



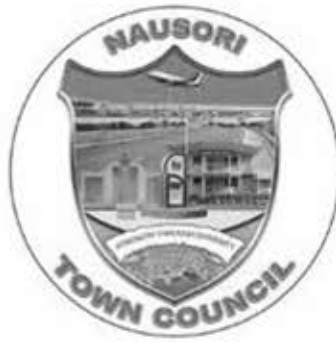
# NAUSORI TOWN COUNCIL

## 2009

### ANNUAL REPORT



PARLIAMENT OF FIJI  
PARLIAMENTARY PAPER NO. 102 OF 2020



# NAUSORI TOWN COUNCIL

## 2009

### ANNUAL REPORT



PARLIAMENT OF FIJI  
PARLIAMENTARY PAPER NO. 102 OF 2020





31<sup>st</sup> July, 2020

The Honourable Minister  
For Local Government, Housing and Community Development  
FFA House  
Gladstone Road  
SUVA

Dear Madam,

In accordance with the requirements of Section 19 of the Local Government Act, 1972, I have pleasure in presenting, on behalf of the Nausori Town Council, the Annual Report and Statement of Accounts for the year ended 31<sup>st</sup> December, 2009.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Baskaran Nair', is positioned above the printed name.

**Baskaran Nair**  
**Special Administrator/Chair**



## **ANNUAL REPORT - 2009**

### **1.0 INTRODUCTION**

The Town of Nausori was established on the 13<sup>th</sup> July, 1931 under the provisions of Ordinance NO 44 of 1928. The qualifications to become a Township could have been due to the Sugar Industry, which was successful and also the continued preference of the rural population of Tailevu, Naitasiri and Rewa Province to use Nausori as their identity.

Nausori Town Council provides a wide range of services to its ratepayers such as sanitation, roads, car parks, business licence, parks and gardens, sporting facilities (Ratu Cakobau Park, Multipurpose Court and Syria Park) and recreational facilities (Nausori Library).

Under Section 57 of the Local Government Act, the Council is required to prepare Annual Statements before 31 May, every year showing the Assets, Liabilities, Income and Expenditure of the Council on the 31 December of the preceding year. These Annual Statements are to be audited by the Auditor-General and certified by August of every year.

### **1.1 Brief History of Nausori Town**

On Tuesday 31<sup>st</sup> March 1959, Nausori Township Boards new Office was officially opened and it was the same year the Colonial Sugar Refining Company closed its mill in Nausori. From 1943 to 1959, the township rented offices at various places in town.

The desire to have a bridge over the Rewa River had come about in the year 1900 and construction works were carried out in 1935. The

Rewa Bridge is 1,280 feet long and the nine spans each measure 120 feet long.

As monument of 56 Indians who were killed when the HMS Syria went ground on the Naselai Reef in 1884 has been erected near the Rewa Bridge on N G Patel Road.

The first Market was constructed in 1945 at the present site after the Governor and other Government Departments granted approval.

The existing Nausori Market area was the first Sporting Ground where people played. In 1953, the Township Board took a 75 year lease on a Native Land on which Ratu Cakobau Park is now located.

It was officially opened in 1979, since then the park has been providing efficient service.

## **2.0 Council Members and Principal Officers**

**2.1** The review/reform program, introduced by Ministry of Local Government, Urban Development, Housing and Environment had Napolioni Masirewa appointed by the Government as the Special Administrator for the Council.

Special Administrator	-	Napolioni Masirewa
Town Clerk/CEO	-	Chandra Prakash
Treasurer	-	Nilay Singh
Health Inspector/ Building		
Surveyor	-	Kitione Batiwale (Actg)
Secretary	-	Chandra Krishna (Mrs)
Market Master	-	Jai Narayan
Senior Rates Officer	-	Hirendra Prasad

## **2.2 Sub Committees**

Subcommittees established during 2009 were:

- a) Building, Health and Works
- b) Finance and General Purposes
- c) Subdivision, Town Planning and Traffic
- d) Staff Committee
- e) Tender Committee

f) Monday Staff Meeting

All committee meetings were chaired by the Special Administrator.

### 2.3 **Meetings**

The following meetings were held:

Meetings	2009
Building, Health and Works	10
Finance, Properties & General Purpose	9
Subdivision, Town Planning	9
Tender	7
Staff	3
Monday Staff Meetings	47

### 2.4 **Directory**

Location	-	2 Wainibokasi Road
Postal Address	-	P O Box 72, Nausori
Telephone	-	3477133
Fax:	-	3400048
Email	-	<a href="mailto:nausoritown@connect.com.fj">nausoritown@connect.com.fj</a>

### 2.5 **Population**

Population of the town recorded as per the last census is:

Nakasi	11062
Davuilevu	3568
Nausori	2176

### 2.6 **Councils Solicitor**

Lajendra Law	
Phone: 3100008	Fax: 3100009
Registered Office:	Nasese, Suva

### 2.7 **Councils Auditors**

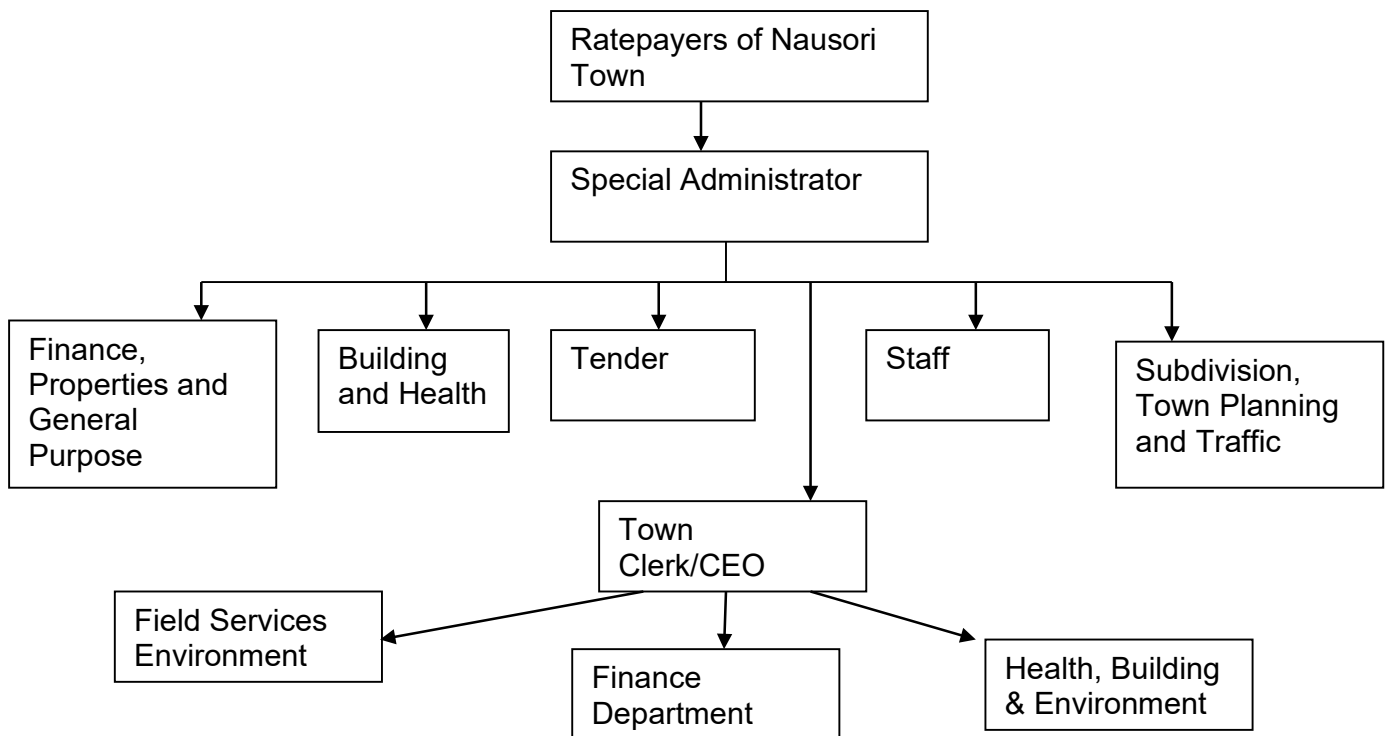
Auditor General's Office of Fiji

### 2.8 **Council Bankers**

Bank of Baroda



## **2.9 ORGANIZATION STRUCTURE OF THE MUNICIPALITY OF NAUSORI**



## **2.10 OUR VISION**

A town that fosters a diverse culture, life style and quality standard of living.

## **2.11 OUR MISSION**

The aim of Nausori Town Council is to promote the Health, welfare and quality of life for the ratepayers of Nausori for present and future generations through the set goals.

## **2.12 OUR GOALS**

- ❖ To enhance the quality of life of the ratepayers by providing efficient services.
- ❖ To protect and encourage a wider appreciation of the towns natural environment.
- ❖ To encourage community participation within the people of Nausori in order to maintain the surrounding environment and services provided by the Council.

- ❖ Support and promote town's economy taking into account its social and environmental values.

### **3.0 Activities**

#### **3.1 Building Applications**

Health and Building section received a total of 53 building applications during the year. Total value of building applications received was \$2444914 and fees generated by the Council was \$7997.50. During the year 15 completion certificates were issued which had a value of \$1215920.60.

#### **3.2 Health Report**

TYPE OF BUSINESS	INSPECTION	REINSPECTION	TOTAL
SHOPS	54	23	77
SUPERMARKET	22	12	34
FACTORIES	4	3	7
SUBDIVISIONS	5	4	9
BUILDING UNDER CONSTRUCTION	80	56	136
SCHOOLS	3	2	5
HAWKERS	45	17	62
HOUSE TO HOUSE	14	8	22
INVESTIGATION OF COMPLAINTS/NUISANCES	104	50	154
NEW BUILDING SITE BEFORE APPROVAL	15	10	25
BAKE HOUSE	13	8	21
KAVA SALOONS	15	7	22
RESTAURANTS/EATING PLACES	24	16	40
MILK BARS	30	22	52
HAIRDRESSERS/CHIROPODISTS	12	4	16
RUBBISH DUMP	3	5	8
BUTCHER SHOPS	13	10	23
BOARDING HOUSES/HOTELS	4	5	9
<b><u>TOTAL</u></b>	<b>460</b>	<b>262</b>	<b>722</b>

Number of notices served during the year – 56

Number of Statutory Notices Served during the year- 18

## **Research Paper**

A research paper was formulated on recycling/reusing used oil. A ratepayer was interested in the above activity.

## **Environment Week celebration 2009**

Council hosted the Environment week celebrations at Syria Park. The celebrations included Clean up campaigns, a green ribbon day and Tree planting.

### **3.3 Business License Report**

A total of 423 business continued operation in town with 62 new business opening. Grand total of business of business operating in town was 485.

## **4.0 Finance Report**

4.1 Fees and charges schedule for the year 2007 was:

1. Rates      - General      -      0.305  
                 -Special      -      0.12  
                 -Streetlights      0.075
2. Bus Stand                      - 0.22 cents per trip
3. Market Fees and Charges  
  
    Ordinary Stall              -      1.00  
    Centre Stall                -      1.25  
    Reserved Stall            -      1.25  
    Poultry                      -      3.80  
    Fish and Kai                -      0.30/kg  
    Kava                         -      1.70
4. Car Park Fees                -      1.00
5. Commercial Stand  
  
    i) Market Stand/Taxis -      17.25 & 23.00  
    ii) General Taxis           -      34.50  
    iii) Mini Van                -      34.50  
    iv) Carrier Stand          -      17.25 & 23.00
6. Parking Meter                -      20cents – 15 minutes

## **5.0 LIBRARY**

The collection of books and periodicals provided by the Nausori Library has form a vital part of communication and education. It makes available knowledge that has been accumulated through the years and people in all works of life use library resources in their work, including students, teachers, scholars, business executives, government officials or a housewife. Large numbers of people also visit the library to satisfy a desire for knowledge or to obtain material for some kind of leisure time activity.

### **5.1 Objectives**

- (1) Library collections serve as important resources in the education work and recreation to members of the community.
- (2) Maintains a wide selection of books for library users. The selection include, up-to-date reference works such as almanacs, atlases, encyclopedias and government publications, non-fiction work that covers the whole broad range of people's interest as well as fiction collection of the past and present.
- (3) Become an information sources for many groups in the community

### **5.2 Holdings of the Library**

The library has a wide selection of reading materials such as Fiction and Non-Fiction books, Reference collection, Hindi and Fijian books.

Periodicals, Newspapers (local), Universities calendars (Fiji and overseas), and Annual Reports for in- house use.

Up-to-date information about Aids, Education, Diabetes, S.O.P.A.C, Environment, E.C.R.E.A, U.N.D.P, Women Crisis Center, and Secretariat of the Pacific Community, Consumer Council, National Food and Nutrition, National Center for Health Promotion, U.N.I.C.E.F, Kava, and other government and non-government organizations.

### **5.3 Overdue Books**

Overdue notices are sent every month to members whose books are overdue. At times members do not respond even when reminder notices are sent so we therefore, have to make telephone calls as well. 5 cents per day fine is charged and the fine money collected is deposited at Marela House, Suva.\$225.20 was collected during the year.

### **5.4 Vertical File**

Some very important topics such as pollution,drugs,Information on Water, Reconciliation, Human Rights, Tourism etc.are always selected from newspapers and other worn out magazines, pamphlets, and

Brochures and a file is made.

These ready information are very useful to students doing research work . It saves a lot of time and information are readily available.

### **5.5 Opening Hours**

Monday - Thursday	9.00am- 4.30pm
Friday	9.00am- 4.00pm
Saturday	9.00am- 1.00pm
Closed on Sundays and Public holidays.	

### **5.6 Staffing**

2009	Mrs. Nazma Ali	- Nausori Town Council staff (till April)
	Mere Yaunisiga	- Relieving (Till August)
	Mereia Sila	- From August 2009

### **5.7 Membership fees**

The membership fee is as follows:-  
Primary [classes 1-6] - \$1.00  
Secondary students - \$2.00  
Tertiary / Adults \$5.00

### **5.8 Clientele**

Apart from the registered members majority of the clientele were students using reference and non-fiction books for research, assignments and for study purposes. Adults also make a good use of the library by taking advantage of free newspapers, magazines, health and fitness books, cookery, or spending leisure hours reading storybooks.

## **6.0 FIELD DEPARTMENT**

### **6.1 Road works**

- a) Road patching continued throughout the year. Adverse weather condition experienced in this part of the island had Council spending a considerable on road patching works.
- b) Road/Street names, Traffic Signs mostly damaged or ripped off by vandals were replaced with new ones. Parking Meters bays, loading and unloading zones, no parking areas and Zebra Crossing were remarked as and when required.

- c) Council received a grant of \$258000 from Ministry of Works, Energy and Transport to upgrade roads in within the central business district.

## **6.2 Garbage Collection**

The Garbage Collection Contract was awarded to Inter Clean Fiji Ltd for Naulu/Nakasi/Davuilevu Housing and Wainbuku area. For Nausori Town Ward Council did the garbage collection.

## **6.3 Grass Cutting/Drainage**

Nailagobokola Holdings Ltd did the grasscutting and drain cleaning works for Nausori Ward, while Young Peoples Department was awarded the Davuilevu Ward Contract.

## **6.4 Clean Up Campaign**

A total of four Clean Up Campaigns were organized during the year on a quarterly basis. The free collection services rendered by the Council was for three weeks in each ward which was well patronized by the rate payers. Huge volume of unwanted items and garden refuse were removed from both the Wards.

## **6.5 Town Beautification**


With limited resources and manpower the Council made efforts to beautify the town by placing pot plants and construction of flower beds on the main street and continued planting of crotons along the Highway linking our town.

## **6.6 Ratu Cakobau Park**

Upgrading works at Ratu Cakobau Park also got underway. The repairs and maintenance which required the replacement of rusted purlins and roof steel structure started during the year end.

## **7.0 Acknowledgement**

Council takes this opportunity to thank its line Ministry of Local Government, Urban Development, Housing and Environment for its continued support and assistance. Office of the Commissioner Central is also acknowledged for continued support provided during the year.



for Mr Chandra Prakash  
Town Clerk/CEO





REPUBLIC OF THE FIJI ISLANDS  
OFFICE OF THE AUDITOR GENERAL

5<sup>th</sup> Floor, Ratu Sukuna House,  
MacArthur Street,  
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Website: <http://www.oag.gov.fj>



Excellence in Public Sector Auditing

File: 850

21 December 2011

Mr. Napolioni Masirewa  
The Special Administrator  
Nausori Town Council  
**NAUSORI**

Dear Mr. Masirewa

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**AUDIT OF THE ACCOUNTS OF THE NAUSORI TOWN COUNCIL FOR THE YEAR ENDED 31  
DECEMBER 2009**

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Two copies of the audited financial statements of the Nausori Town Council for the year ended 31 December 2009 together with an audit report on them are enclosed.

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

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

Yours sincerely

Tevita Bolanavanua  
**AUDITOR GENERAL**

cc: Minister for Local Government, Urban Development, Housing & Environment  
✓ Mr. Azam Khan, Chief Executive Officer for Nausori Town Council

Encl.







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

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OFFICE OF THE AUDITOR GENERAL

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



Excellence in Public Sector Auditing

NAUSORI TOWN COUNCIL  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

INDEPENDENT AUDIT REPORT

Scope

I have audited the financial statements of the Nausori Town Council for the year ended 31 December 2009 in accordance with provisions of the Local Government Act and Section 13 of the Audit Act (Cap. 70). The Council is responsible for the preparation and presentation of the financial statements and the information contained therein.

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

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

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

Qualifications

- a) The Council failed to revalue its properties as per the requirements of FAS (16) – *Property, Plant and Equipment* and did not also provide a detailed Fixed Assets Register for audit. Therefore, I was not able to satisfy myself of the valuation of property plant and equipment as well as substantiating its reported value amounting to \$6,395,865 and the relevant depreciation charge totaling \$180,291.
- b) The Council's WINBIZ Rate System has not generated separate rates reports from 2007. As a result special loan rates and street light rates were not appropriately disclosed in their respective accounts but included with general rates income in the General Fund Account contrary to section 47(2) (b) of the Local Government Act.
- c) Included in Statement of Financial Position – General Fund is Cash on hand amounting to \$33,258. No reconciliation or supporting documents was provided to substantiate the existence of this amount at balance date. Accordingly, I was not able to satisfy myself if Cash on hand is fairly reported in the Statement of Financial Position.

- d) An un-reconciled difference of \$63,196.12 existed for Sundry creditors and accruals between the general ledger and the creditors listing. In addition, no supporting documentation was provided to substantiate Sundry Deposit amounting to \$163,196. Thus, I was unable to satisfy myself whether the amounts were fairly stated in the financial statements.
- e) Included in the Administrative expense is an amount \$108,848 relating to loan repayment. However, loan repayment of the same amount has also been accounted for in loans ledger account. There was no sufficient information in the general ledger to account for this double posting and hence amount remained unadjusted. Accordingly, net surplus of General Fund account may not be fairly stated.
- f) Included in the financial statements is VAT payable amounting to \$119,905. The Council failed to prepare VAT reconciliation for the year ended 31<sup>st</sup> December 2009. Furthermore, the Council failed to lodge VAT returns for the month of April and August and did not maintain copies of the VAT Lodgment Forms for the year. Accordingly, I was not able to satisfy myself if VAT payable amounting to \$119,905 is fairly reported.
- g) Stale cheques amounting to \$37,113.26 were not written back to the cash at bank general ledger. Audit was not able to make the necessary adjustments to the account due to unavailability of appropriate supporting documents.

#### **Qualified Audit Opinion**

In my opinion, except for the matters discussed in the qualification paragraphs, the financial statements presented fairly in accordance with Fiji Accounting Standards and the statutory provisions, the financial position of Council as at 31 December 2009 and the results of its operations and cash flows for the year then ended.

Without further qualifying the audit opinion, attention must be drawn to the following;

- The Council has not transferred from its Fire Service Account, the fire service levy amounting to \$7,036 due to National Fire Authority (NFA) as per Section 10 of the National Fire Service Act.
- The Council invested \$150,000 in Merchant Finance & Investment Company without the approval of the Minister, thus contravening Section 43 of the Local Government Act.

Tevita Bolanavanua



**AUDITOR GENERAL**  
Suva, Fiji



21 December, 2011

**NAUSORI TOWN COUNCIL  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009**

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**NAUSORI TOWN COUNCIL  
STATEMENT BY THE COUNCIL  
FOR THE YEAR ENDED 31 DECEMBER 2009**

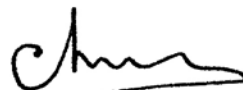
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**COUNCIL'S STATEMENT**

In our opinion the Financial Statements have been properly drawn up so as to show a true and fair view of the Nausori Town Council's operations for the year ended 31 December 2009 and of the state of affairs and cash flows as at that date.



.....  
**AZAM AZMAT KHAN  
TOWN CLERK / CEO  
DATE:**



.....  
**NAPOLIONI MASIREWA  
SPECIAL ADMINISTRATOR  
DATE:**

**NAUSORI TOWN COUNCIL  
STATEMENT OF FINANCIAL POSITION - GENERAL FUND  
AS AT 31 DECEMBER 2009**

	Notes	2009 \$	2008 \$
<b>CURRENT ASSETS</b>			
Cash on hand	2	33,258	450
Funds	4	111,381	25,421
Receivables	3	2,566,380	2,122,561
Investments	5	400,770	239,028
<b>Total current assets</b>		<u>3,111,789</u>	<u>2,387,460</u>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	6 (a)	6,351,724	6,393,036
<b>Total non current assets</b>		<u>6,351,724</u>	<u>6,393,036</u>
<b>TOTAL ASSETS</b>		<u>9,463,513</u>	<u>8,780,496</u>
<b>CURRENT LIABILITIES</b>			
Bank overdraft	8	52,646	12,380
Creditors and accruals	7	297,185	119,432
Provision for employee entitlements		18,059	8,728
Sundry deposits	9	163,196	163,196
Term loans	10	112,800	112,800
<b>Total current liabilities</b>		<u>643,886</u>	<u>416,536</u>
<b>NON CURRENT LIABILITIES</b>			
Deferred Income	11	373,026	113,750
Term loans	10	220,155	293,768
<b>Total non current liabilities</b>		<u>593,181</u>	<u>407,518</u>
<b>TOTAL LIABILITIES</b>		<u>1,237,067</u>	<u>824,054</u>
<b>NET ASSETS</b>		<u>8,226,446</u>	<u>7,956,442</u>
<b>MUNICIPAL FUNDS</b>			
Accumulated funds	13	2,210,921	1,940,917
Reserves	12	6,015,525	6,015,525
<b>TOTAL MUNICIPAL FUNDS</b>		<u>8,226,446</u>	<u>7,956,442</u>

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

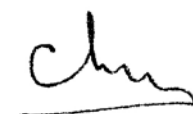
For and on behalf of the Council.



**AZAM AZMAT KHAN**  
TOWN CLERK / CEO  
DATE:



**NAPOLIONI MASIREWA**  
SPECIAL ADMINISTRATOR  
DATE:



**NAUSORI TOWN COUNCIL  
STATEMENT OF FINANCIAL POSITION - PARKING METER FUND  
AS AT 31 DECEMBER 2009**

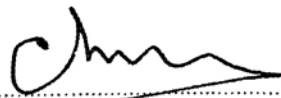
	Notes	2009 \$	2008 \$
<b>CURRENT ASSETS</b>			
Cash at bank	2	397,058	18,667
Receivables	3	9,163	18,615
<b>Total current assets</b>		<u>406,221</u>	<u>37,282</u>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	6 (b)	44,141	47,430
<b>Total non current assets</b>		<u>44,141</u>	<u>47,430</u>
<b>TOTAL ASSETS</b>		<u>450,362</u>	<u>84,712</u>
<b>CURRENT LIABILITIES</b>			
Creditors and accruals	7	386,483	5,470
<b>Total current liabilities</b>		<u>386,483</u>	<u>5,470</u>
<b>TOTAL LIABILITIES</b>		<u>386,483</u>	<u>5,470</u>
<b>NET ASSETS</b>		<u>63,879</u>	<u>79,242</u>
<b>Capital employed</b>			
Accumulated losses (Page 7)		(8,121)	7,242
Asset revaluation reserve	12	72,000	72,000
		<u>63,879</u>	<u>79,242</u>

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

For and on behalf of the Council.



AZAM AZMAT KHAN  
TOWN CLERK / CEO  
DATE:



NAPOLIONI MASIREWA  
SPECIAL ADMINISTRATOR  
DATE:

**NAUSORI TOWN COUNCIL**  
**STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009	2008
	\$	\$
<b>INCOME</b>		
Business, trading and other licenses	1,393,494	77,474
Amortization of deferred income	18,794	17,500
Fees, charges & rent	14,982	808,800
Government grant	-	22,977
Garbage dump	1,065	557
General rate	431,070	820,804
Interest - investments	11,742	19,663
LICI commission	-	535
Sponsorship	-	45,000
Interest on fixed deposits	4,963	-
Sundries	30,511	34,537
<b>Total income</b>	<b>1,906,621</b>	<b>1,847,847</b>
<b>EXPENDITURE</b>		
Administration	630,302	214,881
Audit fees	9,956	6,300
Bank fees and charges	9,597	4,760
Cleanup campaign	8,424	12,965
Civic reception	4,085	3,530
Council expenses	23,915	16,600
Depreciation and amortisation	171,685	164,581
Doubtful debts	-	16,582
Field expenses	10,168	35,182
FNPF	42,543	37,478
Garbage services	194,622	205,394
Insurance	35,529	37,375
Interest on loan	35,234	36,081
Legal fees	5,658	115
Loss from theft	-	18,222
Miscellaneous	1,172	14,287
Mayoral expense	1,250	5,000
Membership subscription - FLGA	-	1,300
Operation & Maintenance - Plant, Equipment & Vehicles	46,233	46,788
Operation & Maintenance - Office	47,809	19,523
Operation & Maintenance - Library	3,807	6,504
Operation & Maintenance - Bus Stand	5,462	13,528
Operation & Maintenance - Cakobau Park	14,549	26,113
Operation & Maintenance - Taxi Stand	1,197	1,937
Operation & Maintenance - Shopping Complex	1,436	4621
Operation & Maintenance - Market	33,225	73,724
Operation & Maintenance - Parks & Gardens	6,246	24,874
Operation & Maintenance - Multipurpose court	1,437	-
Printing and stationary	15,957	23,941
Rent on land	37,734	34,366
Roads, footpaths, drains, verges and bridges	34,987	52,197
	<b>1,434,219</b>	<b>1,158,749</b>



**NAUSORI TOWN COUNCIL**  
**STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009	2008
	\$	\$
<b>EXPENDITURE (CONT'D)</b>	<b>1,434,219</b>	<b>1,158,749</b>
Staff training & staff expenses	6,995	9,108
Street cleaning and grass cutting services	93,807	102,519
Streetlights	73,899	79,185
Telephone expenses	9,538	7,998
Traffic and road signs	3,575	2,774
Travelling & incidentals	4,163	874
Valuation expenses	1,400	-
Bank error	680	-
<b>Total expenditure</b>	<b>1,628,276</b>	<b>1,361,207</b>
<b>Net surplus for the year</b>	<b>278,345</b>	<b>486,640</b>
Accumulated funds at the beginning of the year	1,135,034	648,394
<b>Accumulated funds at the end of the financial year</b>	<b>1,413,379</b>	<b>1,135,034</b>

**NAUSORI TOWN COUNCIL**  
**STATEMENT OF INCOME AND EXPENDITURE - PARKING METER FUND**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009 \$	2008 \$
<b>INCOME</b>		
Meter tolls	19,678	53,360
Fines	6,348	3,241
<b>Total income</b>	<u>26,026</u>	<u>56,601</u>
<b>EXPENDITURE</b>		
Other expenses	450	-
Road and traffic signage	166	-
Bank fees	192	275
Depreciation	8,606	7,493
Meter maintenance	4,331	1,309
Salaries, wages and related payments	27,644	31,610
<b>Total expenditure</b>	<u>41,389</u>	<u>40,687</u>
<b>Net (deficit) / surplus for the year</b>	<b>(15,363)</b>	<b>15,914</b>
Accumulated funds at the beginning of the year	7,242	(8,672)
<b>Accumulated loss/surplus at the end of the financial year</b>	<u><b>(8,121)</b></u>	<u><b>7,242</b></u>

**NAUSORI TOWN COUNCIL**  
**STATEMENT OF INCOME AND EXPENDITURE - LOAN RATE FUND**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009 \$	2008 \$
<b>INCOME</b>		
Loan rate	-	-
<b>Total income</b>	-	-
<b>EXPENDITURE</b>		
Interest	-	-
<b>Total Expenditure</b>	-	-
<b>Surplus/deficit for the year</b>	-	-
Accumulated funds at the beginning of the year	393,555	393,555
<b>Accumulated fund at the end of the financial year</b>	<b>393,555</b>	<b>393,555</b>

**NAUSORI TOWN COUNCIL**  
**STATEMENT OF INCOME AND EXPENDITURE - STREET LIGHT ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009 \$	2008 \$
<b>INCOME</b>		
Street light rate	-	-
<b>Total income</b>	-	-
		3
<b>EXPENDITURE</b>		
Street light expenses	-	-
<b>Total expenditure</b>	-	-
<b>Surplus/deficit for the year</b>	-	-
Accumulated funds at the beginning of the year	371,196	371,196
<b>Accumulated fund at the end of the financial year</b>	<b>371,196</b>	<b>371,196</b>

**NAUSORI TOWN COUNCIL**  
**STATEMENT OF INCOME AND EXPENDITURE - FIRE SERVICE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009 \$	2008 \$
<b>INCOME</b>		
Fire rate	-	-
<b>Total income</b>	-	-
<b>EXPENDITURE</b>		
Fire Service	8,341	-
<b>Total expenditure</b>	8,341	-
<b>Deficit for the year</b>	(8,341)	-
Accumulated funds at the beginning of the year	41,132	41,132
<b>Accumulated fund at the end of the financial year</b>	<b>32,791</b>	<b>41,132</b>

**NAUSORI TOWN COUNCIL**  
**STATEMENT OF CASH FLOWS - GENERAL FUND**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

	Notes	2009 \$ Inflows/ (Outflows)	2008 \$ Inflows/ (Outflows)
<b>Cash flows from operating activities</b>			
Receipts from customers		1,710,335	1,375,557
Payments to trade creditors, other creditors and employees		(1,234,273)	(1,232,575)
Interest received		-	-
Interest paid		(35,234)	(32,188)
<b>Net cash provided by Operating Activities</b>	17 (a) (i)	<u>440,828</u>	<u>110,794</u>
<b>Cash flows from investing activities</b>			
Payment/Proceeds for investments		-	19,081
Acquisition of property, plant & equipment		(130,373)	(267,099)
<b>Net cash used in Investing Activities</b>		<u>(130,373)</u>	<u>(248,018)</u>
<b>Cash flows from financing activities</b>			
Borrowings		-	198,598
Repayment of borrowings		(81,953)	(64,709)
<b>Net cash used by Financing Activities</b>		<u>(81,953)</u>	<u>133,889</u>
Net Increase/(decrease) in cash and cash equivalents		228,502	(3,335)
Cash and cash equivalent at the beginning of the year		13,491	16,826
<b>Cash and cash equivalent at the end of the year</b>	17 (a) (ii)	<u><u>241,993</u></u>	<u><u>13,491</u></u>

The accompanying notes form an integral part of this Statement of Cashflows.

**NAUSORI TOWN COUNCIL  
STATEMENT OF CASH FLOWS - PARKING METER FUND  
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Notes	2009 \$ Inflows/ (Outflows)	2008 \$ Inflows/ (Outflows)
<b>Cash flows from operating activities</b>			
Receipts from customers (meter tolls and other revenues)		407,039	37,986
Payments to suppliers and employees		(23,331)	(33,603)
<b>Net cash provided by Operating Activities</b>	17 (b) (i)	<u>383,708</u>	<u>4,383</u>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant & equipment		(5,317)	(11,723)
<b>Net cash used in Investing Activities</b>		<u>(5,317)</u>	<u>(11,723)</u>
Net increase / (decrease) in cash and cash equivalents		378,391	(7,340)
Cash and cash equivalent at the beginning of the year		<u>18,667</u>	<u>26,007</u>
<b>Cash and cash equivalent at the end of the year</b>	17 (b) (ii)	<u><u>397,058</u></u>	<u><u>18,667</u></u>

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

**NAUSORI TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

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

Set out hereunder are the significant accounting policies adopted by the Council in the preparation of the accounts for the year ended 31 December 2009. Unless otherwise stated similar policies were followed in the previous year. All amounts are stated in Fijian currency.

**(a) Basis of Accounting**

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

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

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

**(c) Depreciation**

The Councils' fixed assets are depreciated over their estimated useful lives using the straightline method at the following rates.

	<u>Rate</u>
Parking meters	10%
Buildings	2%
Furniture and equipment	10%
Plant, machine and tools	10%
Motor vehicles	10%
Road, footpath and drains	10%
Street lights	10%

**(d) Receivables**

Receivables are stated at expected realisable value as certified by the Council. No provision was created for any doubtful debts for 2009.

**(e) Investments**

Investments are stated at a net realizable value.

**(f) Revenue**

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



**NAUSORI TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

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**(g) Fund Accounting**

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

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

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

**Parking Meter Fund**

The Council, in compliance with the Land Transport Act, has to maintain a separate account for the operation of Parking Meters in designated areas of roads within the municipality.

**(h) Income Tax**

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

**(i) Comparatives**

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

**(j) Employee Entitlement**

Provision is made for benefits accruing to employees in respect of salaries/wages and annual leave when it is probable that settlement will be required and they are capable of being measured reliably. Provisions made in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using remuneration rate expected to apply at the time of settlement.

**(k) Deferred Income**

Government grants are recognised where there is reasonable assurances that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match them with the related costs which the grants are intended to compensate.

Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related assets.

**(i) Creditors and Accruals**

Liabilities for trade creditors and other amounts are carried at cost (inclusive of VAT where applicable) which is the fair value of the consideration to be paid in the future for goods and services received whether or not billed to the council.

**NAUSORI TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

<b>NOTE 2. CASH AT BANK ON HAND</b>		<b>2009</b>	<b>2008</b>
		<b>\$</b>	<b>\$</b>
<b>General Fund</b>			
Cash on hand		33,258	450
		<u>33,258</u>	<u>450</u>
<b>Parking Meter Fund</b>			
Cash at bank		397,058	18,667
		<u>397,058</u>	<u>18,667</u>
<b>NOTE 3. RECEIVABLES</b>			
<b>General Fund</b>			
Rate debtors		2,132,528	2,239,186
Provision for doubtful debts		-	(164,190)
Fees, charges & rents		51,311	44,935
Others		(4,124)	2,630
Interest receivable		4,963	-
Receivable from Parking Meter		381,702	-
		<u>2,566,380</u>	<u>2,122,561</u>
<b>Parking Meter Fund</b>			
General Fund Cheques Presented in Parking Meter Account		9,163	18,615
		<u>9,163</u>	<u>18,615</u>
<b>NOTE 4. FUNDS</b>			
Project Fund		107,355	22,428
Garbage Truck Fund		1,113	-
Vehicle Fund		2,748	2,828
Labourers Fund		165	165
		<u>111,381</u>	<u>25,421</u>
<b>NOTE 5. INVESTMENT</b>			<b>\$</b>
Fixed Term Deposit - Merchant Finance		150,000	-
Labourers Fund - Fiji Holdings Unit Trust		250,770	239,028
		<u>400,770</u>	<u>239,028</u>

**Fixed Term Deposit - Merchant Finance**

The Council invested \$150,000 on 05/08/09 into Merchant Finance as fixed term deposits repayable in 9 months (date of maturity 05/05/10) bearing interest at a rate of 8% per centum per annum. In June 2010, a total sum of \$159,217.74 (including interest) was received from Merchant Finance and was banked into the Council's account. Hence the investment was fully withdrawn upon its expiry.

**Fiji Holdings Unit Trust**

The market value as at 31 December 2009 of investments stands at \$261,864 at an exit price of \$0.66.

**NAUSORI TOWN COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**

**FOR THE YEAR ENDED 31 DECEMBER 2009**

**Note 6(a) : Movement in Carrying amount - General Fund**

	Leasehold Land \$	Buildings & Improvements \$	Plants, Machines & Tools \$	Motor Vehicles \$	Office Equipment & Furniture \$	Street Lights \$	Roads & Drains \$	Total \$
Valuation Amount	2,096,000	4,165,406	8,000	273,683	58,672	431,310	82,877	7,115,948
Additions/Capitalizations	-	-	14,814	35,000	36,793	9,924	33,841	130,372
Disposal	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	367,535	4,000	105,254	27,401	209,857	8,864	722,911
Depreciation Charge	-	83,308	800	28,826	5,867	43,302	9,582	171,685
Carrying Amount 31/12/09	2,096,000	3,714,563	18,014	174,603	62,197	188,075	98,272	6,351,724

**NAUSORI TOWN COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**NOTE 6 (b). Movements in Carrying Amounts - Parking Meter Fund**

	2009 \$	2008 \$
<u>Parking Meters</u>		
Carrying amount at beginning	47,430	43,200
Additions	5,317	11,723
Depreciation	(8,606)	(7,493)
Carrying amount as at 31 December 2009	<u>44,141</u>	<u>47,430</u>

**NOTE 7. CREDITORS AND BORROWINGS**

General Fund

Sundry creditors and accruals	142,121	97,560
Other creditors	-	16,062
VAT payable	154,664	5,810
Payable to Parking Meter	400	-
	<u>297,185</u>	<u>119,432</u>

Parking Meter Fund

Other Creditors	4,781	1,346
Advance from general fund	4,124	4,124
Payable to General Fund	377,579	-
	<u>386,484</u>	<u>5,470</u>

**NOTE 8. BANK OVERDRAFT**

General Fund

Bank Overdraft	52,646	12,380
	<u>52,646</u>	<u>12,380</u>

Section 40 of the Local Government Acts allows the council to have an overdraft facility with their banks. Nausori Town Council's overdraft limit with Bank of Baroda is \$90,000 bearing variable interest rate of 8.5% per annum. The overdraft facility is secured over the DP note signed by the council with the bank.

**NOTE 9. SUNDRY DEPOSITS**

General Fund

Kiosk Deposit	6,196	6,196
Other Deposits	53,790	53,790
Election Deposits	280	280
Shopping Complex	5,830	5,830
Car Park	90,760	90,760
Building Deposits	6,340	6,340
	<u>163,196</u>	<u>163,196</u>

**NAUSORI TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

**NOTE 10. TERM LOANS**

	2009	2008
	\$	\$
<b>General Fund</b>		
Balance as at 1 January	406,568	272,679
Loan raised	-	198,598
	406,568	471,277
Interest	35,235	32,788
	441,803	503,465
Repayment	108,848	96,897
	<u>332,955</u>	<u>406,568</u>
Represented in the balance sheet as:		
Current	112,800	112,800
Non-current	220,155	293,768
	<u>332,955</u>	<u>406,568</u>

Loans raised by the Council bear variable interest charges of 9.5% per annum. All loans raised are in accordance with the provisions of Local Government Act. As at balance date, the council had two loans with Bank of Baroda. This include BOB Commercial Loan account number 9108060000115 which had a balance of \$82,095.47 and monthly repayment of \$5,400 bearing first registered mortgage over CL no. 5894 (Shopping Complex Crown Lease situated at N G road, Nausori). The second loan (BOB Commercial account number 91080600000202) which had a balance of \$250,859.67 and a monthly repayment of \$3,800 bearing first registered mortgage over CLno. 9624 (Taxi Stand no. 3 Crown Lease situated at Main Street, Nausori)

**NOTE 11. DEFERRED REVENUE**

	2009	2008
	\$	\$
<b>General Fund</b>		
Japanese grant	113,750	131,250
Less: Benefits realised	17,500	17,500
	<u>96,250</u>	<u>113,750</u>
Government grant	278,070	-
Less: Benefits realised	1,294	-
	<u>276,776</u>	<u>-</u>
Total balance as at 31 December 2009	<u>373,026</u>	<u>113,750</u>

**NOTE 12. RESERVES**

**Asset Revaluation Reserve**

Opening balance	6,015,525	5,655,525
Valuation done during the year	-	360,000
Closing balance	<u>6,015,525</u>	<u>6,015,525</u>

**Parking meter account**

Asset revaluation reserve	<u>72,000</u>	<u>72,000</u>
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**NAUSORI TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009 \$	2008 \$
<b>NOTE 13. ACCUMULATED FUNDS</b>		
Accumulated general fund (Page 6)	1,413,379	1,135,034
Loan rate fund (Page 8)	393,555	393,555
Street Light Account (Page 9)	371,196	371,196
Fire Service Account (Page 10)	32,791	41,132
Asset revaluation reserve	<u>2,210,921</u>	<u>1,940,917</u>

**NOTE 14. CAPITAL COMMITMENTS**

Capital commitment as at 31 December 2009 was nil.

**NOTE 15. PRINCIPAL ACTIVITY**

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

**NOTE 16. SUBSEQUENT EVENTS**

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

**NOTE 17. NOTES TO THE STATEMENT OF CASH FLOWS**

(a)			
(i)	<b>Reconciliation of Net Cash provided by Operating Activities to Net Surplus</b>	<b>2009 \$</b>	<b>2008 \$</b>
	Net surplus/(deficit) for the year - General fund	278,345	486,640
	Depreciation and amortisation	171,685	164,581
	Dividend reinvested	(11,742)	(19,081)
	Provisions for doubtful debts	-	16,582
	Provision for employee entitlements	9,331	(5,335)
	Net cash provided by operating activities before changes in assets and liabilities	<u>447,619</u>	<u>643,387</u>
	Change in assets and liabilities:		
	Increase in receivable	(443,820)	(435,708)
	(Decrease)/Increase in other liabilities	177,753	(23,000)
	(Decrease)/Increase in creditors and borrowings	<u>259,276</u>	<u>(73,885)</u>
	<b>Net cash inflows from operating activities</b>	<u><b>440,828</b></u>	<u><b>110,794</b></u>

**NAUSORI TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

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

(ii)	Cash and Cash Equivalents	2009 \$	2008 \$
	Cash on hand	33,258	450
	Bank overdraft	(52,646)	(12,380)
	Term Deposit	150,000	-
	Funds	111,381	25,421
		<u>241,993</u>	<u>13,491</u>
(b)	Parking Meter Fund		
(i)	Reconciliation of Net Cash provided by Operating Activities to Net Surplus		
	Net (deficit)/surplus for the year	(15,363)	15,914
	Depreciation	8,606	7,493
	Net cash provided by operating activities before changes in assets and liabilities	(6,757)	23,407
	Change in assets and liabilities:		
	(Decrease)/increase in sundry creditors	381,013	(409)
	Decrease/(increase) in receivables	9,452	(18,615)
	Net cash inflows from operating activities	<u>383,708</u>	<u>4,383</u>
(ii)	Cash and Cash Equivalents		
For the purpose of the statement of cash flows, cash comprises of cash on hand and at bank, net of outstanding bank overdraft. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:			
	Cash at bank	397,058	18,667
		<u>397,058</u>	<u>18,667</u>