	7.00%
Motors vehicle	20.00%
Office equipment	7.00%
Plant and machinery	7.00%
Land & building	2.50%

**(g) Trade and other receivables**

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

**(h) Impairment**

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

**(i) Trade and other payables**

Trade and other payables are stated at their cost.

**(j) Deferred income**

Grants relating to assets are included as deferred income and are credited to the Statement of Comprehensive Income on a straight line basis over expected useful lives of the related assets.

**SIGATOKA TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	2016
	\$	\$
<b>NOTE 3. OPERATING REVENUE AND EXPENSES</b>		
<b>NOTE 3.1 Rates income</b>		
General rates	121,883	121,883
General rates on state land	2,577	2,577
Local rates	28,616	28,616
Special loan rates	194,426	194,426
Interest on overdue rates	9,204	13,822
	<u>356,706</u>	<u>361,324</u>
<b>NOTE 3.2 Parking meter income</b>		
Infringement fines	13,547	5,977
Parking meter tolls	37,887	35,074
Parking permit	2,489	2,704
Miscellaneous	13,728	13,165
	<u>67,651</u>	<u>56,920</u>
<b>NOTE 3.3 Other fees and charges income</b>		
Amortization of capital grant	22,886	22,886
Government grant	18,349	-
Business license fees	124,225	116,462
Fees, charges and rent	218,781	323,534
Garbage fees	103,202	110,020
Interest	7,226	6,998
Market fees	235,608	205,498
Car park	58,376	46,814
Others	174,816	57,742
	<u>963,469</u>	<u>889,954</u>
<b>NOTE 3.4 Administrative and operating expenses - general fund</b>		
Auditor's remuneration	9,000	9,000
Doubtful debts	12,891	13,578
Garbage service	64,704	54,137
Legal expenses	300	5,015
Office expenses	8,709	8,419
Printing, stationery and advertising	17,331	26,576
Telecom/fax/internet/courier	13,463	13,980
Travelling expenses	21,580	23,346
Electricity expenses	22,846	21,389
NPTC Levy	2,775	2,716
Insurance	11,020	12,408
Market	12,313	5,646
Public convenience	28,067	24,281
Security Services	28,637	16,638
Water	32,929	25,552
Other expenses	50,002	101,965
	<u>336,567</u>	<u>364,646</u>
<b>NOTE 3.5 Other operating expenses - parking meter</b>		
Parking meter verification	-	2,500
Parking meters maintenance	1,488	1,958
Printing and stationery	1,356	1,345
Other expenses	297	1,512
	<u>3,141</u>	<u>7,315</u>

**SIGATOKA TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**NOTE 4. CASH AND CASH EQUIVALENTS**

	2017	2016
	\$	\$

**(a) Cash at bank**

Capital Fund	55,518	205,419
Nayawa Project Account	-	1,241
Grants & Donation Account	734,366	738,248
	<u>789,884</u>	<u>944,908</u>

The cash at bank balance of \$734,366 is not available for use except for the purpose of the riverbank project.

**(b) Cash on hand**

Cash on hand	<u>200</u>	<u>200</u>
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**NOTE 5. INVESTMENTS**

Term deposit	<u>65,317</u>	<u>63,688</u>
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Term deposit relates to a fixed deposit with Bank of South Pacific for a term of 12 months earning an interest of 2.25 % per annum where the interest is added to the principal upon maturity.

**NOTE 6. DEBTORS**

Rates	70,989	76,611
Bus stand	2,338	625
Business license	1,596	669
Commercial vehicle	1,944	2,106
Garbage fees	10,155	34,415
Rental properties	17,875	1,654
Taxi base	4,068	1,447
Fiji Sugar Corporation	3,230	3,230
Mini van	3,927	3,395
WAF / education / labour	7,172	7,172
Taxi, carrier, mini van others	2,675	2,477
Wheel barrow	-	20
Staff Loan	378	-
Other debtors	6,850	8,552
	<u>133,197</u>	<u>142,373</u>
Less: Allowance for doubtful debts	<u>(12,891)</u>	<u>(13,578)</u>
	<u>120,306</u>	<u>128,795</u>

**NOTE 7. SUNDRY ADVANCES**

Other advances	3,159	3,159
Mayoral advances	1,486	1,486
Telephone	200	200
Electricity	22	22
Land	10	10
Post box key	2	2
	<u>4,879</u>	<u>4,879</u>

**NOTE 8. PREPAYMENTS AND ELECTRICITY DEPOSITS**

Electricity deposit	5,527	5,527
Insurance prepayments	3,673	3,947
	<u>9,200</u>	<u>9,474</u>

**SIGATOKA TOWN COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

<b>NOTE 9. PROPERTY, PLANT AND EQUIPMENT</b>	<b>2017 \$</b>	<b>2016 \$</b>
<b>GENERAL FUND</b>		
<u>Land and building</u>		
<i>Cost:</i>		
At 1 January	1,871,937	1,871,937
At 31 December	1,871,937	1,871,937
<i>Depreciation and impairment</i>		
At 1 January	473,069	426,270
Depreciation	46,797	46,799
At 31 December	519,866	473,069
Net book value	1,352,071	1,398,868
<u>Computers</u>		
<i>Cost:</i>		
At 1 January	18,335	13,590
Additions	5,372	4,745
At 31 December	23,707	18,335
<i>Depreciation and impairment</i>		
At 1 January	13,700	10,933
Depreciation	3,125	2,767
At 31 December	16,825	13,700
Net book value	6,882	4,635
<u>Furniture and fittings</u>		
<i>Cost:</i>		
At 1 January	37,477	24,083
Additions	3,032	13,394
At 31 December	40,509	37,477
<i>Depreciation and impairment</i>		
At 1 January	10,498	8,550
Depreciation	2,761	1,948
At 31 December	13,259	10,498
Net book value	27,250	26,979
<u>Motor vehicle - lease liability</u>		
<i>Cost:</i>		
At 1 January	169,148	169,148
Disposal	(2,100)	-
At 31 December	167,048	169,148
<i>Depreciation and impairment</i>		
At 1 January	101,398	67,566
Depreciation	14,816	33,832
At 31 December	116,214	101,398
Net book value	50,834	67,750

**SIGATOKA TOWN COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

<b>NOTE 9. PROPERTY, PLANT AND EQUIPMENT (Cont'd)</b>	<b>2017 \$</b>	<b>2016 \$</b>
<u>Office equipment</u>		
Cost:		
At 1 January	66,754	56,394
Additions	138	12,880
Disposal	-	(2,520)
At 31 December	<u>66,892</u>	<u>66,754</u>
<i>Depreciation and impairment</i>		
At 1 January	24,574	20,379
Depreciaton	4,518	4,195
At 31 December	<u>29,092</u>	<u>24,574</u>
Net book value	<u>37,800</u>	<u>42,180</u>
<u>Plant and Machinery</u>		
Cost:		
At 1 January	270,947	220,150
Additions	2,831	50,797
At 31 December	<u>273,778</u>	<u>270,947</u>
<i>Depreciation and impairment</i>		
At 1 January	96,842	80,547
Depreciaton	19,062	16,295
At 31 December	<u>115,904</u>	<u>96,842</u>
Net book value	<u>157,874</u>	<u>174,105</u>
<u>Work in Progress</u>		
Work in progress beginning balance	137,092	8,278
Work in progress – Nayawa Children's Park	-	89,495
Work in progress – Riverbank Retaining Wall	5,046	39,319
	<u>142,138</u>	<u>137,092</u>
<b>PARKING METER FUND</b>		
<u>Plant and Machinery</u>		
Cost:		
At 1 January	42,495	33,284
Additions	-	9,211
At 31 December	<u>42,495</u>	<u>42,495</u>
<i>Depreciation and impairment</i>		
At 1 January	28,104	23,839
Depreciaton	2,975	4,265
At 31 December	<u>31,079</u>	<u>28,104</u>
Net book value	<u>11,416</u>	<u>14,391</u>
<u>Computers</u>		
Cost:		
At 1 January	3,059	3,059
At 31 December	<u>3,059</u>	<u>3,059</u>

**SIGATOKA TOWN COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

<b>NOTE 9. PROPERTY, PLANT AND EQUIPMENT (Cont'd)</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>PARKING METER FUND (cont'd)</b>		
<i>Depreciation and impairment</i>		
At 1 January	1,853	1,638
Depreciation	213	215
At 31 December	<u>2,066</u>	<u>1,853</u>
Net book value	<u>993</u>	<u>1,206</u>
Net written down value	<u>1,787,258</u>	<u>1,867,206</u>
Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.		
<b>Land and building</b>		
Carrying amount at beginning	1,398,868	1,445,667
Depreciation expense	<u>(46,797)</u>	<u>(46,799)</u>
Balance as at 31 December	<u>1,352,071</u>	<u>1,398,868</u>
<b>Motor vehicle</b>		
Carrying amount at beginning	67,750	101,582
Disposal	<u>(2,100)</u>	<u>-</u>
Depreciation expense	<u>(14,816)</u>	<u>(33,832)</u>
Balance as at 31 December	<u>50,834</u>	<u>67,750</u>
<b>Computers</b>		
Carrying amount at beginning	4,635	2,657
Additions	5,372	4,745
Depreciation expense	<u>(3,125)</u>	<u>(2,767)</u>
Balance as at 31 December	<u>6,882</u>	<u>4,635</u>
<b>Furniture and fittings</b>		
Carrying amount at beginning	26,979	15,533
Additions	3,032	13,393
Depreciation expense	<u>(2,761)</u>	<u>(1,947)</u>
Balance as at 31 December	<u>27,250</u>	<u>26,979</u>
<b>Office equipment</b>		
Carrying amount at beginning	42,180	36,015
Additions	138	12,880
Disposals	-	<u>(2,520)</u>
Depreciation expense	<u>(4,518)</u>	<u>(4,195)</u>
Balance as at 31 December	<u>37,800</u>	<u>42,180</u>
<b>Plant and equipment</b>		
Carrying amount at beginning	174,105	139,603
Additions	2,831	50,797
Depreciation expense	<u>(19,062)</u>	<u>(16,295)</u>
Balance as at 31 December	<u>157,874</u>	<u>174,105</u>
<b>Work in progress</b>		
Opening balance	137,092	8,278
Work in progress – Nayawa Children's Park	-	89,495
Work in progress – Riverbank Retaining Wall	<u>5,046</u>	<u>39,319</u>
	<u>142,138</u>	<u>137,092</u>
Net written down value - General fund account	<u>1,774,849</u>	<u>1,851,609</u>

**SIGATOKA TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**NOTE 9. PROPERTY, PLANT AND EQUIPMENT (Cont'd)**

<b>PARKING METER FUND</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Plant and machinery</b>		
Carrying amount at beginning		
Additions	14,391	9,445
Depreciation expense	-	9,211
Balance as at 31 December	<u>(2,975)</u>	<u>(4,265)</u>
	<u>11,416</u>	<u>14,391</u>
<b>Computers</b>		
Carrying amount at beginning		
Depreciation expense	1,206	1,421
Balance as at 31 December	<u>(213)</u>	<u>(215)</u>
	<u>993</u>	<u>1,206</u>
Net written down value - Parking meter account		
	<u>12,409</u>	<u>15,597</u>
<b>Total property, plant and equipment</b>		
	<u>1,787,258</u>	<u>1,867,206</u>

**NOTE 10. ACCUMULATED FUNDS**

General fund account		
Special loan fund account	(147,307)	63,025
Parking meter fund account	256,881	144,749
Net accumulated funds	<u>22,733</u>	<u>20,506</u>
	<u>132,307</u>	<u>228,281</u>

**NOTE 11. BANK OVERDRAFT**

General fund		
	<u>(96,622)</u>	<u>(99,865)</u>

The bank overdraft are secured by the term deposit account number 9675135 of \$60,000.

**NOTE 12. LOAN FUNDS**

**BSP Life (Fiji) Limited**

Balance at 1 January	1,132,461	1,200,638
Add: interest and other fees	<u>82,294</u>	<u>87,823</u>
	<u>1,214,755</u>	<u>1,288,461</u>
Less: loans repaid	<u>(156,000)</u>	<u>(156,000)</u>
Balance as at 31 December	<u>1,058,755</u>	<u>1,132,461</u>

Loans raised by the Council bear interest charges at the rate of 7.5% 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.

Analyzed as :

Current

Non-current

	156,000	156,000
	<u>902,755</u>	<u>976,461</u>
	<u>1,058,755</u>	<u>1,132,461</u>

**SIGATOKA TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

<b>NOTE 13. SUNDRY DEPOSITS</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Car park development	34,007	34,007
Council properties	26,093	24,893
Security deposit	1,747	1,747
Nomination fee	1,240	1,240
Market stall	500	500
Unknown deposit	100	100
Ticket booth	30	30
	<u>63,717</u>	<u>62,517</u>

**NOTE 14. LEASE LIABILITY**

Credit Corporation (Fiji) Limited		
Opening balance	7,620	22,878
Less: repayments	(7,620)	(15,258)
Closing balance	<u>-</u>	<u>7,620</u>

Finance lease from Credit Corporation (Fiji) Limited was undertaken to finance the purchasing of motor vehicle registration number FY489 at an interest rate of 8.5% per annum for a term of 5 years.

Analyzed as:

Current finance lease	-	7,620
	<u>-</u>	<u>7,620</u>

**NOTE 15. DEFERRED INCOME**

The amount represents Back Hoe Digger which was donated by the Japanese Government in 2008 and capital grant contribution by government for the Nayawa Children's Park in 2015.

Balance as at 1 January 2017	1,307,891	536,618
Less: amortization charge	(18,176)	(18,176)
	<u>1,289,715</u>	<u>518,442</u>
Add: Government grant – Nayawa children's park	-	789,449
Balance as at 31 December 2017	<u>1,289,715</u>	<u>1,307,891</u>

Analyzed as:

Current	18,176	18,176
Non-current	1,271,539	1,289,715
	<u>1,289,715</u>	<u>1,307,891</u>

**NOTE 16. INCOME RECEIVED IN ADVANCE**

Income received in advance comprises of the following:

Lease space - Tramline Tappoo Limited	9,728	11,552
Parking space – Tappoo Limited duty free conc, retailers & wholesalers	8,316	9,702
Parking space – Jack's Retail Limited	13,000	14,500
Rates received in advance	2,289	2,998
Taxis, business license and bus station fees received in advance	8,475	2,287
	<u>41,808</u>	<u>41,039</u>

- (a) The amount represents leasing of an open space between the tramline and the Council's garden to Tappoo Limited effective for the next 10 years and is treated in accordance with Section 20 of the IFRS for SMEs:

**SIGATOKA TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**NOTE 16. INCOME RECEIVED IN ADVANCE (continued)**

	2017	2016
	\$	\$
<b>Tappoo Limited</b>		
Balance as at 1 January	11,552	13,376
Less : lease income realized up to 31 December	<u>(1,824)</u>	<u>(1,824)</u>
Balance as at 31 December	<u>9,728</u>	<u>11,552</u>

- (b) The amount represents reservation of parking space to Tappoo Limited and Jack's Retail Limited effective for the next 10 and 15 years respectively and is treated in accordance with Section 20 of the IFRS for SMEs'.

**Tappoo Limited**

Balance as at 1 January	9,702	11,088
Less: Parking space income realized up to 31 December	<u>(1,386)</u>	<u>(1,386)</u>
Balance as at 31 December	<u>8,316</u>	<u>9,702</u>

**Jack's Retail Limited**

Balance as at 1 January	14,500	16,000
Less: Parking space income realized up to 31 December	<u>(1,500)</u>	<u>(1,500)</u>
Balance as at 31 December	<u>13,000</u>	<u>14,500</u>

**NOTE 17. DISCOUNT ON RATES**

No Discount on rates was granted in the Council's 2017 budget.

**NOTE 18. CAPITAL COMMITMENT**

Capital commitments as at 31 December 2017 amounted to \$734,366 relating to the riverbank project (2016: \$738,248).

**NOTE 19. CONTINGENT LIABILITIES**

Contingent liabilities exist with respect to legal claim of \$25,400.

Other than the matter disclosed as contingent liabilities, the Council is of the opinion that there is no material claim that required provisions or disclosure in the financial statements.

**NOTE 20. EVENT SUBSEQUENT TO BALANCE DATE**

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 21. PRINCIPAL ACTIVITIES**

The principal activity of the Council is to provide for the health, welfare and convenience of the inhabitants of Sigatoka Town Council and to preserve amenities or credit thereof.

**NOTE 22. COUNCIL DETAILS**

**Council Incorporation**

The Council is a municipal council in Fiji established under the Local Government Act (cap 125 Rev. 1985) and section 5 of the Subsidiary Legislation.

**SIGATOKA TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**NOTE 22. COUNCIL DETAILS (Cont'd)**

**Registered Office and Principal Place of Business**

The registered office and principal place of business of the Council is located at:

Civic Building  
 Queens Road  
 Sigatoka

	2017 \$	2016 \$
<b>NOTE 23. NOTES TO THE STATEMENT OF CASH FLOWS</b>		
<b>(i) Reconciliation of net cash provided by operating activities to net deficit</b>		
Net deficit for the year	(114,322)	(72,026)
Depreciation	94,269	111,738
Net cash provided by operating activities before changes in	<u>(20,053)</u>	<u>39,712</u>
Decrease in debtors	8,489	(8,903)
(Increase) / decrease in prepayments and electricity deposits	274	1,709
Decrease in creditors and other accruals	(34,407)	(33,015)
Increase / (decrease) in VAT payable/receivable	(1,063)	1,534
Decrease in employee entitlements	(9,886)	(472)
Increase in deferred income	-	-
Increase in income received in advance	769	(7,470)
Increase in sundry deposits	1,200	2,200
Increase / (decrease) in other assets	(23,274)	14,384
Net cash inflows from operating activities	<u><u>(77,951)</u></u>	<u><u>9,679</u></u>

**(ii) Cash and Cash Equivalents**

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

Cash on hand and at bank	<u><u>693,462</u></u>	<u><u>845,243</u></u>
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**SIGATOKA TOWN COUNCIL**  
**DETAILED STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	2016
	\$	\$
<b>The income for the year was derived from:</b>		
General rates	121,883	121,883
General rates on state land	2,577	2,577
Local rates	28,616	28,616
Interest on overdue rates	9,204	13,822
<b>Fees and charges</b>		
Interest earned	3,009	2,204
Advertisement	-	1,376
Business license	124,225	116,462
Building fees	3,459	2,776
Bus stand charges	14,937	13,731
Commercial vehicle	13,142	10,546
Taxi	49,069	50,069
Cemetery	2,461	2,225
Garbage	103,202	110,020
Interest others	4,217	4,794
Library	353	624
Legal action	-	20
Market fees	235,608	205,498
Miscellaneous	35,284	41,245
Rental properties	117,820	101,814
Multipurpose Court Hire	264	-
Car parking fees	58,376	46,814
Loading & unloading zone	7,825	7,825
Mini van	13,377	14,920
Amortization of deferred income	18,176	18,176
Government grant	18,349	-
Special traffic operation	-	564
5% gate takings - Sports Council	10,807	-
Revenue - others (new taxis, carrier, minivan, garbage)	15,220	21,612
Jack's Retail Limited - income realized	4,710	4,710
3R project	507	599
Tipping fees – outsiders	6,514	4,922
Wheel barrow	150	275
Ladies accommodation	5,857	5,652
Public convenience	82,115	86,543
STC events	13,325	13,350
Gain on sale	1,111	1,152
<b>Total income</b>	<b>1,125,749</b>	<b>1,057,416</b>

**SIGATOKA TOWN COUNCIL  
DETAILED STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017 \$	2016 \$
<b>The expenditure for the year incurred on:</b>		
Audit fees	9,000	9,000
Depreciation	91,080	107,260
Doubtful debts	12,891	13,578
Electricity	22,846	21,389
Garbage service	64,704	54,137
Insurance	11,020	12,408
Legal expenses	300	5,015
Local Government forum	837	437
Mayoral, Councilors allowance and civic reception	-	52
Market	12,313	5,646
Mataqali - Market Negotiation	3,450	6,703
Miscellaneous	16,999	32,835
NPTC levy	2,775	2,716
Office expenses	8,709	8,419
Office space lease	-	8,249
Printing, stationery and advertising	17,331	26,576
Public convenience	28,067	24,281
Salaries and related payments	510,380	497,366
Staff benefit	5,634	-
Security Services	28,637	16,638
STC events - carnival/Stka day	20,164	38,073
Telecom/fax/internet/courier	13,463	13,980
Travelling expenses	21,580	23,346
3R project	243	2,439
Uniforms	8,309	13,177
Water	32,929	25,552
<b>Total re-current expenditure</b>	<b>943,661</b>	<b>969,272</b>
<b>Capital expenditure</b>		
General maintenance	24,682	10,092
Maintenance of mini bus stand	4,179	954
River bank upgrade	537	-
Maintenance of office furniture/equipment	4,135	2,519
Children's park	2,065	-
Rubbish dump/digger maintenance	70,242	26,877
Streetlights	3,068	-
Upgrade administration building	21,512	19,637
Upkeep of roads, drains, paths and verges	202,278	203,190
Beautification of town	14,753	15,413
Capital projects	21,793	1,290
Ladies accommodation	4,725	101
<b>Total capital expenditure</b>	<b>373,969</b>	<b>280,073</b>
<b>Financial expenses</b>		
Bank charges and interest	4,324	2,589
Discount allowed	19,816	-
<b>Total financial expenditure</b>	<b>24,140</b>	<b>2,589</b>
<b>Total expenditure</b>	<b>1,341,770</b>	<b>1,251,934</b>
<b>Net deficit for the year</b>	<b>(216,021)</b>	<b>(194,518)</b>

**SIGATOKA TOWN COUNCIL  
DETAILED STATEMENT OF INCOME AND EXPENDITURE - SPECIAL LOAN ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	2016
	\$	\$
<b>The income for the year was derived from:</b>		
Special loan rate	183,532	183,532
Special loan rate on State land	10,894	10,894
<b>Total income</b>	<u>194,426</u>	<u>194,426</u>
 <b>The expenditure for the year was incurred on:</b>		
Interest – BSP Life (Fiji) Limited	82,294	87,823
<b>Total expenditure</b>	<u>82,294</u>	<u>87,823</u>
 <b>Net surplus for the year</b>	<u><u>112,132</u></u>	<u><u>106,603</u></u>

**SIGATOKA TOWN COUNCIL**  
**DETAILED STATEMENT OF INCOME AND EXPENDITURE - PARKING METER**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>The income for the year was derived from:</b>		
Infringement fines	13,547	5,977
Parking meter tolls	37,887	35,074
Miscellaneous	3,791	1,787
Illegal parking	9,937	11,378
Parking permit	2,489	2,704
<b>Total income</b>	<b>67,651</b>	<b>56,920</b>
<b>The expenditure for the year was incurred on:</b>		
Bank charges	-	195
Depreciation	3,189	4,478
Printing and stationery	1,356	1,345
Training levy	297	420
Salaries and related payments	53,405	35,449
Parking meter verification	-	2,500
Parking meters maintenance	1,488	1,958
Search fees	-	1,092
<b>Total expenditure</b>	<b>59,735</b>	<b>47,437</b>
<b>Net surplus for the year</b>	<b>7,916</b>	<b>9,483</b>