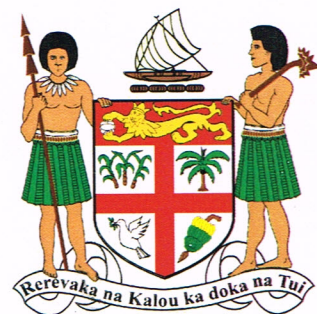




RAKIRAKI TOWN COUNCIL

Annual Report for the Year Ended 2015



PARLIAMENT OF FIJI

PARLIAMENTARY PAPER NO. 235 OF 2020

RAKIRAKI TOWN COUNCIL

ANNUAL REPORT

(Section 19 – Local Government Act Cap 125)

FORTHE YEARENDED

DECEMBER 31, 2015



RAKESH RAVIND CHANDRA
CEO – RAKIRAKI TOWN COUNCIL

RAKIRAKI TOWN COUNCIL

ANNUAL REPORT

(Section 19 – Local Government Act Cap 125)

FORTHEYEARENDED

DECEMBER31,2015

RAKESH RAVIND CHANDRA
CEO – RAKIRAKI TOWN COUNCIL

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1.0 HISTORY

Rakiraki town boasts a number of historic sites and buildings. It has the first sugar mill in Fiji, the first Hindu Temple when the Fijians of Indian descent first settled in Fiji. It has the first primary school Established in western division; it has burial ground of the last cannibal “Udreudre”



1.1 ESTABLISHMENT

The Town of Rakiraki was legally declared on Thursday July 1 2010. The Public Service Commission approved the use of an office space in the government rented complex at Vaileka House where official operations commenced on Monday 6th July 2010.

1.2 POPULATION

It has about 4952 residents were recorded from 2007 Census .Rakiraki is an ideal city where people from various ethnic backgrounds have settled and have lived harmoniously and have prospered with their hard work and dedication. Total of 9 schools, 3 secondary schools & 6 primary schools.

1.3 LOCATION

The city is situated in the western side of Viti Levu, the largest island of Fiji. The city is surrounded with the blue Pacific Ocean on the western side together with sugar cane and pine trees on the other sides.

2.0 COPORATE OVERVIEW

2.1 Vision

The Rakiraki Town is a well-planned, healthy, safe and secure community with a strong community identity and sense of place. It is a full service, economically sustaining town where people can affordably live, work, shop and recreate.

It has an integrated open space, rivers, mountains and parks system that provide opportunities for residents to enjoy the natural resources of the community as well as quality, up to date infrastructure and facilities. The architecture and streetscape design provide for a small town, pedestrian oriented ambience. Neighborhood centers provide parks, shopping and community gathering opportunities in an appropriate mix and scale that promotes a feeling of community and connectedness.

Rakiraki has an active, educated and involved citizenry who provide invaluable resources to the town through their spirit of volunteerism and civic participation.

2.2 Mission

The town of Rakiraki mission is to create and sustain our community vitality and quality of life by:

- i. Planning well for our Town's future while preserving the traditions of our past;
- ii. Instilling a sense of belonging and connection within our community
- iii. Safeguarding our community;
- iv. Providing adequate and quality community facilities and services and programs;
- v. Ensuring the economic health and fiscal stability of the Town;
- vi. Balancing economic development with the social values, traditions and needs of the community;
- vii. Developing positive relations with our citizens, businesses and partners and promoting community involvement;

Providing opportunities for citizens to enjoy and participate in educational, cultural and artistic

VALUES

2.3 Values

The delivery of all services is based on the following core values:

Innovative and Transparent Leadership, Accountability, Integrity, Respect, Customer Focus, Environmental Sustainability, Teamwork and Commitment, Civic Pride and Safety.

2.4 Role and Responsibilities of the Council

The council is responsible for the formulation and implementation of town Bylaws and planning policies. To achieve this, the council defines the core business and responsibilities for 2018 as follows:

a) Corporate services

- i. Implementation of policy decisions for the overall administration of the council's budgeting, planning, financial and accounting control and managing human resources.

b) Local Government

- i. Implementation and evaluation of the performance of council and stakeholders for good governance of economic activities. Acts and regulations implementation.

c) Commercial Vehicles

- i. Provision of stands for public transportation and access of the public.

d) Market Operation

- i. Administer the provision of market services with specific emphasis on quality of products and regularized standards and infrastructure.

e) Women Vendors Overnight Accommodation

- i. Manage, coordinate and monitor the economic empowerment of women in line with the UN Women Partner Improving Market project and UNDP PC Millennium Market objectives.

f) Investment

- i. Partner with investment Fiji for profile marketing of Rakiraki to Local and overseas investors.

g) Commercialization

- i. Public Private Partnership/sole operations for additional revenue generations.

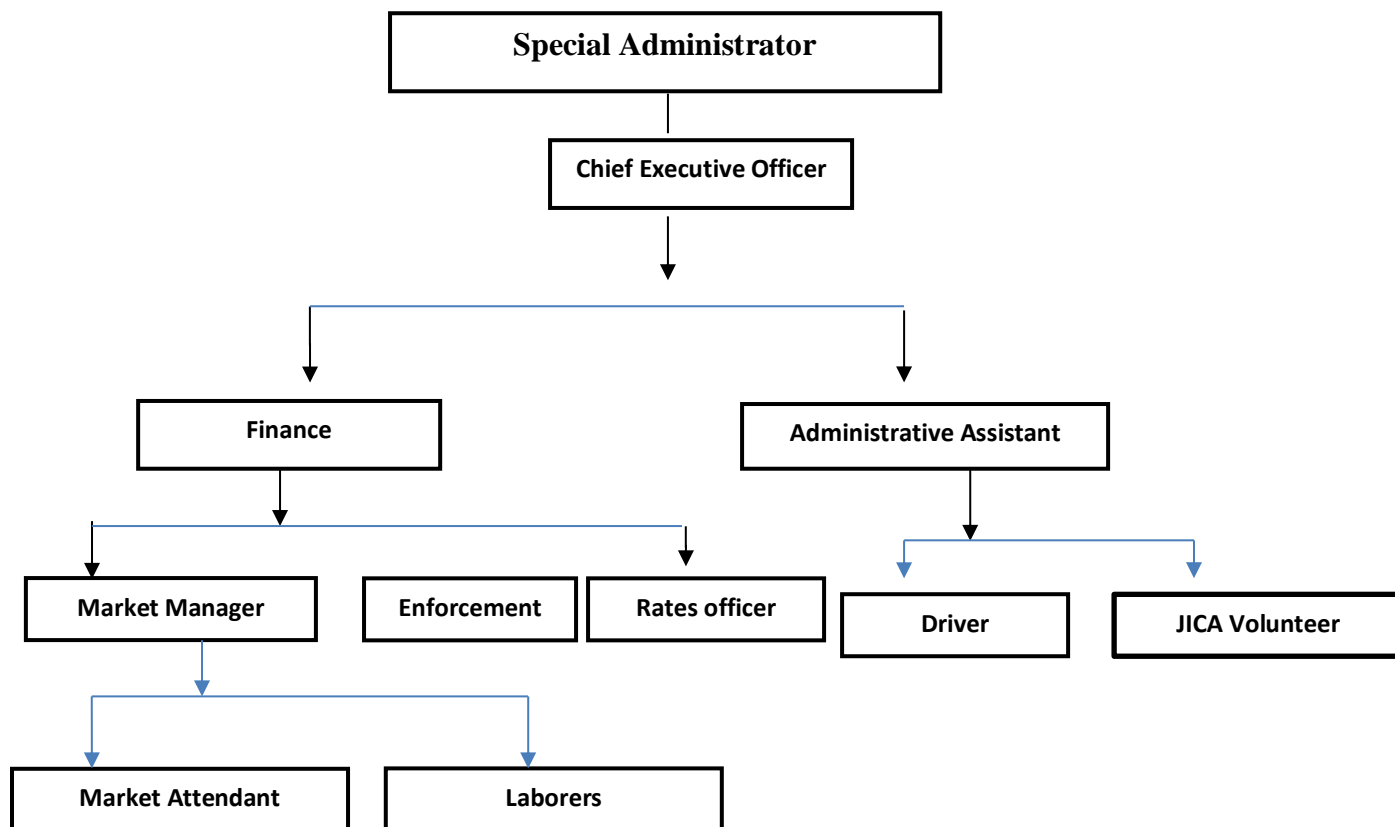
3.0 OFFICERS OF THE COUNCIL

The Principal Officer of the Council for the period of this report is the Interim Special Administrator, Ralulu Cirikiyasawa.

Staff support Team

Market	Ilaisa Vakaloloma Suriya Nand
Administration	Rakesh Ravind Chandra Inise Tabuadua
Finance	Deepika Darshni Goundar
Enforcement	Epeli Vukinagauna
Labourers (8)	Sitiveni Uqe Satend Kumar Ravneel Kumar Rakesh Kumar Poasa Rareba Laisiasa Valesu Mataiasi Vosa Robert Matai
Project /Rates officer	Emi Adi Vutevute
JICA Volunteer	Rio Chicoga

4.0 RAKIRAKI TOWN COUNCIL - ORGANISATION STRUCTURE 2015



5.0 FINANCE

5.1 Rates

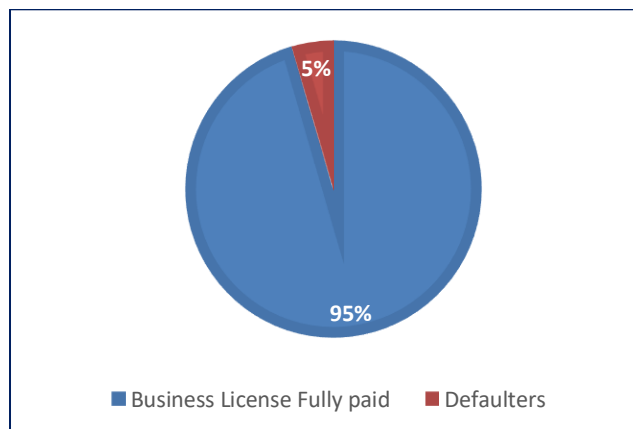
	<u>2015</u>
Jan	23825.68
Feb	9139.82
March	8216.08
April	1652.41
May	1585.29
June	3635.93
July	3826.9
Aug	3180.5
Sept	565.8
Oct	1762.97
Nov	690.07
<u>Dec</u>	<u>3334.68</u>
<u>Total</u>	<u>61416.13</u>

5.2 Garbage Fees

The Council levied garbage fees of \$23.00 per bin per annum; this is the rate that was being levied by the Rural Local Authority when operations were transferred to the Council of 28th September 2010. The Ministry of Health is in the process of conducting another survey to determine the exact number of bins in the town boundary.

5.3 Business License Fees

The Rakiraki Town Business License Fees schedule was gazette in October 2010 and the Council commenced collection of these fees in the same month. The Business License survey team recorded two hundred and forty three business in town boundary.



The Enforcement officer is following up on the defaulters.

5.4 Municipal Market Fees

Market Fees have not been reviewed since the operation were transferred from the Ra Rural Local Authority on the

28th September 2010. Current fees are:

- | | | | |
|------|--|---|--------------------------------|
| i. | Outside ground space (without tables) | - | 25 cents per block |
| ii. | Inside stall (with tables) | - | 45 cents per space per day |
| iii. | Digicel block stalls | - | \$1.15 cents per stall per day |
| iv. | Main market block | - | \$35 dollars per month |
| v. | Kava stall | - | \$2.30 per day |
| vi. | Refreshment Bar | - | \$206 per month |
| vii. | Fish market | - | 10 cents per kg |

5.5 Commercial Vehicle Base Fees

There are (2) taxi stands in the town boundary: -

Name of stand	No.of Taxi
Ra Sub-divisional Hospital	5
Rakiraki Market	61

5.6 Carriers

There is only (1) carrier stands in the town boundary: -

Name of stand	No.of Carriers
Rakiraki Market	11

5.7 Minibuses

Name of stand	No.of Minibuses
Rakiraki Market	4

5.8 RECURRENT REVENUE & EXPENDITURE

The total recurrent revenue and expenditure of the council for the year ending December 31, 2015 were as follows:-

<u>OPERATING INCOME</u>	AMOUNT (\$)
<u>General Fund</u>	
Market Operations	\$ 85,000.00
Garbage Fees	\$ 32,000.00
Toilet Operations	\$ 37,889.00
Community Centre Rent	\$ -
Community Centre Hall Hire	\$ -
Rent - Refreshment Bar	\$ -
Office Revenue	\$ 5,000.00
Town Rates	\$ 100,000.00
Business License Fees	\$ 45,000.00
Commercial Vehicle Base Fees	\$ 18,000.00
Rakiraki Carnival 2016	\$ -
Grant - MLGUDHE (Salary - Accountant)	\$ -
Grant - MLGUDHE (Salary - CEO)	\$ -
Capital Grant- Costing of Phase II	\$ 138,938.00
- Garbage Truck	\$ 165,000.00
- FSC Ground facility upgrade	\$ -
- 15 Solar Street Lights	\$ -
- Upgrade of Davui Park	\$ -
-2nd Phase - Market Extension	\$ -
Challenge Fund - 30 Wheelie bins	\$ -
- 10 Parking Meter	\$ -
TD04F Post Flood Cleanup Phase I	\$ -
TD04F Post Flood Cleanup Phase II	\$ -
TOTAL OPERATING INCOME & CAPITAL GRANT / CHALLENGE FUND	\$ 626,827.00

5.9 EXPENDITURE

EXPENDITURE	
Staff Wages	\$ 100,000.00
CEO- Additional Benefit	\$ -
CEO- Vehicle	\$ -
Garbage Contractor	\$ 25,000.00
Stationery	\$ 10,000.00
Post Fiji - Box Rental	\$ 41.00
Market Insurance	\$ 900.00
Toilet Expenses	\$ 22,000.00
Town Rates Expense	\$ 45,000.00
Office Expense	\$ 15,000.00
Servicing -Council Vehicle (FW 171)	
Market Utilities	\$ 27,000.00
Petty Cash	
FNPF	\$ 16,000.00
Fuel - Grass Cutting & Council Vehicle (FW 171)	\$ 5,000.00
Workshop & Meetings	\$ -
Carnival Expense	\$ -
Water Bill	\$ -
Telephone Bill	\$ -
Electricity Bill	\$ -
New Year's Eve - Street Party	\$ -
VAT	\$ 48,500.00
Clean Up Campaign	\$ -
TOTAL OPERATING EXPENSE	\$ 314,441.00
CAPITAL GRANT & CHALLENGE FUND	
Grant - MLGUDHE (Salary - Accountant)	\$ -
Grant - MLGUDHE (Salary - CEO)	\$ -
Costing of Phase II	\$ 138,938.00
- Garbage Truck	\$ 165,000.00
- FSC ground facility upgrade	\$ -
- 15 Solar Street Lights	\$ -
- Upgrade of Davui Park	\$ -
-2nd Phase - Market Extension	\$ -
Challenge Fund - 30 Wheelie bins	\$ -
- 10 Parking Meter	\$ -
TD04F Post Flood Clean Up Phase I	\$ -
TD04F Post Flood Clean Up Phase II	\$ -
TOTAL CAPITAL & CHALLENGE FUND EXPENSE	\$ 303,938.00
SUMMARY	
Income	\$ 626,827.00
Expenditure	\$ 618,379.00
SURPLUS	\$ 8,448.00

6.0 PUBLIC WORKS SERVICES

These services were offered to the public for the Council by the Fiji Roads Authority in terms of :

1. Street lights
2. Footpath

6.1 ROADS & DRAINS

The Council is awaiting the roads upgrade project from the Central Coordinating Agency for Roads but drain cleaning is carried out by the Market Staff.

The Fiji Roads Authority does routine maintenance work on the municipal roads whilst the Council assist with roadside grass cutting when required.

All Fiji Roads owned road drains are still maintained by the Council. This is an added expense to the Council with very minimal return from Department of National Road.

Normal Routine services and maintenance such as garbage /refuse collection , grass cutting in the town area, cleaning of public drains, clean up campaigns, mowing the road verges and upkeep of parks & gardens were carried out throughout the year

6.2 Other Services

- Mosquito spraying with Health Office
- Stray dogs campaign with Mins. of Agriculture
- Clean up campaign
- Waste collection (Outsourced)

7.0 PARKS /GARDENS/ OPEN SPACES

There is only one (1) park and no garden or open spaces in the Council. However, the Department of Lands & Survey is working on vesting of these spaces to the Council.

Planting of trees and flowers was also undertaken in the commercial and industrial areas as part of an ongoing beautification of the town and keep up with the image of Rakiraki being a “GREEN TOWN”

8.0 PUBLIC HEALTH /ENVIRONMENT/BUILDING & SUB-DIVISION

The Council has worked with the Ministry of Health in the integrated planning and public Health/environment management.

However due to the absence of full-time health inspector with the Council, the Council depends on the time allocated by the Ministry of Health and its assistance and support the municipality.

The Council has also in partnership with the Ministry of Environment , has trained and appointed Litter Prevention Officer (LPO).In view of lack of resources to employ LPOs on a full time basis, the officers have been appointed on a voluntary basis.

8.1 SUMMARY OF INSPECTION

Types of Premises Inspected	Order	Completed
Repairs, cleaning of hotel, boarding houses	5	3
Illegal structures	4	2
Accumulation of refuse referred to contractor	-	-
Cleaning of overgrown grass	19	13
Repairs to water mains- referred to PWD	11	8
Supermarkets, markets, greengrocers	6	6
Improvements of Bakery	2	2
Inspection of nuisance from farm	12	10
Total	59	44

8.2 Registration of Food Premises

Refreshment Bar	13
Bake House	2
Hotels	1
Kava Pounding	1
Restaurants without Liquor	6
Butcher shops	1
Supermarket	5
Food shop	20
Hawkers	6
Total	55

8.3 NUMBER OF BUILDING INSPECTIONS CARRIED OUT DURING THE YEAR

TYPE OF DEVELOPMENT	New Applications	Alteration & Repairs	Extensions	Total for the Year
Residential	7	5	2	14
Commercial	1	-	1	2
Industrial	-	-	-	-
Hotels/Resorts	-	-	-	-
Schools	1	-	-	1
Civic	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL	9	5	3	17

9.0 PROJECT:

None

10.0 HUMAN RESOURCE & INDUSTRIAL RELATION

At the end of the year, the council had following employees on its payroll:-

Department	Permeant	Contract	Total
Admin & Finance		3	3
Market & Works		8	8
Enforcement Officer		1	1
Rates		2	1
Volunteer (JICA)		1	1
Total		15	15

[2015: 15]

10.1 RETIREMENT

None

10.2 RESIGNATION

None

10.3 TERMINATED

None

11.0 APPRECIATION

The council wishes to convey its appreciation and gratitude to the ratepayers for paying their rates and other dues to meet the running cost of the city administration.

The council also wishes to acknowledge the dedicated and loyal services rendered by its staff and employees.

RAKESH RAVIND CHANDRA
CEO – RAKIRAKI TOWN COUNCIL

RAKIRAKI TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

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RAKIRAKI TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

Nature of operations:	Town Council
Accountants:	Alliance Financial and Management Limited Chartered Accountants and Business Advisors
Location:	Main Street Rakiraki Fiji Island
Bankers:	Bank of the South Pacific Rakiraki
Executive Members:	Chief Executive Officer (CEO) - Rakesh Chandra Secretary - Salesia Buka Treasurer - Deepika Darshni Goundar

**RAKIRAKI TOWN COUNCIL
EXECUTIVE MEMBERS REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

The Executive Members have pleasure in presenting their report together with the financial statements of the Rakiraki Town Council for the year ended 31 December 2015 and the Auditor's Report thereon.

Operating Results :-

	2015
The results of the year are summarised as below :-	(\$)
Operating profit after taxation of the Council for the year ended 31 December 2015 was	(35,820)
Retained earnings at the beginning of the year were	<u>715,958</u>
Accumulated Profit at the end of the year	<u>680,138</u>

RESERVES

It is not proposed to make any transfer to reserves.

The state of the Council as at 31 December 2015 was :-

Total Assets	742,335
and were financed by :-	
Liabilities of	62,197
and Councils surplus of	<u>680,138</u>
	<u>742,335</u>

Executive Members

The Executive Members in office at the date of this report are :-

Chief Executive Officer (CEO) (Acting) - Tulsi Ram
Secretary - Salesia Buka
Treasurer - Deepika Darshni Goundar

PRINCIPAL ACTIVITIES

The principal activities of the Rakiraki Town Council during the year were to protect the welfare of the Rakiraki Town and its inhabitants.

BAD AND DOUBTFUL DEBTS

Prior to the completion of the Council's accounts, the Executive Members took reasonable steps to ascertain that action has been taken in relation to writing off bad debts and the making of provision for doubtful debts. In the opinion of the Executive Members, adequate provision has been made for doubtful debts.

As at the date of this report the Executive Members are not aware of any circumstances which would render the amount written off for bad debts, or the provision for doubtful debts in the Council inadequate to any substantial extent.

CURRENT ASSETS

Prior to the completion of the financial statements of the Council, the Executive Members took reasonable steps to ascertain whether any current assets were likely to realise in the ordinary course of the business 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 they are expected to realise.

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

**RAKIRAKI TOWN COUNCIL
EXECUTIVE MEMBERS REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

UNUSUAL TRANSACTION

In the opinion of the Executive Members, the results of the operation during the financial year were not substantially affected by any item, transaction or event of an abnormal character, nor has there arisen between the end of the financial year and the date of this report any item, transaction or an event of an abnormal character likely in the opinion of the Executive Members to affect substantially the results of the operations of the Council in the current financial year.

SIGNIFICANT EVENTS DURING THE YEAR

There were no significant events which lead to changes in the affairs of the Council during the financial year.

SUBSEQUENT EVENTS

No matter or circumstance has arisen since the end of the financial year that has significantly affected or may significantly affect the operations of the Council, the results of those operations or the state of affairs of the Council in financial years subsequent to the financial year.

RELATED PARTY TRANSACTION

In the opinion of the Executive Members all related party transactions have been adequately recorded in the books of the Council.

OTHER CIRCUMSTANCES

As at the date of this report:

- (i) 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;
- (ii) No contingent liabilities have arisen since the end of the financial year for which the Council could become liable; and
- (iii) No contingent liabilities or other liabilities of any Council has become or is likely to become enforceable within the period of twelve months after the end of the financial year which in the opinion of the Executive Members will or may substantially affect the ability of the Council to meet its obligation as and when they fall due.

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

Dated at Suva this 28th day of June, 2019

Signed in accordance with a resolution of the Executive Members.



Chief Executive Officer



Secretary



Treasurer

RAKIRAKI TOWN COUNCIL
STATEMENT BY EXECUTIVE MEMBERS
FOR THE YEAR ENDED 31 DECEMBER 2015

In accordance with a resolution of the Executive Members of RAKIRAKI TOWN COUNCIL we state that in the opinion of the Executive Members :-

- (a) The accompanying statement of comprehensive income is drawn up so as to give a true and fair view of the results of the Council for the year ended 31 December 2015;
- (b) The accompanying statement of changes in equity for the year ended 31 December 2015 is drawn up so as to give a true and fair view of the movement in Councils funds;
- (c) The accompanying statement of financial position is drawn up so as to give a true and fair view of the state of affairs of the Council as at 31 December 2015;
- (d) The accompanying statement of cash flows is drawn up so as to give a true and fair view of the cash flow of the Council for the year ended 31 December 2015;
- (e) At the date of this statement there are reasonable grounds to believe that the Council will be able to pay its debts as and when they fall due;
- (f) All related party transactions have been adequately recorded in the books of the Council; and
- (g) The financial statements have been prepared in accordance with Applicable Accounting Standards and the Local Government Act.

Signed for and on behalf of the Executive Management and in accordance with a resolution of the Executive Members.


.....
Chief Executive Officer (Acting)


.....
Secretary


.....
Treasurer

Dated at Suva this 28th day of June, 2019

OFFICE OF THE AUDITOR GENERAL

Excellence in Public Sector Auditing



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2-10 McArthur St
P. O. Box 2214, Government Buildings
Suva, Fiji

Telephone: (679) 330 9032
Fax: (679) 330 3812
E-mail: info@auditorgeneral.gov.fj
Website: <http://www.oag.gov.fj>



INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements of Rakiraki Town Council

Disclaimer of Opinion

I have audited the financial statements of Rakiraki Town Council, which comprise the statement of financial position as at 31 December 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

I do not express an opinion on the accompanying financial statements of Rakiraki Town Council. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1. Various payment vouchers and supporting documents were not provided for audit. The Council indicated that the records were destroyed during Tropical cyclone Winston in 2016. The missing records have provided limitation to the scope of my audit, thus, prevented me from forming an opinion on the financial report taken as a whole.
2. The Council recorded cash and cash equivalents of \$153,140 in the statement of financial position as at 31 December 2015. The Council was unable to provide me monthly bank reconciliation statements to substantiate the above balance. As a result I was unable to determine whether any adjustment might have been necessary in respect of the Council's cash and cash equivalents balance at year end and any corresponding adjustments to the elements making up the statement of comprehensive income and statement of financial position.
3. The Council recorded trade and other receivables balance of \$95,859 in the statement of financial position as at 31 December 2015. Included in the amount are long outstanding debts of \$81,090 or 85% of the total trade and other receivables balance. The Council did not provide provision for doubtful debts, therefore, I am unable to ascertain whether trade and other receivables of \$95,859 has been fairly stated in the financial statements.
4. The Council recorded trade and other payables balance of \$62,197 in the statement of financial position as at 31 December 2015. Included in the amount are other creditors of \$5,392, sundry deposits of \$1,233 and VAT payable of \$47,772. The Council was unable to provide any documentation to support the above balances. As a result, I was unable to verify the completeness and accuracy of the balances and also unable to determine whether any adjustments might have been necessary in respect of trade and other payables balance at the end of the financial year and any corresponding adjustments to the elements making up the statement of comprehensive income and statement of financial position.

5. The Council recorded town general rates income of \$42,103, market income of \$70,618, toilet income of \$29,029, bus station/commercial/taxis income of \$6,288, business, trading and other licenses income of \$42,019, and garbage collection fees of \$159 in the detailed statement of income and expenditure. The Council was unable to provide appropriate supporting documents to support the above balances. In addition, the rates income, garbage fees and business license were recorded on a cash basis, and there was an unreconciled variance of \$70,337 between the rates listings provided by the Council and the town general rates income reflected in the financial statements. As a result, I was unable to verify the completeness and accuracy of this balances and also unable to determine whether any adjustments might have been necessary in respect of town general rates, market, toilet income, bus station/commercial/taxis, business, trading and other licenses income, and garbage collection fees at the end of the financial year and any corresponding adjustments to the elements making up the statement of comprehensive income and statement of financial position.
6. The Council recorded government grant income of \$191,050 in the financial statements. Included in the amount are government grant of \$84,800, which were not recorded as a liability even though conditions attached to the grant have not been met. In addition, the Council did not account for VAT of \$24,920 on government grant. Therefore, I am unable to ascertain whether government grant of \$191,050 has been fairly stated in the financial statements.
7. The Council has not disclosed capital commitments of \$91,175, restricted cash of \$91,350 and provision of annual leave in the financial statements which is a non-compliance to the disclosure requirement of IFRS for SMEs. In addition, the Council was unable to provide me with documentations to support the transition to IFRS for SME. Consequently, I was unable to determine whether any adjustments to the financial statements in respect of the transition to IFRS for SMEs were necessary.
8. The Council was unable to provide Solicitors confirmation at balance date. Consequently, I was unable to determine whether any disclosures to the financial statements in respect of contingent liabilities were necessary.
9. A disclaimer of opinion was issued on the 2014 financial statements. I was unable to obtain sufficient and appropriate audit evidence to ascertain the accuracy of the opening balances. Therefore, I am unable to satisfy myself concerning the opening balances disclosed in the statement of financial position of the Council and the impact it may have on the determination of the closing balances of the 2015 financial statements.

Emphasis of Matter

I draw attention to Note 3 of the financial statements which state that the Executive Management provides policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity. The Council did not have a Risk Management Policy.

Other Matter

1. The Council did not have a documented Disaster Recovery Plan and Business Continuity Plan in place.

2. The Council did not lodge VAT returns for the financial year 2015 as required by the Value Added Tax Decree 1991.

Responsibilities of the Management for the Financial Statements,

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My responsibility is to conduct the audit of the Rakiraki Town Council's financial statements in accordance with International Standards on Auditing and to issue an auditor's report. However, 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 Rakiraki 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.

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have not been kept by the Council, so far as it appears from my examination of those books,
- b) the accompanying financial statements:
 - a. are in agreement with the books of account; and
 - b. to the best of my information and according to the explanations given to me, give the information required by the Local Government Act (Cap 125), in the manner so required.



Ajay Nand
AUDITOR-GENERAL



Suva, Fiji
5 July 2019

RAKIRAKI TOWN COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 (\$)	2014 (\$)
Income		460,046	275,675
Total Income		460,046	275,675
Administrative expenses	5	20,152	60,899
Marketing expenses	6	4,129	305
Other operating expenses		389,082	242,757
Depreciation expenses		82,176	106,263
Total Expenditure		495,539	410,224
Net deficit before finance cost		(35,493)	(134,549)
Finance costs		(327)	(289)
Net deficit for the year		(35,820)	(134,838)

The statement of comprehensive income is to be read in conjunction with the accompanying notes.

RAKIRAKI TOWN COUNCIL
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 (\$)	2014 (\$)
Balance at the beginning of the year	715,958	335,293
Net deficit for the year	(35,820)	(134,838)
Prior year adjustment	-	515,503
Balance as the end of the year	680,138	715,958

RAKIRAKI TOWN COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Notes	2015 (\$)	2014 (\$)
Current Assets			
Cash and cash equivalents	7	153,140	15,491
Trade and other receivables	8	95,859	167,071
Total current assets		248,999	182,562
Non Current Assets			
Property, plant and equipment	9	493,336	567,753
Total non-current assets		493,336	567,753
TOTAL ASSETS		742,335	750,315
Current Liabilities			
Trade and other payables	10	62,197	34,357
Total current liabilities		62,197	34,357
TOTAL LIABILITIES		62,197	34,357
NET ASSETS		680,138	715,958
Accumulated Fund			
Accumulated funds		680,138	715,958
TOTAL COUNCIL'S FUND		680,138	715,958

The statement of financial position is to be read in conjunction with the accompanying notes.

In our opinion the financial statements have been properly drawn up so as to show a true and fair view of the Rakiraki Town Council's operations for the year ended 31 December 2015 and the state of affairs as at that date.


Chief Executive Officer
Tusli Ram

Date: 28/06/2019


Secretary
Salesia Buka

Date: 28/6/19


Treasurer
Deepika Darshni Goundar

Date: 28/6/19

RAKIRAKI TOWN COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 (\$)	2014 (\$)
Cash flows from operating activities			
Receipts from customers		531,258	334,471
Payments to suppliers and employees		(385,850)	(383,050)
Net cash provided / (used) by operating activities	11 (ii)	<u>145,408</u>	<u>(48,579)</u>
Cash flows from investing activities			
Acquisition of property, plant & equipment		(7,759)	-
Net cash used by investing activities		<u>(7,759)</u>	<u>-</u>
Net increase / (decrease) in cash and cash equivalents		137,649	(48,579)
Cash and cash equivalents at the beginning of the year		<u>15,491</u>	<u>64,070</u>
Cash and cash equivalents at the end of the year		<u>153,140</u>	<u>15,491</u>

The statement of cash flow is to be read in conjunction with the accompanying notes.

**RAKIRAKI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

NOTE 1. GENERAL INFORMATION

The principal activities of the Rakiraki Town Council during the year were to protect the welfare of Rakiraki Town and its inhabitants.

Transition to the IFRS for SMEs

The Council's financial statements for the year ended 31 December 2015 are its first annual financial statements prepared under accounting policies that comply with IFRS for SMEs. Rakiraki Town Council's transition date is 1 January 2015. The Council prepared its opening IFRS for SMEs statement of financial position at that date.

Explanation of transition to the IFRS for SMEs

This adjustment reflects the revaluation of assets impact of the other adjustments recognised on transition. The adjustment also reflects the impact of recognizing asset revaluation on the basis of temporary differences between the carrying amounts of assets and liabilities and their tax bases, compared to deferred tax calculated on the difference between items included in the tax returns.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial statement prepared by Rakiraki Town Council is in accordance with the Local Government Act and International Financial Reporting Standards for Small and Medium Enterprises ('IFRS for SMEs') as required by the Fiji Institute of Accountants. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of presentation

The financial statements have been prepared in accordance with the historical cost convention using the accounting policies described below and except where stated do not take into account current valuations of non-current assets.

In the application of IFRS, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Judgments made by management in the application of IFRS for SME's that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

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

b) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

c) Trade Receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Council will not be able to collect all amount due according to the original terms of the receivables.

RAKIRAKI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Inventories

Inventories are stated at a lower of cost and estimated selling price less cost to complete and sell. Cost is determined using first-in-first out (FIFO) method. The cost of finished goods and work in progress comprises packaging cost, raw materials, direct labour, other direct cost and related production overheads. At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less cost to complete and sell; the impairment loss is recognised immediately in profit or loss.

e) Employee benefits and entitlements

Liabilities for wages and salaries expected to be settled within 12 months of the reporting date are accrued up to the reporting date.

The liability for annual leave is recognized in the provision for employee benefits. Liabilities for annual leave are expected to be settled within 12 months of the reporting date and are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Contributions to Fiji National Provident Fund are expensed when incurred.

f) Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Land is not depreciated. Depreciation on the other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method on the basis of maximum rates allowed by Fiji Revenue and Customs Services.

Building and equipment	20%
Plant and machinery	18%
Motor vehicle	20%

g) Trade payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

h) Share capital

Ordinary shares are classified as equity.

Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of direct cost of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

i) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Council's activities. Revenue is shown net of value added tax, returns, rebates and discounts.

j) Borrowing costs

Borrowing costs directly attribute to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the respective assets. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

RAKIRAKI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (Fijian Currency).

(b) Transactions and balances

Foreign currency transactions are translated into the Fiji currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other (losses)/gains – net'.

l) Income tax

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

m) Value Added Tax (VAT)

Revenue, expenses and assets are recognised net of the amount of respective vat except:-

- where the value added tax incurred on the purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables are stated with the amount of value added tax included and payables are stated with the amount of value added tax included.

The net amount of value added tax recoverable or payable to the tax authority is included as part of the receivables or payables in the statement of financial position.

n) Comparatives

The comparative figures are for the year ended 31 December 2014 and have been regrouped where considered necessary.

NOTE 3. FINANCIAL RISK MANAGEMENT

The Council's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk, interest rate risk and regulatory risk), credit risk, liquidity risk and operational risk.

The Council does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Risk management is carried out by executive management. Executive management identifies, evaluates and monitors financial risks in close co-operation with the operating units. The executive management provides policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

RAKIRAKI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 3. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk

Market risk is the risk that changes in the market prices, such as foreign exchange rates, interest rate, equity prices, and credit spreads will affect the Council's income or the value of its holdings of financial instruments. The objective of market risk management is to control market risk exposures within acceptable parameters while optimising the return on risk.

Unfavourable changes to duty and tax regulations may expose the Council to a decline in revenues. To minimise this risk, the Council implements appropriate strategies to ensure that products and prices remain attractive. The Council operates in Fiji and changes to governments and the policies they implement affect the economic situation and ultimately the revenue of the Council. To address this, the Council reviews its pricing and product range regularly and responds appropriately to these changes.

(i) Foreign exchange risk

The Council undertakes transactions denominated in foreign currencies. Consequently, exposures to exchange rate fluctuation. Exchange rate exposures are managed within approved policy parameters. Major foreign exchange transactions relates to importation of goods of which settlement is based on spot rates. Foreign currency risk arises from recognised assets and liabilities that are denominated in a currency that is not the Council's functional currency. As a measure, the Council negotiates competitive rates with its bankers to minimise losses and maximise gains when foreign exchange receipts and payments become due.

(ii) Price risk

The Council does not have investments in equity securities quoted on stock exchange and hence is not exposed to equity securities price risk. The Council is not exposed to commodity price risk.

The salaries and wages payable to workers are subject to relevant wages regulations and employment legislation particularly the Fiji Employment Regulations Promulgation.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Council. The Council has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Council's exposure and the credit ratings of its counterparties are continuously monitored. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management on a regular basis.

Trade accounts receivable consist of customers spread across geographical areas. Ongoing credit evaluations are performed on the financial condition of accounts receivables.

The Council does not have any significant credit risk exposure to any single counterparty or any Council of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Council's maximum exposure to credit risk.

(c) Liquidity risk

Liquidity risk is the risk that the Council will encounter difficulty in meeting obligations for its financial liabilities. Prudent and careful management of the Council's liquidity position is essential in order to ensure that adequate funds are available to meet the Council's ongoing financial obligations.

RAKIRAKI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 3. FINANCIAL RISK MANAGEMENT (continued)

(d) Operational risk

Operational risk is the risk of loss arising from systems failure, human error, and fraud to external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial crisis. The Council cannot expect to eliminate all operational risk, but through a control framework and by monitoring and responding to potential risks, the Council is able to manage risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment procedures.

(e) Capital risk management

The Council's objectives when managing capital are to safeguard the Council's ability to continue as a going concern in order to provide returns for Councils and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Council may adjust the amount of dividends paid to Councils, return capital to Councils, issue new shares and/or sell assets to reduce debt.

The Council monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

	2015 (\$)	2014 (\$)
The gearing ratios at 31 December 2015 and 2014 were as follows:		
Total borrowings	-	-
Less: Cash on hand and at bank	153,140	15,491
Net debt	(153,140)	(15,491)
Total equity	680,138	715,958
Total capital (Equity + Net debt)	526,998	700,467
Gearing ratio % (Net debt / Total capital)	(0.29)	(0.02)

(f) Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The carrying values of financial liabilities are estimated to approximate their fair values.

NOTE 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In application of the Council's accounting policies, which are described in note 2, the Executive Members are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year and in future are discussed below.

RAKIRAKI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Critical Judgments in Applying the Entity's Accounting Policies

(a) Impairment of accounts receivable

Impairment of accounts receivable balances is assessed at an individual level. All debtors in the 90+ days category are considered impaired and provided for on a specific basis after detailed review of individual account balances. Receivables considered uncollectable are written off in the year in which they are identified.

(b) Impairment of property, plant and equipment

The Council assesses whether there are any indicators of impairment of all property, plant and equipment and investment property at each reporting date. Property, plant and equipment and investment property are tested for impairment and when there are indicators that the carrying amount may not be recoverable, a reasonable provision for impairment is created. The director's and management's assessment of recoverable amount involves making a judgment, at the particular point in time, about inherent uncertain future outcomes of events or conditions. Accordingly, subsequent events may result in outcomes that are significantly different from assessment.

For the year ended 31 December 2015, no provision for impairment has been made as the Council reasonably believes that no indicators for impairment exist.

NOTE 5. ADMINISTRATIVE EXPENSES	2015 (\$)	2014 (\$)
Printing and stationery	14,474	6,341
Accounting fees	1,900	-
Office expenses	3,777	54,558
	<u>20,151</u>	<u>60,899</u>

NOTE 6. MARKETING EXPENSE

Advertising and marketing expense	<u>4,129</u>	<u>305</u>
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NOTE 7. CASH AND CASH EQUIVALENTS

Cash at bank - Westpac account no. 9803225102	9,723	6,916
Cash at bank - BSP account no. 9093521	52,067	8,575
Cash at bank - Baroda	91,350	-
	<u>153,140</u>	<u>15,491</u>

NOTE 8. TRADE AND OTHER RECEIVABLES

Town rates	92,321	105,399
Garbage collection	-	15,271
Bus base collection	-	20,447
Taxi base collection	390	1,155
Carrier base collection	1,423	270
Minibus base collection	1,725	74
Business license	-	24,455
	<u>95,859</u>	<u>167,071</u>

Trade receivables principally comprise amounts outstanding for sales.

Trade receivables that are less than 3 months past due are not considered impaired. These relate to a number of customers. Ageing of past due but not impaired trade accounts receivable:

0 - 30 days	19,172	-
60 - 90 days	33,551	-
Over 90 days	43,136	-
	<u>95,859</u>	<u>-</u>

RAKIRAKI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 9. PROPERTY, PLANT AND EQUIPMENT

	2015	2014
	(\$)	(\$)

(i) Fixed assets are stated at cost and have been included in the accounts on the following basis:

Plant and equipment - at cost	225,200	232,526
Office building and equipment - at cost	257,136	313,227
Motor vehicle - at cost	11,000	22,000
Net Written Down Value	493,336	567,753

ii) Reconciliations

Reconciliations of the carrying amounts of property, plant and equipment by class at the beginning and end of the financial year.

Plant and equipment

Plant and equipment - at cost	305,977	303,672
Accumulated depreciation	(71,126)	(16,337)
Depreciation	(9,651)	(54,809)
	225,200	232,526

Office equipment

Office equipment - at cost	493,002	487,569
Accumulated depreciation	(174,342)	(133,888)
Depreciation	(61,524)	(40,454)
	257,136	313,227

Motor vehicle

Motor vehicle - at cost	55,000	55,000
Accumulated depreciation	(33,000)	(22,000)
Depreciation	(11,000)	(11,000)
	11,000	22,000

Net Written Down Value	493,336	567,753
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NOTE 10. TRADE AND OTHER PAYABLES

Trade creditors	7,800	-
Other creditors	5,392	3,492
Sundry deposits	1,233	316
VAT payable	47,772	30,549
	62,197	34,357

NOTE 11. STATEMENT OF CASH FLOW

i) Cash balance at the end of the year

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 financial position as follows: -

Cash at bank - Westpac	9,723	6,916
Cash at bank - BSP	52,067	8,575
Cash at bank - Baroda	91,350	-
	153,140	15,491

RAKIRAKI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 11. STATEMENT OF CASH FLOW (continued)	2015	2014
	(\$)	(\$)
ii) Reconciliation of net cash flows provided by the operating profit after tax		
Net deficit) for the year	(35,820)	(134,838)
<u>Add non cash item</u>		
Depreciation	82,176	106,263
Prior year adjustment	-	121,033
	<u>46,356</u>	<u>92,458</u>
<u>Changes in assets and liabilities</u>		
(Increase) / decrease in receivables	71,212	(62,237)
(Decrease) / increase in payables and accruals	<u>27,840</u>	<u>(78,800)</u>
Net cash provided by operating activities	<u>145,408</u>	<u>(48,579)</u>

NOTE 12. PRINCIPAL ACTIVITY

The principal activities of the Rakiraki Town Council during the year were to protect the welfare of the Rakiraki Town and its inhabitants.

NOTE 13. COMPARATIVES

The comparatives are the audited figures for the year ended 31 December 2014. The figures for the last year have been regrouped where considered necessary.

NOTE 14. COUNCIL DETAILS

The Council was incorporated in Fiji under the Local Government Act.

(i) Registered office	Principal place of business
P O Box 68	Main street
Main street	Rakiraki
Rakiraki	

NOTE 15. SEGMENT REPORTING

(i) Industry segment

The Council operates predominantly to protect the welfare of the Rakiraki Town and its inhabitants.

(ii) Geographic segment

The Council operates in Rakiraki and therefore has only one geographical area for reporting purposes.

NOTE 16. RELATED PARTIES

a) Executive members

The names of persons who were Executive Members of the Council at any time during the financial year are as follows:

Chief Executive Officer (CEO) - Rakesh Chandra
 Secretary - Salesia Buka
 Treasurer - Deepika Darshni Goundar

b) Amounts due to, and receivable from related parties

Appropriate disclosure of these amounts is contained in the respective notes to the financial statements.

RAKIRAKI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 16. RELATED PARTIES (continued)

c) Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

During the year, the Special Administrator was identified as key management personnel. The remuneration of the key management personnel during the year was as follows:

	2015 (\$)	2014 (\$)
Salary, fees, superannuation and other benefits	31,746	-

NOTE 17. CAPITAL COMMITMENTS

Capital commitment at balance date is \$NIL (2014 - \$NIL)

NOTE 18. CONTINGENT LIABILITIES

Contingent liability at balance date is \$NIL (2014 - \$NIL)

NOTE 19. CONTINGENT ASSETS

Contingent assets at balance date is \$NIL (2014 - \$NIL)

RAKIRAKI TOWN COUNCIL
DETAILED STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 (\$)	2014 (\$)
INCOME		
Building and subdivision	1,230	566
Bus station / commercial / taxis	6,288	9,202
Business, trading and other licenses	42,019	64,385
CEO's salary - grant	30,000	-
Garbage collection fees	159	13,913
Town general rates	42,103	57,455
Market	70,618	69,630
Municipal (permit / traffic / fine)	8,298	17,358
Rent	3,861	2,448
Solid waste	267	811
Toilet income	29,029	35,053
Sundries	2,646	4,854
Government grant	191,050	-
Sponsorship carnival	32,439	-
Interest	39	-
Total Income	460,046	275,675
LESS EXPENSES		
Administration Expense		
Accounting fees	1,900	-
Printing, postage and stationery	14,474	6,382
Office expense	3,777	54,558
Total Administration Expenses	20,151	60,940
Marketing Expense		
Advertising and marketing	4,129	305
Total Marketing Expense	4,129	305
Other Operating Expenses		
Allowance	24,797	-
Cleaning expense	4,315	-
Carnival expense	6,772	-
CEO's salary	30,000	-
Equipment hire expense	2,845	-
Entertainment	2,676	-
Fringe benefit tax	1,746	-
FNU levy	1,454	-
Garbage truck hire	34,570	28,742
Insurance	754	5,133
Miscellaneous	2,188	8,250
Motor vehicle expenses	7,814	9,781
Repair and maintenance	107,406	16,683
Staff amenities and training	3,403	6,948
Superannuation	15,274	19,789
Solid waste	267	923
Salary and wages	122,741	129,241
Telephone	2,645	503
Travelling expense	3,257	1,590
Utilities	14,158	15,132
Total Other Operating Expenses	389,082	242,715
Earnings before interest, tax and depreciation	46,684	(28,285)

RAKIRAKI TOWN COUNCIL
DETAILED STATEMENT OF INCOME & EXPENDITURE (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
EXPENSES (continued)	(\$)	(\$)
Earnings before interest, tax and depreciation	46,684	(28,285)
Depreciation	82,176	106,263
Interest and bank charges	327	289
Total Interest and Depreciation expenses	82,503	106,552
Net deficit for the year	(35,819)	(134,837)