



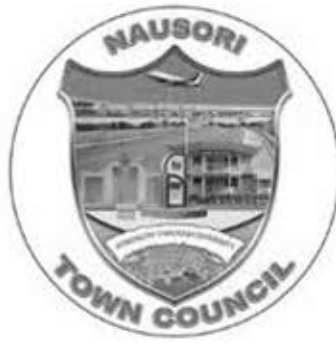
NAUSORI TOWN COUNCIL

2014

ANNUAL REPORT



PARLIAMENT OF FIJI
PARLIAMENTARY PAPER NO. 154 OF 2020



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PARLIAMENTARY PAPER NO. 154 OF 2020



31st 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 31st December, 2014.

Yours faithfully,

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

Baskaran Nair
Special Administrator/Chair

1.0 BACKGROUND OF NAUSORI TOWN

1.1 Introduction

Nausori is a town that has evolved from what was once a thriving sugar industry in the 19th century for the colony of Fiji, to a rural backwater town on the banks of the Rewa from 1937 onwards to the present. It is historic in the sense that it was the first sugar mill established by the Colonial Sugar Refining Co of Australia in 1881. It also hosted the first major influx of Indian labourers in Viti Levu in 1881 to come and work on the sugar plantations in the Rewa Delta. The descendants of those labourers have remained in Nausori or have moved to other parts of the country.

A lot of the relic of Nausori's colonial past still stand today as a postmark of what was once Nausori's golden age between 1881 – 1959. It ceased operations in early 1960's and the company and its workers left with a town in limbo. A distinct physical character of the town in the 1960's was the abundance of open spaces for sporting and cultural activities. Over the years these have become eroded by the conversion of some of those spaces into development lots where buildings have begun to establish themselves undermining the order and coherence that once marked the old town.

Nausori has grown rapidly in the last few years because of the addition of the Naulu/Nakasi and Davuilevu Housing areas. In the 1996 census the town's population was 17,000. By 2007 the population was 24,950. It is likely that the new adjacent areas of Waila Housing State I – III may be added to it in the review of the Nausori Scheme Plan in 2010.

Downtown Nausori is physically located by the Rewa River sitting on the border between the three provinces of Tailevu, Rewa and Naitaisiri. This strategic location makes it an important town serving a regional function for these provinces. It lies at the heart of the agricultural hinterland that was once home to sugar cane and thence rice cultivation. It is the gateway to the flat alluvial plains of the Rewa Delta, which is subject to flooding at intermittent intervals.

By contrast the newer Nausori from the opposite banks of the Rewa in Waila, Davuilevu, Naulu and Nakasi are a direct consequence of Suva's urban sprawl. The resident population of the town is heavily concentrated there because of higher ground which on most cases have saved it from the ravages of the delta flood. The process of urban sprawl is also heavily concentrated in this area, the consequence for which is the heavy traffic jam on Kings Road during the rush hour.

The economic base of the town is primarily in retailing and some services. There is some food processing but very little industrial or manufacturing base. Nausori could very rightly be regarded as a dormitory town for Suva, growing but not significantly.

The town is primarily composed of Indo Fijians and the indigenous population. There are very few Chinese, part Europeans left there from the colonial era. But a lot of new migrants into

Nausori can be felt, particularly those coming from the Northern division and many others who have been relocated from Suva. They are mostly located in the suburbs of Nausori. Downtown Nausori itself is not densely populated. Those who do business there live outside of the area. There is much movement in traffic during the day indicating the rather transient nature of the town.

The sense of identity for the town cannot be easily established because of the transient nature of the town and of the sharp divide in the ethnic lines which keeps the Indians mostly in town and the indigenous people in their villages. But this is slowly changing in view of the new additions to the township.

1.2 Environmental Scan

Local and Regional Issues

Nausori is an old town fraught with many challenges of which have been there for a long time while others have recently emerged with the process of urbanization. These issues can be summarized briefly thus:

a) Population

The population of Nausori in the last census had grown from 15,000 to 24,950 in 2007. This major increase is attributed to the transfer of Naulu/Nakasi/Davuilevu Housing and Wainibuku from Nasinu and its inclusion in the Nausori Township in 2004. Also in the last few years there have been migration into the township from the Northern Division with the expiry of cane leases and people looking for alternative livelihood. The government's policy of the relocation of squatters from Suva into the peri urban peripheries has seen an influx of informal settlements within and about Nausori's vicinity. Nausori is part of the fastest growing population zones in the country and growth is expected to continue in the long term.

b) Economic Malaise

The growth in the population is mostly among the working class and unemployed while the economy remains stagnant and has been for a long time. The Town functions as a trade centre for the Delta area with emphasis on some services, food processing and retailing. There is very little manufacturing of light industrial goods and timber milling and log processing. Downtown Nausori has recently experienced out migration of business and people either to outer suburbs or elsewhere.

c) **Traffic Growth**

The advent of the motor car and its impact on settlement patterns has its obvious impact on a small town like Nausori. With old infrastructure, limited streetscape and an influx of people converging on it gives the feel of an overcrowded, vibrant and busy town. In fact it merely underscores the state of confusion that the town is in rather than a genuine economic revival. But the flow of traffic within and out of Nausori is an issue worthy of attention. In its rough triangular shape downtown Nausori's limited street numbers and narrow spacing poses a challenge for any driver. The possibility of "pedestrianising" part of the town should not be discounted.

d) **Insensitive Development**

The original design and layout of the town has been undermined by inconsistent policy decisions by past Councils. Contravention of planning regulations have been evident particularly in the substitution of public open spaces by buildings creating a smug look that negatively impacts the aesthetic value and character of the town. Encroachment of new buildings to various lots have been evident on a number of occasions.

The sprawl of urban settlements in the relocation of squatters has already created disruptions in the town planning regulations particularly in areas of disputed land tenureship. There is a growth of backyard garages in residential areas and an incompatibility in new development to zoning classification which need correcting.

e) **Littering and Waste Disposal**

Indiscriminate littering both in downtown and the suburbs are a common feature of Nausori, some of which are quite deliberate sabotage. Counter measures taken by the Council to combat littering have so far remained ineffective because the matter requires the introduction of some form of deterrence to control it.

f) **Impact of Waste Disposal on Municipal Expenditure**

The necessity for bringing some discipline into the litter issue through the use of Naboro Landfill has an associated problem of cost, due to the long distance of transporting waste to Naboro. The cost of dumping at Naboro which currently represents 25% of our total operating expenditure will soon exceed 30% once the Lakena dump is closed.

g) Impact of Land Tenure on Planning

Town Planning is made more difficult by the complexity in the land tenure system with a good portion of the land belonging to native owners and private owners. There is little land controlled by the Council. Occasional interference by native land owners on leased land causes negative perceptions on investment in the town.

h) Unemployment

Unemployment is a common problem in Nausori with a very little commercial and industrial base, most of the people live here but work in Suva or elsewhere. With the relocation of squatters from Suva to Nausori the problem is exacerbated.

But Nausori remains an important town from the strategic, social, economic and historic point of view. Apart from being the regional centre for the three provinces it is also a centre for cultural and sporting events. Major rugby and soccer events are hosted at Ratu Cakobau Park.

It is also a centre of academic excellence with 4 major secondary schools within its vicinity. The government administration for the Central division is based there headed by the Divisional Commissioner and other departmental heads. In terms of government's regional planning the thinking is to continue to maintain Nausori as the centre for the division and to allow subcentres like Vunidawa and Korovou as satellites that feed into it. There will be a need to strengthen the centre by building on agricultural potential to promote food processing in the town as a way of generating employment and strengthening the economy.

The Nausori airport hosts local, regional and international flights and is key to the development of the economy of the whole Central division. The export trade could be facilitated if quarantine facilities were introduced. Tourists from Australia and New Zealand can access tourist attractions in Northwest Viti Levu, Ovalau and in the Central Division.

In planning for the future, Nausori has to address some of its key contradictions. It is an overcrowded town yet few live and work there. It is an agricultural based town yet there is little food processing being done there. It is a growing town yet its Council has precious few assets to enable it to grow well into the future. The town has sound infrastructure yet it has little investment. While these maybe stereotypes gleaned from the daily conversations of its towns folk they reflect a concern that should not be taken for granted.

Finally Nausori also has to carefully weigh the impact of its local role as opposed to its regional one. The bulk of its revenue is drawn from ratepayers particularly the residents who often begrudge the business community for paying similar level of rates yet gain more income and services from their investments. This needs to be corrected.

More opportunities should also be created for Nausori's regional constituents to invest more in Nausori not only in shopping for basic goods but also selling more products and investing more money in business to help Nausori grow. It will help consolidate the rural-urban linkage.

1.3 Review of Current Services and Programs

The Nausori Town Council has limited assets confined mainly to the bus stand, the market, Ratu Cakobau Park, to Council commercial complexes hosting the Library, restaurants, nightclub and various other services. There are also some small parcel of land on Vunivivi Hill and Manoca. There are 3 Council's trucks and 3 official vehicles. Yet its scope of responsibility is wide and burdensome.

It maintains 20,512 meters of roads and 38,553 meters of drains of the municipality. It clears 2973 tons of garbage for disposal at Naboro and maintains key infrastructure like Cakobau Park, the Nausori Market and ensures the cleanliness of the town. It does these in consultation with the ratepayers. It has to address all grievances that are made to it on a regular basis and it tries to be a good custodian of ratepayers and stakeholder interests. But it can only do so within the resources it has at its disposal.

In the past 3 years the average budget implementation ratio was 4% Capital against 96% operating expenditure. The high operating expenditure was due in no small part on the cost of carting garbage to the Naboro Landfill which constitutes about 25% of our total annual operating budget. There being a significant improvement in our rate collection this year it is envisaged that our capital budget will be in excess of 10% of the total budget.

We have also for this year extended our services to Naulu/Nakasi and Davuilevu Housing in direct response to their call for better services to be given by the Council. We have in the process opened a Council Office in that area and it has proved useful in our community outreach and the collection of rates.

The potential for community involvement has yet to be fully explored. In June this year we had Environment Week where we marshaled community support for hosting community clean up in Waila and Davuilevu Housing. We hope to be appointing neighbourhood advisors from our neighbourhoods to help in identifying critical community issues that can be jointly tackled with the community. There is a serious problem of unemployment in the township and appropriate strategies need to be put in place to combat it.

1.4 Relevance of the "People's Charter"

There are certain aspects of "The People's Charter" which are very relevant to municipal governance. The issue of ensuring effective and enlightened leadership as stated on Pillar 3 is appropriate. The others on Pillars 4 on Efficiency and Effectiveness of Service Delivery and Pillar 5 on Higher Economic Growth and

ensuring sustainability are also relevant. So is Pillar 6 on making more land available for productive and social purposes. Pillar 8 on reducing poverty, (as part of social justice) is a critical component of sustainable urban development. The form and content of this Strategic Plan incorporates many of the principles of the Charter.

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 till 31/7/14
Town Clerk/CEO	-	Azam Khan from 1/8/14
Manager Finance	-	Swastika Rattan
Manager Building &Health	-	Sandhya Pillay
Manager Nakasi	-	Sailosi Qalilawa
Town Planning Officer	-	Epeli Nadraiqere
Manager Human Resource	-	Vereimi Vudileka (From February)
Secretary	-	Chandra Krishna (Mrs)
Market Master	-	Pita Tamanikaisawa
Senior Rates Officer	-	Melvin Prasad
Technical Officer	-	Taniela Taukeinikoro

The Special Administrator resigned from the Council will effect from 30th July, 2014. Staffs were sent on trainings and short courses during the year.

2.2 Sub Committees

Subcommittees established during 2014 were:

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

All committee meetings were chaired by the Special Administrator and after his resignation by Chief Executive Officer.

2.3 **Meetings**

The following meetings were held:

Meetings	2014
Building, Health and Works	12
Finance, Properties & General Purpose	12
Subdivision, Town Planning	6
Traffic and Prosecution	6
Staff	9
Monday Staff Meetings	26
Rates	7
Works	3

2.4 **Directory**

Location	-	2 Wainibokasi Road
Postal Address	-	P O Box 72, Nausori
Telephone	-	3477133
Fax:	-	3400048
Email	-	nausoritown@connect.com.fj

2.5 **Population**

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

Nakasi

Davuilevu

Nausori

2.6 **Councils Solicitor**

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

Tirath Sharma Law
Reddy and Nandan Lawyers
Ravono and Raikici

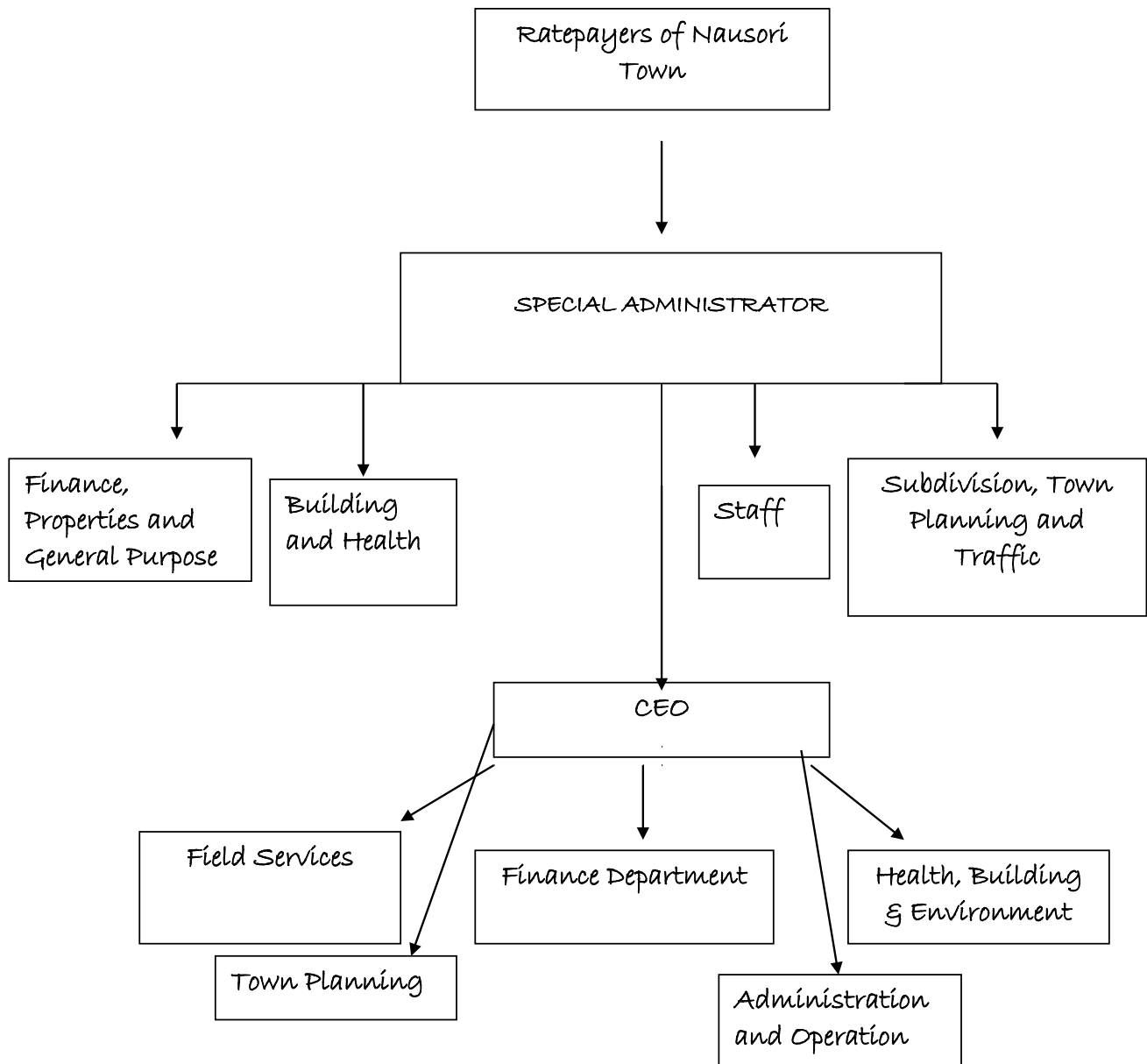
2.7 **Councils Auditors**

Auditor General's Office of Fiji

2.8 **Council Bankers**

Bank of Baroda

2.9 ORGANIZATION STRUCTURE OF THE MUNICIPALITY OF NAUSORI



3.0 STRATEGIC DIRECTION

3.1 Vision

- To develop Nausori to be a sustainable and liveable town that advocates the principles of sustainable economic growth, environmental responsibility and social justice.

3.2 Founding Principles

The town of Nausori will be focused on the process of sustainable urban development. During the plan period the key strategic priorities will involve the following:

- i) The promotion of sustainable economic growth through targeted investment to generate employment and income for all.
- ii) The provision of sound infrastructure for transport, water and sewerage, energy and communications and other sporting and cultural activities.
- iii) The promotion of sustainable environmental strategies to enhance the town's natural, built and human environment.
- iv) The promotion of integrated and strategic planning for land use, community and environmental planning that meets statutory requirements and community needs.
- v) The development of community based strategies to combat the rising problem of poverty and to promote fairness and equality of access for all.
- vi) The development a system of governance and service delivery that are financially sustainable, accountable and efficient.

4.0 Activities

4.1 Building Applications

Health and Building section received a total of 166 building applications during the year. Total value of building applications received was \$18, 666, 74.176

And fees generated by the Council was \$52,697.02 during the year 12 Completion certificates were issued which had a value of \$3,248,289.60

4.2 Health Report

TYPE OF BUSINESS	INSPECTION	REINSPECTION	TOTAL
SHOPS	95	40	135
SUPERMARKET	215	167	382
FACTORIES	10	3	13
SUBDIVISIONS	15	2	17
BUILDING UNDER CONSTRUCTION	322	276	598
SCHOOLS	22	16	38
HAWKERS	35	27	62
HOUSE TO HOUSE	1100	65	1165
INVESTIGATION OF COMPLAINTS/NUISANCES	114	55	169
NEW BUILDING SITE BEFORE APPROVAL	63	-	63
BAKE HOUSE	47	35	82
KAVA SALOONS	25	15	40
RESTAURANTS/EATING PLACES	129	69	198
MILK PLACES	67	28	95
HAIRDRESSERS/CHIROPODISTS	25	12	37
RUBBISH DUMP	350	110	460
BUTCHER SHOPS	20	8	28
BOARDING HOUSES/HOTELS	15	8	23
<u>TOTAL</u>	2,669	936	3,605

- Two food safety workshops were conducted during the year. The main objective was to create awareness on the food safety regulation 2009 amongst Food establishment within the Nausori Municipal Boundary.
- Food condemnation was also conducted on several Supermarkets and Butchers. Food items confiscated were disposed of at the Naboro Landfill.
- Five major Clean Up campaign was conducted during the year.
- Conducted one in-house training for 6 new Litter prevention Officers on the Litter Promulgation 2008.

4.3 Business License Report

A total of 700 business continued operation in town with 53 new business opening.

Grand total of business of business operating in town was **753**.

4.4 Finance Report

In year 2013, Financials were prepared in accordance with International Financial Reporting Standards for Small and Medium –sized Entities (“IFRS for SMEs”) and the requirements of Section 57 (2) of the Local Government Act.

Funds collected and expensed compared to budget from major revenue streams and expenses during the year based on the audited financial and Annual Corporate Plan was:

4.4.1

Operating Fund:

Particulars	Budget VIP	Figures per Un-Audited Financial
Income excluding parking meter	4,464,379	2,659,145
Less : Expenses excluding parking meter	4,450,767	2,778,242
Loss for the year	\$ 13,612	\$ (119,097)

Parking Meter Fund:

Particulars	Budget VIP	Figures per Un- Audited Financial
Parking meter Income	99,845	23,797
Less : Expenses parking meter	108,705	29,891
Loss for the year	\$ (8,860)	\$ (6,094)

Consolidated Fund:

Particulars	Budget VIP	Figures per Un-Audited Financial
Operating Fund	13,612	(119,097)
Parking Meter Fund	(8,860)	(6,094)
Loss for the year	\$4,752	\$ (125,191)

The financial figures depicted above is based on Accrual Basis of Accounting under the IFRS requirement.

Subsequent Events:

- Council continued with the completion of the Inter Transport (New Nausori Market & Bus Station) relocation project.
Total external borrowings sanctioned by Fiji Development Bank for the project is \$ 10.4 million and Government grant commitment of \$3 million. Grant of \$1,500,000 was received in 2013 and 2014 respectively.

As at 31st December 2014, the following sum (VEP) were utilized for the Inter Transport Project:

Particulars	Total Amount
FDB	3,527,165.35
ITP Government Grant	2,608,695.65
Total Commitment	\$ 6,135,861.00

- Council received a grant of **\$79,248.51** from Ministry of Local Government, Housing & Environment for the construction of restroom for taxi operators at Nakasi & Dunstan Street, Nausori. The construction of the project commenced in 2014.
- Council received a grant of **\$70,000** from Ministry of Local Government, Housing & Environment for the Drainage Project for the Vuci Informal Settlement.

5.0 Rates Annual Report – 2014

1. Rates Struck for the year 2014

<u>Zoning</u>	<u>Rates Struck Charged</u>
Residential	\$ 0.01 on UCV
Commercial/Industrial	\$ 0.02 on UCV
Civic	\$ 0.002932 on UCV

2. Rates Opening Balance 2014

	<u>Opening Balance As At 01.01.2014</u>	<u>Total Collection As At 31.12.2014</u>	<u>Balance As at 31.12.2014</u>
<u>CURRENT</u>	1,300,267.69	747,047.06	553,220.63
<u>ARREARS</u>	1,926,313.95	394,614.23	1,531,699.72
<u>TOTAL</u>	3,226,581.64	1,141,661.29	2,084,920.35

3. Debtor Listing As At 31st December, 2014

<u>Ward</u>	<u>Current (2014 Balance Only)</u>	<u>Arrears</u>	<u>Total</u>
Naulu/Nakasi Ward	43,864.76	1,421,414.33	1,465,279.09

Nausori Ward	25,490.71	253,863.61	279,354.32
Davuilevu Ward	9,778.87	330,508.07	340,286.94
Total	79,134.34	2,005,786.01	2,084,920.35

4. Sexennial Valuation

- Sexennial Valuation was carried in year 2013 and implemented in year 2014 with increase in UCV of \$ 27,985,455.00 with 31.7% increase in UCV.

5. Discount Allowed

- Total Discount Allowed during the discount period from Jan 2014 to March 2014 was \$ 48,359.66.

5.4 LIBRARY

5.4.1 INTRODUCTION

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.

5.4.2 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

5.4.3 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.

5.4.4 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.

5.4.5 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.

5.4.5 Opening Hours

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

5.4.8 Clientele

Apart from the registered member's 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.

FIELD DEPARTMENT

1. TRANSPORT/COUNCIL FLEET

Council had 3 trucks for solid waste management (ET 446, EY 801, FH 942) and 4 vehicles for operational and office usage (FB 429, FR 974, FQ 850 & FQ 859).

2. PROJECTS UPDATE

- a) Government of Fiji under Local Government 2014 Challenge Fund Scheme established to improve Local Government delivery services had approved construction of six (6) Taxi Stand restrooms and shelters in the Nausori Central Business District and Naulu/Nakasi/Davuilevu Housing Areas. With grant of \$79,248.50, the council constructed restrooms in the areas of Dunstan Street, Syria Park, Nakasi Road, Mataika Street, Wainubuku Road and Vishnu Deo Road for usage by Taxi Operators.

- b) Footpaths - Footpaths were maintained in the CBD area. Quite a lot of footpath were in bad condition as the concrete and plaster has worn out. It was noted that the major reasons for this bad condition of Footpaths was it has started to go bad on places where there is either a camber for telecom, water, FEA and water discharge pipes run beneath. This was an area of concern whereby the authorities upon doing repair works on these chambers does not repair the footpaths upon completion of works hence it gets worst.
- c) Road Condition in Brown Lane and Market Road- Numerous complaints were lodged and discussed with FRA and MWH in regards to the road condition of Brown Lane and Market Road. Potholes and poor road condition had been an issue. In August, FRA did carry out some works in Part of Brown Lane and Gulam Nabi Street and others were left incomplete. The road entrance from New World to Market is very bad.
- d) Chambers in Town - Council had been engaged in replacing and installing chamber lid covers on existing chambers. Cleaning of these Chambers off debris, silt and rubbish was also done.
- e) Tiling in Council Office - tiles were placed in the Main Council Office. The whole of reception area and towards Building & Health Section were tiled. Part of the reception area towards rates section had been tiled. Existing tiles is removed, chipped and new tiles are placed.
- f) Garden Trays Upgrade - Garden Trays in CBD were plastered and painted. These garden trays were last painted couple of years back and some of it has been damaged by public and also vehicles.
- g) Mosquito Spraying and abate in Drains - Mosquito spraying was done in Manoca Area from New Town Road, China Garden, Mara Road, Rambisessar Road and Part of Kings Road. Drains were also cleaned and abates were placed after cleaning.
- h) Drainage Upgrade
 - Willow Street Drain - Drain Upgrade works completed in Willow Street. Water seepage has been sealed and V-Drains were re-laid. Reinforcement was done and two rows of Concrete blocks were placed to stop soil from coming into the drains.
 - Amar Singh Drain - Contractor carried out works on the drains in Amar Singh Road. Placement of blockwall and alignment of 3 V-Drains. Other length of 40m had been realigned and compacted.

3. RATU CAKOBAU PARK

Ratu Cakobau Park hosted the Fiji Fact Soccer Tournament in June. The Tournament was a success which was witnessed by the general public of Fiji and abroad.

The park also hosted the Muslim Soccer World Cup in October.

A ride on mower was also purchased for turf maintenance.

A borehole was also drilled and placed at the park for sprinkler purposes to be used on ground turf.

4. GRASS CUTTING, STREET & DRAIN CLEANING

Grass Cutting in Nausori Ward managed by Council workers. Two rounds of grass cutting are carried out in a month. Drain and street cleaning is also ongoing.

As for Davuilevu Ward, works had been outsourced to Contractor, General Industrial. Nakasi Ward is being looked after by Contractor Joe's Weeding and Davuilevu Housing Ward by Viti-e-loma.

5. ROAD PATCHING AND STREET LIGHT.

The Council worked closely with FRA and Prime Fiji for the maintenance and upkeep of the road and streetlight.

FRA is carrying out road patching works whereas streetlight is being managed by Prime Fiji.


Inter Transport Project

Annual Corporate Plan

The second first annual corporate plan was developed in 2011 for the Council. The document was reviewed by a special committee during the year. Achievement and progress noted as per deliverables of the annual corporate plan was 75% of the total targets. In absence of a business plan the document had some ongoing activities recorded in within.

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 Azam Khan
Chief Executive Officer

OFFICE OF THE AUDITOR GENERAL

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E-mail: info@auditorgeneral.gov.fj
Website: <http://www.oag.gov.fj>



File: 850

8 May 2020

Mrs. Elizabeth Algar
The Chairperson
Nausori Town Council
P O Box 72
NAUSORI

Dear Mrs. Algar

AUDITED FINANCIAL STATEMENT
NAUSORI TOWN COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2014

Audited financial statements for Nausori Town Council for the year ended 31 December 2014 together with my audit report on them are enclosed.

Particulars of the errors and omissions arising from the audit have been discussed and forwarded to the Management for necessary actions.

Yours sincerely

Ajay Nand
AUDITOR-GENERAL

Encl.

cc: Permanent Secretary – Ministry of Local Government

NAUSORI TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

**NAUSORI TOWN COUNCIL
MANAGEMENTS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

COUNCIL REPORT

In accordance with the resolution of the Council, the Chief Executive Officer herewith submit the statement of financial position at 31 December 2014, the related statement of comprehensive income, statement of movement in funds and statement of cash flows of the Council for the year then ended and report as follows:

Council Members

Nausori Town Council has been part of the Local Government reform process and as per Cabinet Decision in 2009 has been operating under the supervision of the Chief Executive Officer from August 2014. Prior to this from May, 2013 appointed Special Administrator had been managing Council.

Management Staff

Special Administrator	Napolioni Masirewa (Resigned on 1/8/14)
Chief Executive Officer	Azam Azmat Khan (Resigned on 5/2/16)
Acting Chief Executive Officer	Deo Narayan (6/2/16 to 17/4/17)
Acting Chief Executive Officer	Deo Narayan (16/10/18 Till Date)

Principal Activities

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

Results

The operating surplus for the year is \$5,572 (2013: deficit \$878,204).

Bad and doubtful debts

Prior to the completion of the Council's financial statements, the Chief Executive Officer took reasonable steps to ascertain that action had been taken in relation to writing off of bad debts and provision for doubtful debts.

As at the date of this report, the Council is not aware of any circumstances, which would render the amount written off for bad debts inadequate to any substantial extent.

Non-Current Assets

Prior to the completion of the financial statements of the Council, the Chief Executive Officer took reasonable steps to ascertain whether any non current assets were unlikely to be realised in the ordinary course of business compared to their values as shown in the accounting records of the Council. Where necessary these assets have been written down or adequate provision has been made to bring the values of such assets to an amount that they might be expected to realise.

As at the date of this report, the Chief Executive Officer is not aware of any circumstances which would render the values attributed to non current assets in the Council's financial statements misleading.

Basis of Accounting

The Council believe the basis of the preparation of the financial statements is appropriate and the Council will be able to continue in operation for at least twelve months from the date of this statement. Accordingly, the Council believe the classification and carrying amounts of assets and liabilities as stated in these financial statements to be appropriate.

Unusual Transactions

Apart from these matters and other matters specifically referred to in the financial statements, in the opinion of the Chief Executive Officer, the results of the operations of the Council during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature, in the opinion of the Council, to affect substantially the results of the operations of the Council in the current financial year, other than those reflected in the financial statements.

NAUSORI TOWN COUNCIL
MANAGEMENTS' REPORT *continued*
FOR THE YEAR ENDED 31 DECEMBER 2014

Events Subsequent to Balance Date

Council continued with the completion of the Inter Transport (Nausori Market and Bus Stand) relocation project. Total external borrowings sanctioned by Fiji Development Bank for the project is \$10.4 million and Government grant committed is \$3 million.

Other Circumstances

As at the date of this report:

- a) no charge on the assets of the Council has been given since the end of the financial year to secure the liabilities of any other person;
- b) no contingent liabilities have arisen since the end of the financial year for which the Council could become liable; and
- c) no contingent liabilities or other liabilities of the Council have become or are likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Council, will or may substantially affect the ability of the Council to meet its obligations as and when they fall due.

As at the date of this report, the Council are not aware of any circumstances that have arisen, not otherwise dealt with in this report or the Council's financial statements, which would make adherence to the existing method of valuation of assets or liabilities of the Council misleading or inappropriate.

For and on behalf of the Council.

Dated this 30th day of April 2020.



Acting Chief Executive Officer



Manager Finance

NAUSORI TOWN COUNCIL
STATEMENT BY MANAGEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

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 2014;
- (b) the accompanying statement of movement in funds 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 2014;
- (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 2014;
- (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 2014;
- (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.

Dated this 30th day of April 2020.



Acting Chief Executive Officer



Manager Finance

OFFICE OF THE AUDITOR GENERAL

Excellence in Public Sector Auditing



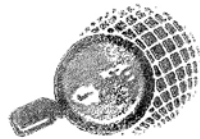
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INDEPENDENT AUDITOR'S REPORT

NAUSORI TOWN COUNCIL

Disclaimer of Opinion

I do not express an opinion on the accompanying financial statements of Nausori Town Council. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I am unable to obtain sufficient appropriate audit evidences to provide a basis for an audit opinion on these financial statement.

I have audited the accompanying financial statements of Nausori Town Council which comprise the statement of financial position as at 31 December 2014, 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 summary of significant accounting policies.

Basis for Disclaimer of Opinion

1. Unreconciled variance of \$40,555 exist between the general ledger and bank reconciliation statement of the General fund account. In addition, unpresented cheques of \$52,295 has resulted in stale cheques which were not reversed by the Council. Consequently, I am unable to ascertain if the cash and cash equivalent balance of \$90,324 is accurately reflected in the financial statements.
2. The Council has recorded bank overdraft of \$288,188 in cash balances (Note 3) and in Interest Bearing borrowings (Note 10). Consequently, this has resulted in understatement of actual cash at bank. Had the bank overdraft not been recorded in the cash balances the cash balance would have been recorded as \$364,093. Additionally, had this double recording not been made, the financial statements would have been imbalance by \$288,188.
3. Included in the Trade and other receivables of \$2,515,689, Note 4 is rate debtors of \$2,314,262. An unreconciled variance of \$158,102 existed between the general ledger and the rate debtor's reconciliation. In addition, the Council has not provided evidence of any assessment carried out for impairment of the rate debtors at balance date. Consequently, I was unable to obtain sufficient audit evidence to ascertain the accuracy of rate debtors recorded in the financial statements.
4. The Council recorded total expenses of \$2,808,133 in the Statement of Comprehensive Income for the year ended 31 December 2014. Included in this balance is expenses amounting to \$124,302 which could not be verified as the Council could not provide payment vouchers and appropriate documents to support the expenditure. In addition, interest expense and bank charges of \$138,107 and \$27,013 which related to 2013 financial year were recorded in 2014. The Council has not made any adjustments in regards to these misstatements. As a result, I was unable to ascertain if the expenditure of \$2,808,133 is fairly stated in the financial statements.
5. The Council recorded total revenue of \$2,659,145 in the Statement of Comprehensive Income for the year ended 31 December 2014. The Council has recorded certain revenue accounts on cash basis. This has resulted in understatement of these revenues which includes shopping complex income by \$53,994 and kiosk rental income by \$1,494. The Council also made adjustment to the garbage income amounting to \$147,968 which was not supported. In addition, the Council did not performed reconciliation of its rates revenue amounting to \$1,015,017 and failed to provide market revenue register for audit verifications. Consequently,

I was unable to obtain sufficient audit evidence to ascertain myself on the accuracy of the total revenue recorded in the financial statements.

6. The Council has leased properties which were not disclosed separately as investment property in accordance with International Accounting Standards (IAS 40). IAS 40.8 defines investment property as *"building owned by the entity and leased out under one or more operating leases"*. The council was unable to provide supporting documents for the leased properties. In addition, the Council has not amortized the leasehold land amounting to \$2,153,124. As a result, I was unable to determine whether any adjustments might have been necessary in respect of the Council's investment properties and leasehold land balances in the current year or comparative year, and the elements making up the statement of profit or loss and other comprehensive income, movement in funds and cash flows.
7. Included in Trade and Other Payables (Note 8) is Refundable deposits of \$169,771. I was not provided with any documentation to support this balance. Consequently, I was unable to obtain sufficient audit evidence to ascertain the accuracy of refundable deposits as stated in the financial statements.
8. Included in Trade and Other Receivables (Note 4) is VAT receivable of \$142,634. A variance of \$319,225 existed between the general ledger and VAT reconciliation. Consequently, I was not able to satisfy myself on the accuracy of the VAT receivable stated in the financial statements.
9. Included in the deferred income balance is government grant of \$208,150 which relates to roads. The Roads, streetlights and footpaths have been transferred to the Fiji Roads Authority as per the Fiji Roads Decree 2012. The Council has not made any adjustments to this deferred grant despite the transfer. Consequently, the deferred income of \$2,985,761 is overstated.
10. Included in the Council Municipal Funds is Accumulated funds for General Fund of \$249,583. The opening balance of this fund has a variance of \$276,576 with the closing balance of the prior year audited accounts. Consequently, I am unable to ascertain myself on the accuracy of the Accumulated funds balance of \$1,005,164 stated in the financial statements.

Other Matters

- The Council does not have in place Risk Management Policy and Disaster Recovery Plan as a proactive measure to deal with any unforeseen risks.
- Internal controls in the area of cash at bank, revenue, payroll, property, plant and equipment and receivables and procurement needs to be strengthened to prevent leakages of Council funds through fraud and misappropriation.

Responsibilities of the Chief Executive Officer and the Council for the Financial Statements

The management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS for SMEs, Local Government Act and for such internal control as 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 management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The Special Administrator and management are responsible of overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My responsibility is to conduct the audit of the Nausori Town Council's financial statements in accordance with International Standards on Auditing and to issue an auditor's report. Because of the matters described in the Basis for Disclaimer of Opinion section of my report, I was unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion of these financial statements.

I am independent of the Nausori Town Council within the meaning of 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 my other ethical responsibilities in accordance with these requirements and the IESBA Code.



Ajay Nand
AUDITOR-GENERAL



Suva, Fiji
8 May 2020

NAUSORI TOWN COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 \$	2013 \$
Operating Income			
Income	2 (a)	2,337,650	1,731,156
Other operating income	2 (b)	320,223	160,871
Expenses			
Administrative and operating costs		(229,921)	(78,396)
Employee costs		(1,294,668)	(959,379)
Depreciation and amortization		(147,978)	(161,977)
Interest on long term borrowings		(8,941)	(39,595)
Other general fund operating costs		(940,903)	(1,497,348)
Parking meter operating costs		(29,891)	(33,536)
		<u>(2,652,302)</u>	<u>(2,770,231)</u>
Operating (deficit)/surplus for the year		5,572	(878,204)
Other comprehensive income		-	-
Total comprehensive (deficit)/ surplus for the year		5,572	(878,204)

The accompanying notes form an integral part of this Statement of Comprehensive Income.

NAUSORI TOWN COUNCIL
STATEMENT OF MOVEMENT IN FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2014

COUNCIL MUNICIPAL FUNDS	2014 \$	2013 \$
<u>Accumulated funds</u>		
General fund		
Balance at the beginning of the year	237,918	1,400,346
Net surplus/(deficit) for the year	11,665	(885,853)
Balance at end of the year	249,583	514,493
Parking meter funds		
Balance at the beginning of the year	(35,867)	(24,816)
Net (deficit)/surplus for the year	(6,094)	7,649
Adjustment PM expense paid from general fund	-	(18,700)
Balance at end of the year	(41,961)	(35,867)
Loan rate fund		
Balance at the beginning of the year	393,555	393,555
Balance at end of the year	393,555	393,555
Street light fund		
Balance at the beginning of the year	371,196	371,196
Balance at end of the year	371,196	371,196
Fire service fund		
Balance at the beginning of the year	32,791	32,791
Balance at end of the year	32,791	32,791
Total accumulated funds	1,005,164	1,276,168
<u>Asset revaluation reserve</u>		
General		
Balance at the beginning of the year	6,015,525	6,015,525
Balance at end of the year	6,015,525	6,015,525
Parking meter		
Balance at the beginning of the year	72,000	72,000
Balance at end of the year	72,000	72,000
Total asset revaluation reserve	6,087,525	6,087,525
TOTAL COUNCIL MUNICIPAL FUND	7,092,689	7,363,693

The accompanying notes form an integral part of this Statement of Movement of Funds.

NAUSORI TOWN COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Notes	2014 \$	2013 \$
Current assets			
Cash and cash equivalent	3	90,323	99,437
Trade and other receivables	4	2,515,689	1,954,340
Financial asset	5	43,023	36,758
		<u>2,649,035</u>	<u>2,090,535</u>
Non-current assets			
Property, plant and equipment	6	13,183,937	8,435,308
Intangible assets	7	71,013	-
		<u>13,254,950</u>	<u>8,435,308</u>
Total assets		<u>15,903,985</u>	<u>10,525,843</u>
Council municipal funds			
Accumulated surplus		1,005,164	1,276,168
Asset revaluation reserve		6,087,525	6,087,525
		<u>7,092,689</u>	<u>7,363,693</u>
Current liabilities			
Trade and other payables	8	560,382	437,652
Employee benefit obligation	9	3,798	18,940
Interest bearing borrowings	10	379,718	195,157
Deferred income	11	69,284	69,284
		<u>1,013,182</u>	<u>721,033</u>
Non-current liabilities			
Deferred income	11	2,916,477	1,466,489
Interest bearing borrowings	10	4,881,638	974,628
		<u>7,798,115</u>	<u>2,441,117</u>
Total equity and liabilities		<u>15,903,985</u>	<u>10,525,843</u>

The accompanying notes form an integral part of this Statement of Financial Position.

For and on behalf of the Council.



Acting Chief Executive Officer



Manager Finance

NAUSORI TOWN COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 Inflows/ (Outflows)	2013 Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from customers		2,090,257	2,228,041
Payments to suppliers		(2,382,014)	(2,716,048)
Interest and other costs of finance paid		(8,941)	(39,595)
Net cash flows provided by/(used in) operating activities		<u>(300,698)</u>	<u>(527,602)</u>
Cash flows from investing activities			
Acquisition of property, plant and equipment		(4,961,788)	(1,458,041)
Net cash flows (used in) investing activities		<u>(4,961,788)</u>	<u>(1,458,041)</u>
Cash flows from financing activities			
Proceed from grant		1,449,988	1,304,330
Net proceeds from borrowings		3,971,160	837,608
Net cash flows provided by financing activities		<u>5,421,148</u>	<u>2,141,938</u>
Net increase in cash and cash equivalents		158,663	156,295
Bank overdraft at beginning of the year		<u>(68,340)</u>	<u>(224,635)</u>
Cash and cash equivalent/(bank overdraft) at the end of the year	3	<u>90,323</u>	<u>(68,340)</u>

The accompanying notes form an integral part of this Statement of Cash Flows.

NAUSORI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

1.1 Corporate Information

The financial statements of Nausori Town Council ("the Council") for the year ended 31 December 2014 were authorised for issue on _____ by the Chief Executive Officer. The Council was incorporated in Fiji under the Local Government Act, 1972.

The principal activities of the Council are described in Note 16.

1.2 Basis of preparation of the Financial Statements

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 valuation of non - current assets. The financial statements are presented in Fijian dollars.

Statement of compliance

The financial statements of Nausori Town Council have been prepared in accordance with International Financial Reporting Standards for Small and Medium Sized Entities ("IFRS for SME's") issued by the International Accounting Standard Board and the Local Government Act.

1.3 Significant accounting judgments, estimates and assumptions

The preparation of the Council's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgments

In the process of applying the Council's accounting policies, management has made the following judgment, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

Estimations and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of Financial position date, that have a significant risk of causing a material adjustments to the carrying amount of assets and liabilities within the next financial year are discussed below:

Impairment of non-financial assets

The Council assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

Impairment losses on rates and fees receivable

The Council reviewed its rates and fee receivables at each reporting date to assess whether an allowance for impairment should be recorded in the statement of comprehensive income. In particular, judgment by council is required in the estimation of the amount and timing of future cash flows when determining the level of allowance required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

1.4 Summary of significant accounting policies

a) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

1.4 Summary of significant accounting policies *continued*

b) Financial instruments - initial recognition and subsequent measurement

i) Financial assets

Initial recognition and measurement

IFRS for SMEs allows for the adoption of IAS 39, financial assets within the scope of IAS 39 are classified as financial assets at fair value through statement of comprehensive income, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. The council determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through statement of comprehensive income, directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the council commits to purchase or sell the asset.

The Council's financial assets include cash and cash equivalents, and trade and other receivables.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through statement of comprehensive income

Financial assets at fair value through statement of comprehensive income includes financial assets held for trading and financial assets designated upon initial recognition at fair value through statement of comprehensive income. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through statement of comprehensive income are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or finance cost in the statement of comprehensive income. The Council has not designated any financial assets upon initial recognition at fair value through statement of comprehensive income.

Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR), less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or cost that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of comprehensive income. The losses arising from impairment are recognised in the statement of comprehensive income in finance costs.

Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired,
- the Council has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement, and either (a) the Council has transferred substantially all the risks and rewards of the asset, or (b) the Council has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the asset.

When the Council has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Council's continuing involvement in the asset.

1.4 Summary of significant accounting policies *continued*

b) Financial instruments - initial recognition and subsequent measurement *continued*

i) Financial assets *continued*

Derecognition *continued*

In that case, the Council also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Council has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Council could be required to repay.

ii) Impairment of financial assets

The Council assesses at each reporting date whether there is any objective evidence that a financial asset, or a group of financial assets, is impaired. A financial asset, or a group of financial assets, is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be readily estimated.

Evidence of impairment may include indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost the Council first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant or collectively for financial assets that are not individually significant. If the council determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the statement of comprehensive income. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income in the statement of comprehensive income. Receivables together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Council.

If in the subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised loss is increased or reduced by adjusting the allowance account. If a future write off is later recovered, the recovery is credited to finance costs in the statement of comprehensive income.

The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a receivable has a variable interest rate, the discount rate for measuring any impairment loss is current effective interest rate.

1.4 Summary of significant accounting policies *continued*

b) Financial instruments - initial recognition and subsequent measurement *continued*

iii) Financial liabilities

Initial recognition and measurement

IFRS for SMEs allow the adoption of IAS 39, financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through statement of comprehensive income and borrowings, as appropriate. The Council determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of borrowings, plus directly attributable transaction costs.

The Council's financial liabilities include bank overdraft, trade and other payables and borrowings.

Subsequent measurements

The measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through statement of comprehensive income

Financial liabilities at fair value through statement of comprehensive income includes financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through statement of comprehensive income.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. Gains or losses on liabilities held for trading are recognised in the statement of comprehensive income.

The Council has not designated any financial liabilities upon initial recognition as at fair value through statement of comprehensive income.

Borrowings

After initial recognition, interest bearing borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the effective interest rate method (EIR) amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance cost in the statement of comprehensive income.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount so recognised in the statement of comprehensive income.

iv) Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

NAUSORI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER 2014

1.4 Summary of significant accounting policies *continued*

c) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Such costs includes the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria is met. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of comprehensive income as incurred.

Depreciation is calculated on a straight line basis over the useful life of the asset as follows:

Building and improvements	2%
Plants, machines and tools	10%
Motor vehicle	10%
Office equipment and fittings	10%
Street lights	10%
Roads and drains	10%
Parking meters	10%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of comprehensive income in the year the asset is recognised.

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

d) Impairment of non-financial assets

The Council assesses at each reporting date or more frequently if events or changes and circumstances indicate that the carrying value may be impaired, whether there is an indication that a non financial asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Council makes an estimate of the asset's recoverable amount. Where the carrying amount of an asset (or cash generating unit) exceeds its recoverable amount, the asset (or cash generating unit) is considered impaired and is written down to its recoverable amount.

For assets an assignment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Council makes an estimate of the recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount.

e) Fund Accounting

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

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.

NAUSORI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER 2014

1.4 Summary of significant accounting policies *continued*

e) Fund Accounting *continued*

Details of Special Purpose Funds maintained by the Council are:

Parking meter fund

The Council, in compliance with the Traffic Act, has to maintain a separate account for the operation of Parking meters in designated areas of roads within the town.

Loan rate fund

This fund has been created in 2007 to pay for loan obtained in 2007 to upgrade Lal Singh Road.

Street light fund

This fund has been created to assist in maintaining street lights special rates was levied up to end of 2011.

Fire service fund

This fund has been created to provide Fire Service and special rates was levied to end of 1995.

f) Provisions

Employee entitlements relating to wages, salaries and annual leave represent the amount which the Council has a present obligation to pay resulting from the employees' services provided up to balance date.

Wages and salaries and annual leave

Liabilities for wages and salaries and annual leave are recognised, and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

g) Leased assets

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

Council as a lessee

Finance leases, which transfer to the Council substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are reflected in the statement of comprehensive income.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Council will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in the statement of comprehensive income on a straight line basis over the lease term.

h) Trade and other payables

Liabilities for other payables 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 entity. Amounts payable that have been denominated in foreign currencies have been translated to local currency using the rates of exchange ruling at the end of the financial year.

NAUSORI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER 2014

1.4 Summary of significant accounting policies *continued*

i) Revenue recognition

Revenue is recognised in the financial statements using the accrual concept of accounting.

j) Income tax

The Council is exempt from income tax in accordance with the provisions of Section 17(4) of the Income Tax Act.

k) Comparative figures

Comparative figures have been amended where necessary, for changes in presentation in the current year.

2. RESULTS FROM OPERATING ACTIVITIES

	2014	2013
(a). Income	\$	\$
General fund	2,313,853	1,689,971
Parking meter fund	23,797	41,185
	<u>2,337,650</u>	<u>1,731,156</u>
(b). Other operating income	\$	\$
Amortization of deferred income	84,582	69,284
Return on investment - Fijian Holdings Unit Trust	6,265	8,917
Sundries - Interest Income	229,376	82,670
	<u>320,223</u>	<u>160,871</u>

3. CASH AND CASH EQUIVALENT

	\$	\$
Cash at bank - garbage fund	-	1,102
Cash at bank - project fund	321,160	87,212
Cash at bank - vehicle fund	-	2,500
Cash at bank - laborer's fund	-	165
Cash at bank - loan Struck fund	39,732	-
Cash at bank - Market fund	2,500	-
Cash at bank - parking meter fund	14,419	7,257
Cash on hand	700	1,201
Cash at bank/(bank overdraft) - general fund	10 (288,188)	-
	<u>90,323</u>	<u>99,437</u>

(b) For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash at bank	378,511	99,437
Bank overdraft	(288,188)	(167,777)
	<u>90,323</u>	<u>(68,340)</u>

NAUSORI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER 2014

4. TRADE AND OTHER RECEIVABLES <i>continued</i>	2014	2013
	\$	\$
Rate debtors	2,314,262	1,836,120
Less: provision for doubtful debts	-	-
	<u>2,314,262</u>	<u>1,836,120</u>
Fees, charges and rent	48,805	108,733
VAT receivable	152,622	9,487
Total trade and other receivables	<u>2,515,689</u>	<u>1,954,340</u>
5. FINANCIAL ASSETS	\$	\$
Share units	<u>43,023</u>	<u>36,758</u>
Shares of 53779 (2013: 51053) held at Fijian Holdings Unit trust with the exit price of \$0.80 per share.		
6. PROPERTY, PLANT AND EQUIPMENT	\$	\$
<u>Leasehold land</u>		
Cost:		
At 1 January	2,153,124	2,153,124
At 31 December	<u>2,153,124</u>	<u>2,153,124</u>
Net book value	<u>2,153,124</u>	<u>2,153,124</u>
<u>Buildings and improvements</u>		
Cost:		
At 1 January	4,760,704	4,224,985
Additions	-	535,719
At 31 December	<u>4,760,704</u>	<u>4,760,704</u>
Depreciation and impairment:		
At 1 January	(178,088)	(81,294)
Depreciation charge for the year	(95,214)	(82,874)
At 31 December	<u>(273,302)</u>	<u>(164,168)</u>
Net book value	<u>4,487,402</u>	<u>4,596,536</u>
<u>Plants, machines and tools</u>		
Cost:		
At 1 January	76,425	71,405
Additions	6,824	24,244
At 31 December	<u>83,249</u>	<u>95,649</u>

NAUSORI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER 2014

6. PROPERTY, PLANT AND EQUIPMENT *continued*

	2014 \$	2013 \$
<u>Plants, machines and tools continued</u>		
<i>Depreciation and impairment:</i>		
At 1 January	(19,836)	(4,161)
Depreciation charge for the year	(8,102)	(6,724)
At 31 December	(27,938)	(10,885)
Net book value	55,311	84,764
<u>Motor vehicle</u>		
<i>Cost:</i>		
At 1 January	173,324	177,671
Additions	-	2,609
At 31 December	173,324	180,280
<i>Depreciation and impairment:</i>		
At 1 January	(34,475)	(16,745)
Depreciation charge for the year	(17,332)	(16,092)
At 31 December	(51,807)	(32,837)
Net book value	121,517	147,443
<u>Office equipment and fittings</u>		
<i>Cost:</i>		
At 1 January	139,818	110,302
Additions	19,872	11,795
Disposals	-	-
At 31 December	159,690	122,097
<i>Depreciation and impairment:</i>		
At 1 January	(28,441)	(10,086)
Depreciation charge for the year	(15,080)	(10,022)
At 31 December	(43,521)	(20,108)
Net book value	116,169	101,989
<u>Street lights</u>		
<i>Cost:</i>		
At 1 January	-	173,038
Additions	-	11,174
Transfer to FRA	-	(184,212)
At 31 December	-	-
<i>Depreciation and impairment:</i>		
At 1 January	-	(17,130)
Depreciation charge for the year	-	(15,591)
Transfer to FRA	-	32,721
At 31 December	-	-
Net book value	-	-

NAUSORI TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER 2014

6. PROPERTY, PLANT AND EQUIPMENT *continued*

	2014	2013
<u>Roads and drains</u>	\$	\$
Cost:		
At 1 January	-	340,069
Additions	-	5,660
Transfer to FRA	-	(345,729)
At 31 December	-	-
Depreciation and impairment:		
At 1 January	-	(33,336)
Depreciation charge for the year	-	(30,673)
Transfer to FRA	-	64,009
At 31 December	-	-
Net book value	-	-
<u>Parking meter fund</u>		
Cost At 1 January	57,808	57,808
At 31 December	57,808	57,808
Depreciation and impairment:		
At 1 January	(11,548)	(6,406)
Depreciation charge for the year	(5,781)	(5,142)
At 31 December	(17,329)	(11,548)
Net book value	40,479	46,260
<u>Construction in progress - Drainage project</u>		
Cost At 1 January	-	-
Additions	2,800	-
Net book value	2,800	-
<u>Construction in progress - Restroom project</u>		
Cost At 1 January	-	-
Additions	71,275	-
Net book value	71,275	-
<u>Construction in progress - Inter-transport project</u>		
Cost At 1 January	1,305,192	-
Additions	4,830,669	1,305,192
Net book value	6,135,861	1,305,192
Net written down value	13,183,937	8,435,308

Effective from 06 December 2013, all assets, interest, privileges, liabilities and obligation of Council in relation to municipal roads, drains and footpaths has been transferred to The Fiji Roads Authority.

7. INTANGIBLE ASSETS

	\$	\$
<u>Software</u>		
Cost:		
At 1 January	2,618	-
Additions	71,861	-
Net book value	74,479	-
Depreciation and impairment:		
At 1 January	(508)	-
Amortization charge for the year	(2,959)	-
At 31 December	(3,467)	-
Net book value	71,013	-

NAUSORI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER 2014

8. TRADE AND OTHER PAYABLES		2014	2013
<u>General fund</u>		\$	\$
Advance from parking meter		31,544	31,544
Refundable deposits		169,771	169,771
Trade and other payables		341,682	167,189
Value added tax payable		-	51,763
		<u>542,997</u>	<u>420,267</u>
<u>Parking meter fund</u>			
Advance from parking meter		5,981	5,981
Trade and other payables		4,780	4,780
Vat payable		6,624	6,624
		<u>17,385</u>	<u>17,385</u>
Total trade and other payables		<u>560,382</u>	<u>437,652</u>
Terms and conditions of the above financial liabilities:			
- Trade and other payables are non-interest bearing and are normally settled on 60-day terms;			
9. EMPLOYEE BENEFIT OBLIGATION		\$	\$
Annual leave		<u>3,798</u>	<u>18,940</u>
10. INTEREST BEARING BORROWING		\$	\$
<u>Current</u>			
Bank overdraft - general fund	10(a)	288,188	167,777
Secured loan - BOB	10(b)	91,530	27,380
		<u>379,718</u>	<u>195,157</u>
<u>Non-current</u>			
Secured loan - BOB	10(b)	-	103,085
Secured loan - FDB	10(c)	4,881,638	871,543
		<u>4,881,638</u>	<u>974,628</u>
Particulars relating to interest bearing borrowings:			
a) The Council has an overdraft facility. Interest is charged at the rate of 7.50% per annum;			
b) Loans raised by the Council bear interest charges ranging from 7% and repayment of \$4,000 per month . All loans are raised under provision of Local Government Act and is secured over the assets of the council; and			
c) This loan was taken for the construction of new market and bus stand with the interest rate of 5.5% per annum and repayment of \$78,500 will commence after 3 months operation of new market & bus stand.			
11. DEFERRED INCOME		\$	\$
<u>Japanese grant</u>			
Balance at 1 January	11(a)	26,250	43,750
Deferred income recognised during the year		(2,625)	(17,500)
Balance at 31 December		<u>23,625</u>	<u>26,250</u>
<u>Government grant - roads</u>			
Balance at 1 January	11(b)	231,278	256,976
Additional Government grant - roads			
Deferred income recognised during the year		(23,128)	(25,698)
Balance at 31 December		<u>208,150</u>	<u>231,278</u>

NAUSORI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER 2014

11. DEFERRED INCOME *continued*

		2014 \$	2013 \$
<u>Government grant</u>	11(c)		
Balance at 1 January		1,278,245	-
Additional Government grant		1,531,945	1,304,330
Deferred income recognised during the year		(56,204)	(26,085)
Balance at 31 December		<u>2,753,986</u>	<u>1,278,245</u>
Total deferred income		<u>2,985,761</u>	<u>1,535,773</u>

The deferred income is shown on the statement of financial position as follows:-

Current	69,284	69,284
Non-current	2,916,477	1,466,489
	<u>2,985,761</u>	<u>1,535,773</u>

Particulars relating to deferred income:

- Benefit realised on Japanese Grant is calculated on the rate of 10% per annum on total benefit of \$175,000.
- Benefit realised on Roads Grant is calculated on the rate of 10% per annum on total benefit of \$256,976.
- Benefit realised on ITP Grant is calculated on the rate of 2% per annum on total benefit of \$1,304,330.

12 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

Principal financial liabilities consists of trade payables. The main purpose of these financial liabilities is to raise finance for the Council's operations. The Council's financial assets of other receivables arise directly from its operations.

The main risk arising from the Council's financial statements are interest rate risk, credit risk, and liquidity risk. The Council reviews and agrees policies for managing each of these risks which are summarised below.

a) Interest rate risk

The Council's exposure to the risk of changes in market interest rates relates primarily to the council's interest bearing borrowings. The level of debt is disclosed in Note 10. The interest rate on these borrowing is ranges from 5.5% to 7.5%.

NAUSORI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER 2014

13. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES *continued*

a) Interest rate risk *continued*

	Carrying amount	
	\$	\$
<u>Fixed rate instruments</u>		
Financial assets	43,023	36,758
<u>Variable rate instructions</u>		
Financial liabilities (Interest bearing borrowing)	5,261,356	1,169,785

b) Credit risk

Credit risk is the risk of financial loss to the Council if a ratepayer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Council's receivables from ratepayers and other debtors.

The Council has no significant concentrations of credit risk. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

The Council establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main component of this allowance is a specific loss component that relates to individually significant exposures.

	Carrying amount	
	2014	2013
	\$	\$
Cash and cash equivalents	90,323	99,437
Financial assets	43,023	36,758
Trade and other receivables	2,515,689	1,954,340

c) Liquidity risk

Liquidity risk is the risk that the Council will not be able to meet its financial obligations as they fall due. The Council monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g. accounts receivables, other financial assets) and projected cash flows from operations.

The table below summarises the maturity profile of the Council's financial liabilities at 31 December 2014 based on contractual undiscounted payments.

As at 31 December 2014

	1 Year	1 to 5 years	> 5 years	Total
	\$	\$	\$	\$
Interest bearing borrowings	379,718	974,628	3,907,010	5,261,356
Trade and other payables	341,682	218,700.00	-	560,382
	721,400	1,193,328	3,907,010	5,821,738

As at 31 December 2013

	1 Year	1 to 5 years	> 5 years	Total
	\$	\$	\$	\$
Interest bearing borrowings	195,157	974,628	-	1,169,785
Trade and other payables	437,652	-	-	437,652
	632,809	974,628	-	1,607,437

NAUSORI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER 2014

13. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES *continued*

d) Capital Management

The primary objective of the Council's capital management is to ensure that it maintains a strong credit rating and a healthy capital ratio in order to support its business.

The Council manages its funds and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the fund, the council may adjust its operational activities for the year.

The Council monitors funds using a gearing ratio, which is net debt divided by total funds plus net debt. The Council includes within net debt, trade and other payables less cash and cash equivalents. Funds includes Council General fund, Parking Meter fund, Loan Rate fund, Street Light fund and Fire Service fund.

	2014	2013
	\$	\$
Interest bearing borrowings	5,261,356	1,169,785
Trade and other payables	560,382	437,652
Less cash and cash equivalents	(90,323)	(99,437)
Net debt	5,731,415	1,508,000
Funds	7,092,689	7,640,268
Funds and net debts	12,824,103	9,148,268
Gearing ratio	45%	16%

14. FINANCIAL INSTRUMENTS

Set out below is a comparison by category of carrying amounts and fair values of all of the Council's financial instrument that are carried on the financial statements.

	Carrying amount		Fair value	
	2014	2013	2014	2013
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalent	90,323	99,437	90,323	99,437
Financial assets	43,023	36,758	43,023	36,758
Trade and other receivable	2,515,689	1,954,340	2,515,689	1,954,340
Financial liabilities				
Trade and other payables	560,382	437,652	560,382	437,652
Interest bearing borrowings	5,261,356	1,169,785	5,261,356	1,169,785

The fair value of borrowings has been calculated by discounting the expected future cash flows at prevailing interest rates. The fair value of financial assets have been calculated using market interest rates.

15. EXPENDITURE COMMITMENTS

a) Capital Expenditure Commitments

Capital expenditure commitments at balance date amounted to \$4,830,669 for Inter-transport project (2013: \$1,305,192).

16. PRINCIPAL ACTIVITIES

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

**NAUSORI TOWN COUNCIL
DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014**

GENERAL RATE FUNDS	2014	2013
Revenue	\$	\$
Business trading and other licenses	167,740	212,734
Fees, charges and rent	858,072	892,405
Garbage dump	273,024	128,047
General rates	1,015,017	456,785
	<u>2,313,853</u>	<u>1,689,971</u>
Other Income		
Amortization of deferred income	84,582	69,284
Return on investment - Fijian Holdings Unit Trust	6,265	8,917
Sundries - Interest on Overdue Rates	229,376	82,670
	<u>320,223</u>	<u>160,871</u>
Total revenue	<u>2,634,076</u>	<u>1,850,842</u>
LESS: Expenditure		
Administration	229,921	78,396
Wages & Salaries	1,098,123	884,833
Auditor's remuneration	19,000	7,826
Bank fees and charges	9,432	79,508
Council expense	14,515	31,488
Depreciation and amortization	147,978	161,977
Field expense	8,235	22,316
Fiji National Provident Fund	196,545	74,546
Garbage services	264,280	290,690
Insurance	35,555	40,706
Interest on loans	8,941	39,595
Legal fees	21,579	26,596
Printing and stationery	50,167	36,194
Rent on land	76,672	6,645
Repairs and maintenance - bus stand	5,582	11,932
Repairs and maintenance - cakobau park	129,373	23,793
Repairs and maintenance - library	-	3,995
Repairs and maintenance - market	12,187	35,823
Repairs and maintenance - multipurpose court	-	1,451
Repairs and maintenance - office	4,123	75,304
Repairs and maintenance - parks and gardens	436	12,635
Repairs and maintenance - plant, equipment and vehicles	66,714	29,514
Repairs and maintenance - shopping complex	524	1,322
Repairs and maintenance - taxi stand	2,521	3,706
Roads, footpaths, drains, verges and bridges	7,744	9,370
Staff training and staff expense	6,397	4,849
Street cleaning and grass cutting services	132,386	118,426
Street lights	-	158,546
Transfer roads and street lights to FRA	-	433,211
Traffic and road signs	-	2,898
Travelling and incidents	-	2,534
Motor Vehicle & Brushcutter Fuel & Oil	73,098	-
Valuation expenses	383	26,070
Total expenditure	<u>2,622,411</u>	<u>2,736,695</u>
Operating (deficit)/ surplus for the year	<u>11,665</u>	<u>(885,853)</u>

The Detailed Statement of Comprehensive Income is to be read in conjunction with the disclaimer set out on page 26.

NAUSORI TOWN COUNCIL
DETAILED STATEMENT OF COMPREHENSIVE INCOME *continued*
FOR THE YEAR ENDED 31 DECEMBER 2014

PARKING METER FUND	2014	2013
	\$	\$
Revenue		
Parking meter towing's		3,415
Parking meter fines	9,671	8,179
Parking meter tolls	14,126	29,591
Total revenue	23,797	41,185
LESS: Expenditure		
Other expense	3,217	2,312
Road and traffic signage	-	2,000
Towing contractors	-	912
Repairs and maintenance	4,570	-
Depreciation	5,781	5,140
Bank charges	-	10
Salaries and wages	16,323	23,162
Total expenditure	29,891	33,536
Operating (deficit)/surplus for the year	(6,094)	7,649

The Detailed Statement of Comprehensive Income is to be read in conjunction with the disclaimer set out on page 26.

