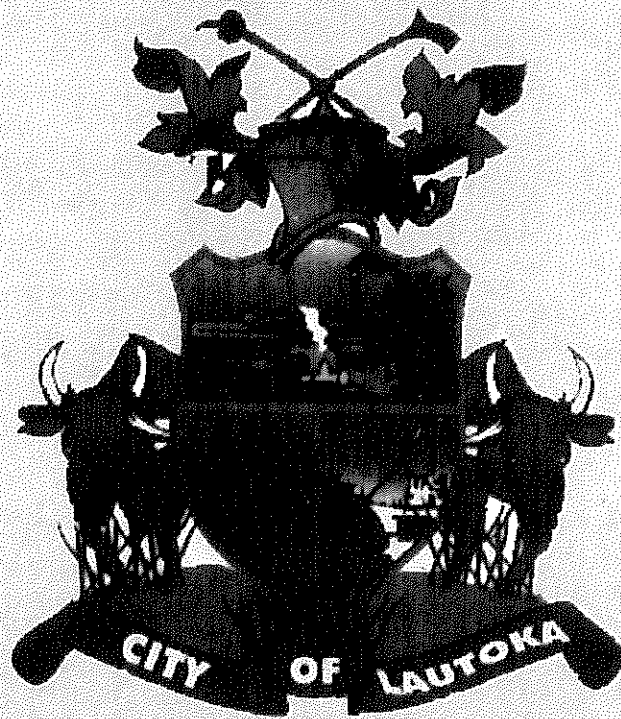


LAUTOKA CITY COUNCIL



ANNUAL REPORT (Section 19 - Local Government Act Cap 125) **FOR THE YEAR ENDED** **DECEMBER 31, 2006**

Mr. PUSP RAJ (J.P.)
TOWN CLERK / CHIEF EXECUTIVE OFFICER

Mr. CR. ROHIT KUMAR
MAYOR



The coat of arms comprises of:

The Shield - is divided into three parts and each part symbolises the industries that led to the growth of Lautoka City from a small commercial centre to a city of commerce, industries and service industry.

i. **Top Part** - comprises of Lautoka Sugar Mill with its original one chimney, a steam locomotive which was used until late 1960s pulling cane laden trucks and some sugar cane plant.

ii. **Bottom Right** - comprises of cruise ship and an off shore island depicting that the city has a port for imports and exports and also for cruise ship for tourists.

iii. **Bottom Left** - comprises of pine trees, logs and sawn timber which is becoming a major industry.

The Supports - two bullocks yoked together seen ploughing through young cane field.

The Crest - resting on top of the shield is a helmet. On top of the helmet is a wreath of twisted cloth which holds the mantling with jagged edges. Upon the wreath rest two Fijian war clubs.

The Scroll - with the words "City of Lautoka".

DIRECTORY

LOCATION : CIVIC CENTRE
169 VITOGO PARADE
LAUTOKA

ADDRESS : P O BOX 124, LAUTOKA
TELEPHONE: 6660433
VODAFONE : 9908556 - RECEPTION
FAX : 6663288
EMAIL : lcc@connect.com.fj
WEB : www.lautokacity.org

AUDITOR : AUDITOR GENERAL

BANKER : WESTPAC BANKING CORPORATION - LAUTOKA

LENDER : COLONIAL BANK - LAUTOKA

SOLICITORS : MESSRS S B PATEL & COMPANY - LAUTOKA
MESSRS IQBAL KHAN & ASSOCIATES – LAUTOKA
MESSRS MISHRA PRAKASH & ASSOCIATES – LAUTOKA

INSURERS : TOWER INSURANCE (FIJI) LIMITED, LAUTOKA
DOMINION INSURANCE LIMITED, LAUTOKA
NEW INDIA ASSURANCE COMPANY LIMITED
SUN INSURANCE COMPANY LIMITED

3.0 LAUTOKA CITY COUNCIL

3.1 HISTORY

Legend has it that within the bounds of today's Lautoka city, there lived two tribes each with a chief. As a result of an argument one day, a fight broke out between the two chiefs at a spot which is now known as "Farquhar's point". As one chief speared the other screamed "LAUTOKA" meaning "spear -hit" or "hit to win." And so, Lautoka acquired a name.

The development of Lautoka perhaps began in 1899 when sugar milling company, Colonial Sugar Refining Company Limited made an application to the government to build a wharf at Lautoka in order to export sugar from western Viti Levu. In that year it had decided to build a sugar mill in Lautoka which was completed in 1903.

3.2 ESTABLISHMENT

Lautoka was proclaimed a township on February 2, 1929 under municipal institutions ordinance. It was proclaimed a town on January 1, 1944 under towns ordinance having an area of 107ha (265ac). In 1952 area was increased to 607ha (1500ac).

The first election was held on March 28, 1952. The area was further increased to 1000ha (2500ac).

On November 4, 1972 with the enactment of Local Government Act, 1972, municipal elections were held on common roll basis with four wards each having three councillors.

Lautoka was declared a city on February 25, 1977 when 1976 census report stated that it had more than 25,000 residents. The city area was further increased to 1607ha (4000ac) in 1991. There are sixteen councillors and four wards in the city.

3.3 POPULATION

It has about 50,000 residents and about 4,000 people coming from outside to work and attend schools in the city.

Lautoka 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.

3.4 LOCATION

The city is situated in the western side of Viti Levu, the largest island of Fiji. It is only 25km away (towards north) from Nadi International Airport.

The city is surrounded with the blue Pacific Ocean on the western side together with sugar cane and pine trees on the other sides.

3.5 INDUSTRIES

Lautoka is the sugar city as many people describe. Sugarcane has been the major industry of Fiji and Lautoka is the base. Here, one finds the industries, headquarters, the largest sugar mill, central sugar bulk storage, modern loading facilities and a large wharf.

Apart from this, there are a number of other industries such as timber, pine chips, garment, distillery, brewery, jewellery, blending, steel, fishing, hatchery, domestic items, paints, building, flour mill, soap factory, oil/ghee refinery factory, aerated water and juice factories, concrete industries, engineering and steelwork workshop, hardware, pipe factory, tubemakers and roofing iron factory and many more.

All government departments in the western division are controlled through their respective Lautoka Offices. The city is also the headquarters for the following government entities:- Fiji Pine Commission, Fiji Sugar Corporation and Sugar Cane Growers Council.

3.6 WEATHER

Lautoka is renowned for its fantastic weather with beautiful sunny days and clear blue skies all the year round. The two seasons annually May to September is cool and dry and October to April the hot and wet. Humidity is usually low even though the temperature is high. The average warm temperature is 30°C.

3.7 ELECTED COUNCIL

The councillors for the year 2006 were as follows:-

SIMLA WARD

1. Cr. Kamal Kant Prasad
2. Cr. Mohammed Yusuf
3. Cr. Sudeer Kumar
4. Cr. Tevita Tuikabara

TAVAKUBU WARD

1. Cr. Apisaki Lomani (Mrs)
2. Cr. Dharmendra Singh
3. Cr. Kala Singh (Mrs) JP
4. Cr. Vijendra Singh

VETARI WARD

1. Cr. Ashok Kumar
2. Cr. Jai Narayan
3. Cr. Jesoni Balewai
4. Cr. Rohit Kumar

WAIYAVI WARD

1. Cr. Adi Laisa Balavu Tora
2. Cr. Jone Bouwalu
3. Cr. Josefata Niumataiwalu – died on 08/07/2006 and replaced by Cr. Faiaaz Ali at a by-election on September 9, 2006
4. Cr. Peni Turagabaleti

3.8 ELECTION OF MAYOR

The election of mayor was held at the annual meeting on November 22, 2006 at 5.00p.m. Councillor Rohit Kumar was re-elected as the mayor of the city for the ensuing year.

3.9 ELECTION OF DEPUTY MAYOR

Councillor Jesoni Balewai was elected as the deputy mayor for the city for the ensuing year.

3.10 PRINCIPAL OFFICERS:

The following were the principal officers of the council:-

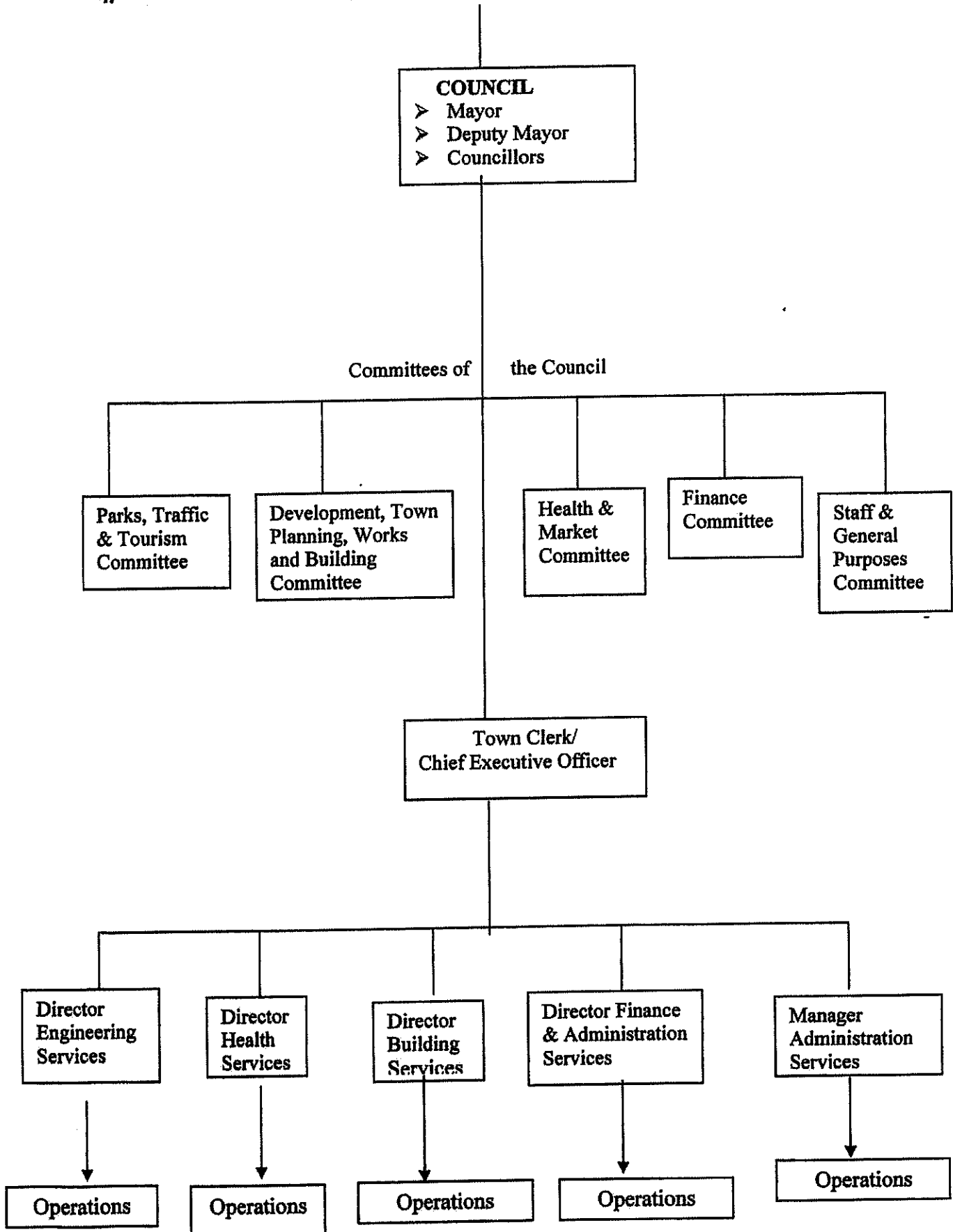
- | | |
|---|------------------------|
| 1. Town Clerk/Chief Executive Officer | - Pusp Raj, J.P. |
| 2. Director Health Services | - Rajendra Pratap |
| 3. Director Finance & Administration Services | - Shiva Rajan |
| 4. Acting Director Engineering Services | - Rimal Ravinesh Karan |
| 5. Acting Director Building Services | - Shalendra Dass |

3.11 MEETINGS OF THE COUNCIL:

The following number of meetings were held during the year: -

Ordinary Council	12	
Special Council	4	
Emergency	1	
Development, Town Planning, Works & Building Committee	12	
Parks & Traffic Committee	12	
Health & Market Committee	12	
Finance Committee	12	
Staff & General Purposes Committee	12	
Annual Meeting	<u>1</u>	
Total	<u>78</u>	(2005: 85)
Subcommittee Meetings	2	

4.

ORGANISATION STRUCTURE

5.0 OUR VISION, MISSION AND GOALS

5.1 OUR VISION

To rejuvenate and continue to promote the image of the council by providing efficient and effective services to the ratepayers, protect its environment, provide healthy, safe lifestyle for its people and work in partnership with the community.

5.2 OUR MISSION

With sugar being synonymous with Lautoka City, the council will continue to promote, facilitate the economic development of the city, maintain a clean and healthy environment so that the inhabitants and visitors enjoy the second largest city of Fiji in a peaceful and enjoyable atmosphere.

5.3 OUR GOALS

- (a) To enhance the quality of life of residents by maximising their sense of community.
- (b) To protect and encourage a wider appreciation of the city's natural environment.
- (c) To support and promote the city's economy taking into account its social and environmental values.
- (d) To create a city where organic keeps changing, there is room for breathing, moving, memory of past, a pleasant place to live and have a mind for human being.
- (e) To have an affordable city.

6.0 HIGHLIGHTS OF 2006:-

(1) Queens Baton Relay

The Queens Baton en route to the Commonwealth Games in Melbourne, Australia arrived in Lautoka on Wednesday, January 4, 2006 and was received by His Worship the Mayor, Cr. Rohit Kumar and council delegation at Shirley Park, Lautoka followed by morning tea for the Relay Team and officials of FASANOC who were organising the Baton's Fiji Tour.

(2) Flash Flooding

Heavy torrential rains on January 28 and 29, 2006 brought about floods in the city. It affected the whole city and did extensive damages resulting in loss of property and personal belongings.

(3) UB 40 Concert

The world renowned musical group the UB40 performed a concert at Churchill Park grounds 2 and 3 on March 12, 2006.

The concert drew a large crowd to Lautoka from within the country and overseas.

(4) Arbor Week - 2006

The above Arbor Week was celebrated in Lautoka from April 24 to 28, 2006 with a sale of pot plants at Shirley Park, Lautoka. Planting of trees at Shirley Park by His Worship the Mayor, Cr. Rohit Kumar, councillors and Heads of Department was done on Tuesday, April 25, 2006 followed by morning tea.

(5) Opening of New Turf at Churchill Park

The council spent \$115,556.00 on the returfing at Churchill Park. It took six months to complete the programme, i.e. from November, 2005 to June, 2006.

The Churchill Park had been in existence for the past 60 years and it was the first time the council took the initiative to change the turf. The development has brought Churchill Park turf to international standard and it is one of the best playing ground in Fiji. It will draw a lot of international games to Lautoka and the council will get its fair reward by the return of its investment.

The new turf was opened on June 30, 2006 by the Minister for Preventative Health, Hon. Udit Narayan.

Improvements to Churchill Park Ground No. 1 continued in 2007.

(6) Sugar Festival - 2006

The annual Sugar Festival took place from August 26 to September 2, 2006. It was a week of fun and festivities that brought the people of Lautoka together. The aim of the festival was to raise funds for charity to assist the sick, the poor and the disadvantaged of Lautoka.

The Sugar Festival was organised by the Sugar Festival Association.

The council nominated a contestant who also won 1st Runners Up for Miss Charity and 2nd Runners Up for Miss Sugar and took part in the floats procession.

The festival was staged at Churchill Park, Lautoka.

(7) Two Farmers Carnivals

The National Farmers Union organised two carnivals during the year, 2006, firstly on July 15 to 22 and secondly on November 18 to 25, 2006.

The aim of the carnival was to raise funds to help the displaced farmers and pay for poor students school fees.

The carnivals were staged at Churchill Park grounds.

(8) Free Clean Up Campaign

The council undertook a free clean up for Lautoka City from September 4 to 29, 2006. The aim of the campaign was to clear all rubbish and debris from within the city and ratepayers were encouraged to get rid of all mosquito-breeding places and keep Lautoka City clean.

(9) Open Day – October 30 to November 4, 2006

The council had its open day on the above dates with the aim of collecting outstanding rates and fees and charges by providing concessions such as waiving of interest if rates was paid in full or if ratepayers made arrangement to pay.

The council managed to achieve its goal by receiving a good sum of money during the Open Day.

7.0 FINANCE:

7.1 LAND VALUATION AND RATES:

The total unimproved capital valuation of land within the city for rating purposes was **\$229,255,650** and the rate levy for 2006 was 1.1739¢ in the \$ based on UCV and rates income were as follows:-

Rate	Levy	U.C.V.	Rate Income
	C	\$	\$
General	0.6609	223,632,017	1,477,984
Loan	0.513	228,155,650	1,170,438
Agriculture	0.185	4,268,600	7,897
			2,656,319

[2005 rate levy 1.2087c and total rate income \$2,651,947]

7.2 TOWN RATE COLLECTION:

	2006 Rate Levy	Arrears b/f	Total Due
	\$	\$	\$
	2,656,319	4,279,615	6,935,934
Collected to 31.12.2006	1,826,733	475,442	2,302,175
Balance	829,586	3,804,173	4,633,759
% Collected	68.77	11.11	33.19

[Same Period 2005 65.0% 16.15% 35.64%]

7.3 TOWN RATES IN ARREARS:

The above arrears of **\$3,804,173** was due from as follows:-

	\$
(1) Estate of Deceased Persons	132,537
(2) Namoli Landholding & Housing Co-operatives	475,863
(3) Sporting & Social Organisations	12,795
(4) Under Receivership	509,738
(5) Native Land Trust Board	12,250
6) Individuals	<u>2,663,990</u>
	<u>\$3,804,173</u>

7.4

Total number of town ratepayers: 7678

[2005 : 7676]

7.5

The total recurrent revenue and expenditure of the council for the year ending December 31, 2006 were as follows:-

Fund	Revenue	Expenditure	Surplus/ (Deficit)
	\$	\$	\$
General	4,217,020	4,904,678	(687,658)
Loan	1,176,098	1,099,005	77,093
Parking Meter	216,382	228,104	(11,722)
Total	5,609,500	6,231,787	(622,287)

[2005	5,584,399	5,566,357	18,042]
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7.6

GENERAL FUND INCOME:

Agricultural Rate	7,897	
General Rate	1,442,733	
Interest – on overdue rates	46,941	
- investment	15,230	
Fees and charges		
Building and subdivision	52,768	
Bus station	78,570	
Business, trading and other licences	334,165	
Contribution from parking meter fund	30,000	
Training and Productivity Authority of Fiji Grant	2,617	
Garbage dump	171,629	
Market	444,561	
Municipal Carpark	96,435	
Parking lots and facilities	89,940	
Parks and tennis courts	74,252	
Plant hire	108,225	
Rent from council properties	862,854	
Sundries	82,574	
Gain from sale of fixed assets	39,375	
Capital expenditure (undischarged) write off	236,254	
TOTAL	\$4,217,020	

7.7

GENERAL FUND EXPENDITURE:	\$	
Advertising	8,667	
Audit Fees	8,178	
Bad Debts	300,000	
Council – election expenses	7,773	
Council Expenses	58,898	
Leave Allowance & Passage Grants	4,939	
Legal	168,296	
Postage & Telephone	43,760	
Printing, Stationery & Office Expenses	83,396	
Salaries, Wages & Related Payments	1,008,897	
Sick, Accident and Holiday Pay	47,470	
Subscriptions	3,860	
Maintenance & Operating Expenses		
Bus Station, Civic Building, Depot & Staff Quarters	220,759	
Depreciation	711,478	
Drains	323,809	
Garbage removal service	295,434	
Insurance	19,524	
Job Evaluation Exercise	5,130	
Loss on disposal of fixed assets	8,489	
Market	229,059	
Miscellaneous	53,313	
Mosquito Control	8,219	
Municipal carpark	41,319	
Parks, Gardens & Multipurpose Courts	242,692	
Plant, Equipment, Machinery & Tools	160,096	
Public convenience	133,823	
Street & Gutter Cleaning	95,195	
Street names and traffic signs	38,349	
Street, Footpaths & Verges	245,050	
Streetlights	227,766	
Town Cleaning Campaign	74,075	
Traffic Lights	26,965	
Total	\$4,904,678	
Excess of Expenditure over Income		\$687,658

7.8

LOAN RATE FUND:

Income	-	Loan Rate	\$	\$
				1,176,098
Expenditure	-	Principal Repayment	684,616	
	-	Interest	<u>414,389</u>	<u>1,099,005</u>
Excess of Income over Expenditure				<u>\$ 77,093</u>

7.9

CURRENT LOAN

The council's loan liability on December 31, 2006 amounted to **\$10,514,679**.

7.10	PARKING METER FUND:		\$	\$
Revenue	- Meter Tolls	117,274		
	- Infringement Fines	74,858		
	- Parking Meter Fees	<u>24,250</u>		216,382
Expenditure	- Administrative charges to general fund	30,000		
	- Commission to Car Park	700		
	- Depreciation	16,325		
	- Interest on Loan	8,432		
	- Marking on Parking Bays	12,488		
	- Meter Maintenance	17,440		
	- Miscellaneous	4,196		
	- Office Rent	5,700		
	- Postage	1,154		
	- Printing & Stationery	8,123		
	- Salaries, Wages and Related Payments	121,574		
	- Search Fees	<u>1,972</u>		<u>228,104</u>
	Excess of Expenditure over Income			<u>\$ 11,722</u>

7.11 CAPITAL EXPENDITURE:

The total capital expenditure of the council for the fiscal year ending December 31, 2006 was -

Fund	Total Expenditure
	\$
General	258,409
Total	258,409

[2005: \$297,168]

7.12 CAPITAL WORKS:

The council carried out capital works to the value of \$258,409 and the details are as follows:-

	\$
Trestle Tables	27,976
Furniture and fitting	3,305
Motor Vehicle	21,155
Traffic Lights	12,980
Kerb and channel	11,281
Churchill Park turfing and ground improvements	105,556
Churchill Park – replacement of damaged fence	9,890
Footpaths	9,073
Drain improvements	34,128
Improvement to EDP Equipment	7,769
Fogging machine	1,076
Streetlights	638
Ride on Mower	10,000
Replacement of office equipment	3,582
TOTAL	\$258,409

8.0 BUILDING WORKS

8.1 ESTABLISHMENT:

- 1 Manager Building Services
- 1 Senior Building Inspector
- 2 Building Inspectors

8.2 SUMMARY OF BUILDING APPLICATIONS RECEIVED:

	<u>Nos.</u>	<u>Amount</u> \$
Commercial	38	2,183,667
Industrial Buildings	31	3,987,160
Civic and Special Use	20	2,466,419
Residential Buildings	185	6,415,333
Miscellaneous: Retaining Walls, fence, Sewer connections, etc.	<u>91</u>	<u>900,952</u>
	<u>365</u>	<u>15,953,531</u>

[2005

(376) (12,737,410)

8.3 SUMMARY OF BUILDING PERMITS ISSUED:

	<u>Nos.</u>	<u>Amount</u> \$
Commercial Buildings	27	966,270
Industrial Buildings	18	1,632,965
Civic and Special Use	13	2,225,267
Residential Buildings	161	5,494,318
Miscellaneous: Retaining Walls, fence, sewer connections, etc.	<u>67</u>	<u>432,028</u>
	<u>286</u>	<u>10,750,848</u>
[2005	(298)	(11,365,394)]

8.4 SUMMARY OF COMPLETION CERTIFICATES ISSUED:

	<u>Nos.</u>	<u>Amount</u> \$
Commercial Buildings	14	1,598,527
Industrial Buildings	19	4,313,241
Civic and Special Use	3	53,589
Residential Buildings	53	2,039,039
Miscellaneous: Retaining Walls, fence, sewer connections, etc.	<u>10</u>	<u>60,322</u>
	<u>99</u>	<u>8,064,718</u>
[2005	(105)	(4,440,363)]

8.5 COMPLETION CERTIFICATES OUTSTANDING IN REGISTER

3,773 number valued at \$88,370,722

(3,507 number valued at \$80,481,909)

8.6 OUTLINE APPLICATION DEALT WITH: 7 (2)**8.7 TOTAL BUILDING INSPECTIONS (UNDER CONSTRUCTION)
FOR THE YEAR 2006: 1,757 (1,851)****Non Conforming and Illegal Developments**

Case Completed	1
Cases Attended	2
Court Cases Notices Issued	56
Court Cases Pending	20

NOTE: FIGURES IN BRACKET ARE FOR CORRESPONDING PERIOD LAST YEAR (2005)

9.0 PUBLIC HEALTH & ENVIRONMENT

9.1 ESTABLISHMENT:

- 1 Director Health Services
- 2 Senior Health Inspectors
- 5 Health Inspectors
- 1 Maintenance Supervisor
- 1 Clerk/Typist

9.2 LICENCES/REGISTRATION OF PREMISES:

Hotels/ Guest Houses	6
Accodmodation Hostels/Boarding Houses	2
Restaurant and Refreshment Bars	5
Refreshment Bar and Takeaways	47
Restaurant with Liquor Licence	14
Refreshment Bars	35
Ice Cream Factories	1
Butcher Shop	11
Aerated Water Factory	1
Confectionery/Sweet Meat Factories	2
Theatres	4
Bake House	25
Hairdresser & Chiropodists	2
Barber and/or Hairdresser	15
Billiard Tables/Amusement Centre	3
Laundries	2
Masseur	1
Hair Salon/Beauty Parlor	16
Hawkers	19

9.3 HAWKERS:

Ice-Cream	15
Roasted Peanuts	3
Fancy Goods	<u>1</u>
Total	<u>19</u>

[2005: 21]

9.4

SUMMARY OF INSPECTIONS:

		Total No. Existing	Inspt.	Reinspt.	Total
1	House to house inspection of district	-	7,917	5,591	13,508
2	Investigation of complaints nuisance, food etc.	-	1,487	1,174	2,661
3	Hotels, Guest Houses or Private Hotels	7	84	84	168
4	Swimming Pools	8	96	96	192
5	Laundries	2	24	24	48
6	Hairdresser & Chiropodists	22	410	410	820
7	Restaurants, Refreshment Bars/Takeaways	142	2,100	2,100	4,200
8	Foodshops, Foodstores, Supermarkets & Market	27	357	341	698
9	Spice Pounding	4	48	48	96
10	Bake Houses	14	216	216	432
11	Butchershops	12	156	156	312
12	Food Kitchens	3	36	36	72
13	Aerated Water, Ice & Ice-cream Factories	3	36	36	72
14	Food Vehicles & Carts & Foodstalls	39	432	432	864
15	Food Processing Factories	9	105	102	207
16	Bulkstores	63	581	527	1,108
17	Premises Inspected for Business License	-	5	5	10
18	Inspection of Vacant Lots	-	886	648	1,534
19	Hawkers for License	-	7	6	13
20	Factories & Workshops	113	639	391	1,030
21	Schools & Kindergartens	45	135	102	237
22	Theatres	6	70	69	139
23	Dance Halls & Night-clubs	4	48	48	96
24	Billiard Rooms	9	72	72	144
25	Public Conveniences	13	764	752	1,516
26	Sanitary Drains & St. Drains	-	749	748	1,497
27	Parks, Streets & Road Reserves	-	695	695	1,390
28	Works Orders sent to Director Engineering Services/P.W.D.	-	63	59	122
29	Refuse Survey	-	2	-	2
30	Derelect Vehicles on-Roadside/Compound	-	17	16	33
31	Survey of Litter Bins	24	300	279	579
32	Club Houses	6	12	11	23
Total			18,519	15,274	33,793

[2005: 18,308 13,947 32,255]

9.5 SUMMARY OF SANITARY IMPROVEMENTS, ETC.
(All Types)

	Ordered	Completed	Total
1. Filling in of insanitary pit privies	24	5	29
2. Repairing or cleaning or fly-proofing of privies	182	143	325
3. Repairs, cleansing or improvements to drains	106	83	189
4. Repairs, cleansing of bathroom/washing places	53	32	85
5. Public or street drains referred to Director	110	99	209
Engineering Services for maintenance & cleaning			
6. Clearing of sewer line blockage	118	118	336
7. Repairs to Septic Tank & Water closet	19	17	36
8. Repairs to rubble drain and soakage pit	14	10	24
9. Reconnection of water supply	12	6	18
10. Removal of accumulation of refuse/litter-other s	1,685	1,572	3,257
11. Renewal or provision of garbage pans or lids	414	333	747
12. Clearing of overgrowth of weeds and long grass	655	378	1,033
13. Abatement of mosquito breedings	287	285	572
14. Abatement of nuisance from poultry	26	2	28
15. Abatement of nuisance from animals	5	1	6
16. Repairs or improvements to hotels, guest houses	41	27	68
Or private hotels			
17. Repairs, cleansing or improvements	184	114	298
To restaurants or refreshment bars			
18. Repairs, cleansing or improvements to	201	162	363
Foodstores, supermarkets and market			
19. Cleansing or improvement to food vehicles and Carts	60	45	105
20. Repairs, cleansing or improvements to Butchershops	50	33	83
21. Repairs, cleansing or improvements to Bakehouses	75	47	122
22. Repairs, cleansing or improvements to	19	18	37
Aerated water/ ice cream factory			
23. Repairs, cleansing or improvements to	53	34	87
Hairdressers shop			
24. Repairs, cleansing or improvement to	10	9	19
Theatres/dance halls			
25. Repairs, cleansing of laundries	8	5	13
26. Repairs, cleansing of food kitchens	26	16	42
27. Provision of ventilation	-	-	-
28. Cleansing or improvements to schools and Kindergartens	16	11	27
29. Cleansing or improvements to schools and Kindergartens	49	30	79
30. Derelict vehicles - removal	23	15	38
31. Public Conveniences - cleansing/repairs	87	83	170
32. Sewer connections	23	8	31
33. Dead Animals for removal referred to	195	195	390
Contractor			
TOTAL	4,830	3,936	8,766
[2005:	5,133	4,055	9,178]

9.6 WRITTEN NOTICES ETC. ISSUED:

Number of intimation notices issued	788
Number of statutory notices issued	16
Number of poultry and animal notices issued	29
Number of notices in letter form issued	400
Number of Litter Notices Issued	10
Number of Summons Served	2
Total	<u>1245</u>

[2005: 1439]

9.7 SPECIAL HOUSEHOLD DRAINAGE INSPECTION:

Total number of inspections	203
Number completed satisfactorily	66
Number connected to sewer	203
Number connected to septic tank	-
Total	<u>472</u>

[2005: 473]

9.8 BUILDING PLANS PROCESSED

Total Number of plans processed	578
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[2005: 412]

9.9 UNSOUND FOOD ITEMS CONDEMNED AND DESTROYED:

Articles	Quantity
Fresh Fruits & Vegetables	1711 kg
Milk & Milk Products Liquid	2072 litres
Confectionaries	582 kg
Spices	698 kg
Wheat Products	2816 kg
Rice	2794 kg
Sauce, Pastry and Creams	748 kg
Salt	1517.9 kg
Lentils, Dhal, Besan	1578 kg
Eggs	94.2 kg
Juice, Beverages & Mineral Mater/Natural Water	10,787 litres
Crackers & Snacks	821 kg
Sugar	513 kg
Meat & Meat Products (tin packed)	181 kg
Fruits & Vegetables (tin packed & pre-packed)	736 kg
Essence	57.2 kg
Milk and Milk Products	43.3 kg

Articles	Quantity
Vegetables	6.06kg
Baking Ingredients	129.9 kg
Sultana	19.7 kg
Beer	187.8 litres
Fats & Oils	36 litres
Tea Leaves	2 kg
Mix Vegetables	63.75 kg
Chicken	176.10 kg
Lamb	33 kg
Sun Pops	312 pkts
Fish	20 kg
Rewa Butter	7 kg
Ice Cream	60 litres
Goat Meat	2 kg

9.10 DISPOSAL OF DEAD ANIMALS:

Number of dead dogs disposed at the dump:	410	[2005: 228]
Number of dead cats disposed at the dump :	116	[2005: 46]

9.11 GARBAGE/REFUSE AND OTHER WASTE DISPOSAL:

The garbage collection and removal services were carried out by contractors and all wastes disposed at the council's dump including refuse from market. All other refuse arising from the cleaning of streets, gutters, drains, grass cutting, mowing of road verges and parks by the council and contractors together with all residential garden refuse and other such matters arising from private, commercial, industrial premises including condemned foods and dead animals were disposed at the council's dump.

The garbage from Nadi Town Council and other Industrial/Commercial premises in Lautoka/Nadi Rural including Island resorts areas were also disposed in the dump. The private contractors also disposed industrial/commercial waste from Nadi and Ba into the rubbish dump.

Total number of loads of refuse disposed at the council's dump was 9,961 loads during the year

[2005: 7,879 loads].

9.12 **MUNICIPAL GARBAGE DUMP:**

The garbage dumpsite is at Vunato. There were two full-time attendants at the dump deployed for general supervision of all garbage disposals and the collection of dumping fees. The area is low-lying mangrove swamp and the method of disposal is by controlled tipping. The garbage/refuse is being used as a filling material for reclamation of land. The total area reclaimed already is 16 hectares.

The dump has been regularly sprayed against flies by council employees.

9.13 **SUPERVISION OF CONTRATUAL WORKS**

The Health Department supervised all maintenance of contracts. The contract included all grass cutting and drain cleaning, street sweeping and garden refuse collection and disposal. A total of seventeen (17) contracts were being supervised by the department.

The other contracts being supervised are garbage collection and disposal, market cleaning and fourteen (14) public conveniences cleaning.

9.14 **MOSQUITO CONTROL WORKS:**

Survey Works: Larval

During the year as part of mosquito control works, monthly survey and four (4) sentinel survey works were carried out in order to monitor the density of mosquito population in the city. Specimen of larva was collected and identification was carried out by Health Department inspectorate to ascertain the presence of vectors responsible for the spread of dengue fever and ross river fever. Copies of reports were sent to Ministry of Health.

Mosquito Spraying:

The spraying against mosquitoes with chemicals was carried out during the year especially during the wet season. Two employees were engaged to spray insecticides in all open drains, parks and reserves. The spraying was suspended during the drier months.

Spraying in Private Premises:

The spraying of private residential premises and industrial premises was also carried out for the destruction of mosquitoes. A total of 48 premises were sprayed during the year.

Other Control Measures:

Routine house-to-house visits by the inspectorate staff to check likely mosquito breeding grounds on the premises were carried out throughout the year. The residents were advised on source reduction by destruction of mosquito breeding grounds. Also emphasis was placed on the clearing of vacant lots and compounds with overgrown grass.

9.15 FLY CONTROL AT MARKET:

The market and bus terminal areas were sprayed against house flies and blow flies by using suitable knockdown insecticides.

9.16 ANTI-LITTER WORK:

The Litter Decree 1991 was enforced by the council's Litter Prevention Officers. Verbal warnings were given and on the spot fines were also imposed as provided in the Decree.

Number of fixed penalty notices and notice to attend court served	8.
Number of offenders paid on spot fines	7
Number warned	1581

9.17 LEGAL PROCEEDINGS:

Offences committed by various persons under Public Health Act Cap 111 were referred for legal action.

Public Health:

Poultry

Legal proceedings were instituted against three (3) people for failure to comply with the "Notice Requiring Abatement of Nuisance" namely nuisance arising from keeping of poultry.

Insanitary Pit Privy & Improper Disposal of Waste water

Legal proceedings were instituted against five (5) persons for failure to comply with the "Notice Requiring Abatement of Nuisance" namely improper disposal of wastewater and insanitary pit privy.

Animal Nuisance

Legal proceedings were instituted against one (1) person for failure to comply with the "Notice Requiring Abatement of Nuisance" regarding the keeping of animals within the Urban Sanitary District of Lautoka.

Operating Business Without Business Licence

Legal proceeding was instituted against one (1) person for failing to comply with "Notice" namely operating a refreshment bar and takeaway without holding a licence.

Occupying Building Without Obtaining Completion Certificate

Legal proceeding was instituted against one (1) person for failing to comply with the "Notice" namely occupying a building without obtaining completion certificate.

10.0 TOWN PLANNING/ZONINGS/SUBDIVISION

10.1 CHANGES TO ZONING

The following applications for rezoning were received during the year 2006:-

Applicant	Subject Area	Nature of Amendment
1. Fiji Girmit Centre	Lot 1, SO 779 Tavakubu, Lautoka	Civic to Commercial
2. Director of Lands	Lot 4, SO 4502 at Field 40 Feeder Road	Residential A to Residential B
3. Department of Lands and Survey	Lot 2, DP 5249, Navutu Road	General Industrial to Residential B
4. Treekams Textiles Ltd.	Lot 2, SO 3037, Tavakubu Road, Lautoka	Residential A to Residential B
5. Director of Town & Country Planning	Lots 1 to 23, Section 18, ND. 3194, Part of Yawini Street, Valetia Street & Mana Street	Residential B to Commercial B
6. Patson & Associates	Lots 1-6, DP. 7281 Tavakubu, Lautoka	Residential D to Commercial C
7. Rajend Chand Nath	Lot 2, SO. 3213 (part of) Dravuni Street	Civic Recreational to Commercial C
8. Gani & Associates	Lot 7, DP. 1861, 40 Tavewa Avenue, Lautoka	Residential B to Commercial C
9. The Child Evangelism Fellowship of Fiji	Lot 1, DP. 1593, Drasa Avenue	Residential A to Civic
10. Mr. Ayappa Reddy	Lot 3, Section 54, ND. 4519, Ravouvou Street	Residential B to Commercial B
11. Patson & Associates	Lot 2, DP. 3185, Tukani Street	Residential to Commercial C
12. Rajesh K. Patel	Lot 1, Section 21, 22 Tavewa Avenue	Residential B to Commercial C
13. Popular Furniture Ltd.	Lot 1, ND. 5042, Queens Road	Residential C to Commercial/Industrial

10.2 SUBDIVISION OF LAND:

During the year the council had approved the following applications for subdivision of land within the city:-

1. 266/02/06 CT 14021 for Narara Parade Extension
2. 427/04/06 Lot 1, Vunato (Lovu pt. of) NLTB
3. 811/09/06 Lot 3, SO. 3188, Natabua for Anish Kumar
4. 817/09/06 Crown Land, CT. 489, Field 40 Settlement

10.3 SCHEME PLANS:

1.	Messrs Cadastral Solution Limited	Navutu Industrial Area Phase II
2.	Fortune Timber & Company Ltd.	Lot 1, SO. 1172, Bouwalu Street
3.	Post Fiji Limited	Lot 1, DP. 7721, Narara Parade Extension Site
4.	Fiji Ports Corporation Limited	Lot 1, SO. 5046, Lautoka Wharf Reclamation (Part of) Lot 1, Vunato (Pt. of) Sautamata Street Lots 26 and 27, SO. 2026, Jiale Street Lot 3, ND. 5096, Field Forty, Estate of Murgamma Lots 1 & 3, Navutu Industrial Subdivision
5.	Punja & Sons Ltd.	
6.	Kena Methodist Church	
7.	Messrs Patson & Associates	
8.	Tubemakers & Roofmart (S.P) Limited	

10.4 SUBDIVISION OF LAND SURVEY PLANS

	Resolution	Applicant	Location
1.	356/03/06	Messrs Patson & Associates	Lot 5, SO 2931, Natabua Road
2.	499/05/06	Messrs Cadastral Solutions	Lot 6, ND 5021, Natabua Sea Side
3	502/05/06	Fortune Timber & Company Limited	Lot 1, SO 1172, Bouwalu Street
4.	553/05/06	M R Khan Buses Limited	Lot 1, SO 3213 (pt of) Waiyavi
5.	663/07/06	St. Peters Anglican Church	Lot 2, DP 2390, Maravu Street
6.	844/09/06	Messrs Cadastral Solutions	Lot 1, ND 5021, Natabua Sea Side
7.	933/10/06	Messrs Patson & Associates	Narara Parade, CT 14021

10.5 CITY BOUNDARY AREA AND PRESENT ZONING

The city has a total area of 1,607 ha and the zoning are as follows:-

	<u>Total</u>
Residential A	131 ha
(42%) B	272.7 "
C	194.6 "
D	<u>69.6</u> "
	<u>667.9</u> ha
Commercial A	6 ha
(2%) B	18.1 "
C	<u>1.6</u> "
	<u>25.7</u> "
Industrial Light	165 ha
(21%) Heavy	148.2 "
Noxious	<u>23.3</u> "
	<u>336.5</u> "
Civic	184 ha
(11%)	
Special Use	16 ha
(1%)	
Open Space	174 ha
(11%)	
Rural	17 ha
(1%)	
Roads	<u>185.8</u> ha
(11%)	
Total	<u>1,606.9</u> ha

11.0 PARKS & GARDENS:

11.1 BOTANICAL GARDENS:

The development of botanical gardens was carried out under the supervision of a horticulturist on full time basis together with his team of five workers. Most of the improvements were by way of tree planting and landscaping. The normal maintenance of gardens throughout the city which included raising of trees for planting were carried out during the year.

11.2 BUSINESS LICENSING:

The council is the licensing authority under Business Licensing Act, Cap. 204, Second Hand Dealers Act, Cap. 238, Cinematographic Films Act, Cap. 271, and Petroleum Act, Cap. 190. During the year the council had issued a total of 1,786 business licences and total revenue was \$334,165 [2005: \$338,534].

11.3 FAIR RENTS:

The Town Clerk/CEO is the fair rents officer under the provisions of Fair Rents Act, Cap. 269, for the city. During the year the fair rents officer received two applications for fair rent assessments.

12.0 SERVICES OUTSOURCING:

The following services were outsourced and the council is thankful to them for carrying out the respective duties with dedication:-

<u>Services</u>	<u>Contractor</u>
1. Garbage Removal	Mobile Construction
2. Street Sweeping	Edwards Enterprises
3. Traffic Light Maintenance	Bethel Electrical Services Limited
4. Concrete Works	Mobile Construction Limited
5. Market Cleaning	Ranga Sami
6. Public Convenience Cleaning	Mesake Beranaliva – Kamikamica Park Mesake Beranaliva – Drasa/Vitogo Grounds Sheik Mehmood – IYC Park Shiu Shankar -Narara Parade Suruj Kumari –Bus Station/Market Suruj Kumari - New Market Abdul Khalil – Nadovu Park Sheik Azmat Sahib – Field Forty Ground Suruj Kumari – Shirley Park Sheik Azmat Sahib – Sugar City Mall
7. Drain Cleaning & Grass Cutting	Mohammed Kamal Waiyavi) (Area A) Ambika Prasad (Waiyavi Area B) Sunil Chand (Waiyavi Areas C & D) Deo Charan (Tavakubu Ward Area A) Ranga Sami (Tavakubu Ward Area B) Ram Prasad (Tavakubu Ward Area C) Ram Prasad (Tavakubu Ward Area D) Vijay Chandra (Veitari Areas A & C) Ashok Kumaran (Veitari Area B) Mohammed Kamal - (Veitari Area D) Emmanuel Sami (Veitari Area E) David Edwards (Simla Area A) Ashok Kumaran (Simla B)
8. Churchill Park Floodlights Maintenance	Modern Electric Company

<u>Services</u>	<u>Contractor</u>
9. Fuel & Oil Supply	B.P. (SWP) Limited
10. Street Lights	Electrical Solutions Limited
11. Park Works	Mikaele Bete
12. Collection of Refuse	Vidya Charan
13. Watering Flower Gardens	Dhirendra Singh
14. Botanical Garden – Labour Supply	Casual Labourers
15. Supply of Toilet Tissues	SCA Hygiene Australasia Limited
16. Security Services	Churchill Park for soccer matches and Sugar City Mall – Mr. Mahendra Singh – New Watch Security Services Civic Centre –ADT Security Alarm System

13.0 VISITING DIGNITARIES:

1. March 16, 2006 – Michael Green, New Zealand High Commissioner
2. March 20, 2006 – Greenace Alex Calty, French Navy
3. June 8, 2006 – Hon. Udit Narayan, Minister for Preventative Health
4. June 29, 2006 - Hon. Samisoni Tikoinasau, Minister of State and Public Utilities
5. July 13, 2006 – Terry Parker, Commonwealth Local Government Forum
6. July 24, 2006 – Jonathan Hung, Sydney, Australia
7. July 24, 2006 – Ming H Si Lin, Auckland, New Zealand
8. July 24, 2006 - Joseph Kuo, Brisbane
9. July 25, 2006 – Peter Huang, Taiwan
10. August 11, 2006 – Cama Tuiloma, Permanent Secretary for Local Government
11. August 31, 2006 – Hon. Adi Asenaca Caucau, Minister of State for Housing
12. August 31, 2006 – Ken Green Lee, Teach Us to Pray
13. September 5, 2006- Hon. Poseci Bune, Minister for Environment
14. September 22, 2006 – Ted Mann, United States of American Embassy, Deputy Chief of Mission
15. October 6, 2006 – Amand Berthey, French Navy FSLA Clothese Company

16. October 13, 2006 – Akuila Waradi, Foreign Affairs, Suva
17. October 13, 2006 – Saula Sovanavanua, Office of the President
18. October 26, 2006 – Mrs. Eres Scatty, wife of the President of Nauru
19. October 26, 2006 – Mrs. Ainise Sevele, Kingdom of Tonga
20. October 26, 2006 – Mrs. Anne Keke, Nauru High Commission
21. October 26, 2006 – Mrs. Nala Telemia, wife of Tuvalu's Prime Minister
22. October 26, 2006 – Mrs. M B Tong, Republic of Kiribati
23. October 26, 2006 – Mrs. Emily Lalabalavu, wife of Minister for Fijian Affairs, Lands and Regional Development, Fiji
24. October 26, 2006 – Mrs. Penny Urwin, Pacific Island Forum Secretariat, Suva
25. October 26, 2006 – Mrs. Losena Tubainavau Sulabula, Prime Minister's Office
26. October 26, 2006 – Mrs. Elizabeth O Nahare, Office of the President, Kiribati
27. October 26, 2006 – Mrs. Alio Jane Panapa, Tuvalu High Commissioner, Suva
28. October 26, 2006 – Mrs. Sharila Lazarus, Ministry of Information
29. October 26, 2006 – Mrs. Mandy Drekeni, Ministry of Health
30. October 26, 2006 – Mrs. Beci Danford, Ministry of Foreign Affairs
31. October 26, 2006 – Mrs. Timoci Ratuvara, Ministry of Information

14.0 HUMAN RESOURCES/INDUSTRIAL RELATIONSHIP

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

Department	Staff	Unestablished	Total
Town Clerk's	19	2	21
City Engineer	5	21	26
Building	2	1	3
Public Health	16	1	17
Parking Meter/Car Park	6	10	16
Total	48	35	83

[2005: 46 34 80]

14.2 RETIREMENT:Staff

1. Mr. Kalivate Turagaca – Parking Meter Attendant

Unestablished

1. Chabi Lal
2. Inoke Ravouvou
3. Isimeli Wekaca
4. Josefa Vunisa

14.3 RESIGNATION

1. Mr. Sada Nand Naidu – Assistant Town Ranger
2. Mr. Avinash Kumar – Senior Building Inspector
3. Mr. Vijay L Naicker – Building Inspector

14.4 INDUSTRIAL MATTERS:

The council enjoyed good relationship with Fiji Local Government Officers Association, representing the staff and Municipal Employees Union of Fiji, representing the unestablished employees.

OBITUARY

The council with regret recorded the passing away of the following:-

1. Councillor Josefata Niumataiwalu on July 8, 2006
2. Mr. Muni Ratnam, unestablished employee on July 9, 2006

- 14.5** During the year 15 employees had been sponsored for training programmes.

14.6 TRAINING – LOCAL (STAFF)

1. January 25 to 27, 2006 – Zakiya Ali, Aruna Goundar and Kristina Seli, Organising Women Workers at EPZ's, FTUC Conference Room, Suva
2. February 9 and 10, 2006 – Luisa Kumkee and Sera Bogileka, Front Office Management, FTUC Conference Room, Suva

14.6 TRAINING – LOCAL (STAFF) (CONT'D)


3. March 30 and 31, 2006 – His Worship the Mayor, Cr. Rohit Kumar, Town Clerk/C.E.O., Mr. Pusp Raj and Director Finance and Administration Services, Mr. Shiva Rajan, Introduction of PPP Concept, Tanoa Hotel, Nadi
4. April 24 and 25, 2006 – Rouhit Karan Singh, Men as Partnership in Reproductive Health through Organized Workers, West Motor Inn, Nadi
5. June 5 and 6, 2006 – Amal Prasad – Development of Leadership Capabilities, Waterfront Hotel, Lautoka
6. July 24 to October 13, 2006 – Wally Atalifo, Monitoring and Evaluation Course, Modules 1, 2 and 3, NCHP and AID
7. September 22 and 23, 2006 – All Councillors and selected Head of Departments, Local Elected Leadership Training Programme Module 1, Ba Town Council
8. November 9 and 10, 2006 – Sera Bogileka, Organising Women Workers at EPZ's, FTUC Conference Room, Suva
9. November 20 to December 1, 2006 – Rouhit Karan Singh, Prosecution Training Course, Fiji School of Medicine, Tamavua Compound

14.7 TRAINING (OVERSEAS)

1. March 6 to 13, 2006 – Rouhit Karan Singh, ILO Training Course on Trade Union Training on Capacity Building for Organizing Course – Turin, Italy and Singapore
2. May 17 to July 4, 2006 – Shalend Prem Singh, J.I.C.A. Comprehensive Solid Waste Management II, Japan
3. July 17 to August 4, 2006 – Miss Aarti Singh, ICF IU – APRO/OTC Institute JILAF, Advanced Leadership Course, Singapore
4. November 5 to 9, 2006 – His Worship the Mayor, Cr. Rohit Kumar, Deputy Mayor, Cr. Jesoni Balewai and Town Clerk/C.E.O., Mr. Pusp Raj, 10th Cities and Ports International Conference, Sydney, Australia

15.0 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.

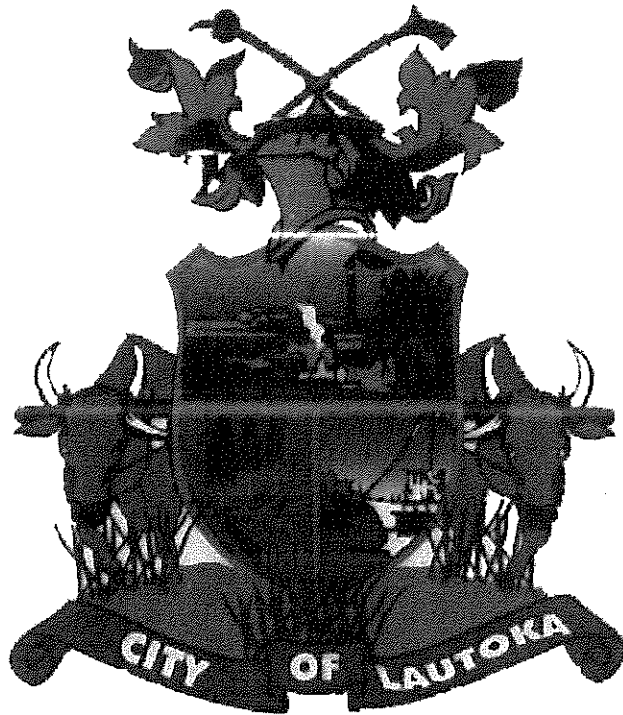


P. RAJ [J.P.]
TOWN CLERK/C.E.O.



CR. ROHIT KUMAR
MAYOR

LAUTOKA CITY COUNCIL



FINANCIAL STATEMENTS (Section 57 - Local Government Act Cap 125) **FOR THE YEAR ENDED** **DECEMBER 31, 2006**

Mr. PUSP RAJ (J.P.)
TOWN CLERK / CHIEF EXECUTIVE OFFICER

Mr. CR. ROHIT KUMAR
MAYOR

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REPUBLIC OF THE FIJI ISLANDS
OFFICE OF THE AUDITOR GENERAL



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ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

File: 1300/1

6 June 2008

Cr. Rohit Kumar
The Lord Mayor of Lautoka
Lautoka City Council
P.O.Box 124
LAUTOKA

Dear Cr. Kumar

**AUDIT OF THE ACCOUNTS OF THE LAUTOKA CITY COUNCIL FOR THE YEAR
ENDED 31 DECEMBER 2006**

Two copies of the audited financial statements of the Lautoka City Council for the year ended 31 December 2006 together with an audit report on them are enclosed.

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

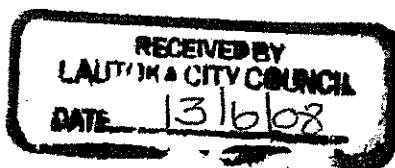
Particulars of errors and omissions arising from the audit have been forwarded to the Chief Executive Officer for necessary action.

Yours sincerely,

Eroni Vatuloka
Auditor General

cc. Minister for Local Government, Housing, Squatter Settlement and Environment

Encl.





6th Floor, Ratu Sukuna House,
MacArthur Street,
P. O. Box 2214,
Government Buildings,
Suva, Fiji Islands

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ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

INDEPENDENT AUDIT REPORT

To the members of Lautoka City Council

I have examined the financial statements of the Lautoka City Council for the year ended 31 December 2006 in accordance with the provisions of the Local Government Act and section 13 of the Audit Act. The Lautoka City Council is responsible for the preparation and presentation of the financial statements and the information they contain.

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

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

Qualifications

- As discussed in Note 4, the Council has recorded Receivables of \$4,168,815 after allowing for a provision for doubtful debts of \$800,000. I consider that an additional provision of \$2,402,728 is required to fully account for the Council's doubtful debts at the year end. This additional provision, if recorded, would increase the net deficit of the General Fund of the Council for the year by \$2,402,728 and reduce the Accumulated Fund by the same amount.
- Furthermore, separate accounting records and bank accounts were not maintained by the Council for Parking Meter Fund Account. All monies collected and payments made relating to Parking Meter Fund Account were made through the General Fund Bank Account contrary to Section 47(2) and 59(3) of the Local Government Act. As detailed in Notes 2 and 8, at balance date, the General Fund Account was overdrawn by \$328,718 while the Parking Meter Fund Account had cash at bank of \$284,269, a net cash at bank position of \$44,449.

Qualified Audit Opinion

In my opinion, because of the effect of the matters referred to in the qualification paragraphs, the financial statements do not present fairly the financial position of the Council as at 31 December 2006 and the result of its operations and cash flows for the year then ended.


Eroni Vatuloka
AUDITOR GENERAL

Suva, Fiji

9 June 2008




**LAUTOKA CITY COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**


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**LAUTOKA CITY COUNCIL
GENERAL FUND
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2006**

COUNCIL'S STATEMENT

In our opinion the Financial Statements have been properly drawn up so as to show a true and fair view of the Lautoka City Council's operations for the year ended 31 December 2006 and of the state of affairs as at that date.


.....
PUSP RAJ
TOWN CLERK

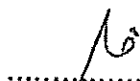

.....
CR. ROHIT KUMAR
MAYOR

LAUTOKA CITY COUNCIL
STATEMENT OF FINANCIAL POSITION - GENERAL FUND
AS AT 31 DECEMBER 2006

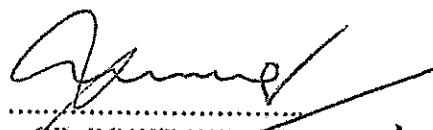
	Notes	2006 \$	2005 \$
CURRENT ASSETS			
Cash	2	1,000	1,000
Term Deposits	3	778,121	767,948
Receivables	4	4,168,815	4,109,553
Inventories	5	50,336	50,622
Other	6	10,031	4,679
Total current assets		5,008,303	4,933,802
NON -CURRENT ASSETS			
Property, plant and equipment	7	56,740,487	57,205,943
Total non-current assets		56,740,487	57,205,943
TOTAL ASSETS		61,748,790	62,139,745
CURRENT LIABILITIES			
Creditors and borrowings	8	1,093,658	1,177,196
Provisions	9	740,909	724,117
Term Loans	10	301,451	561,257
Total current liabilities		2,136,018	2,462,570
NON CURRENT LIABILITIES			
Term Loans	10	10,256,687	9,919,875
Total non-current liabilities		12,392,705	12,382,445
NET ASSETS		49,356,085	49,757,300
MUNICIPAL FUNDS			
Accumulated general fund (Page 7)		632,347	1,150,005
Loan Rate (Page 8)		132,799	55,706
Car Park Fund	11	118,850	79,500
Reserve	12	48,472,089	48,472,089
TOTAL MUNICIPAL FUNDS		49,356,085	49,757,300

The accompanying notes form an integral part of this balance sheet.

For and on behalf of the council.



PUSP RAJ [J.P.]
TOWN CLERK/C.E.O.

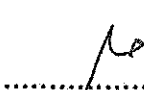


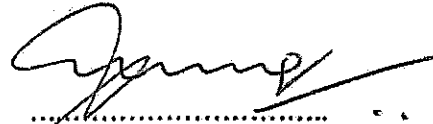
C.R. ROHIT KUMAR
MAYOR

**LAUTOKA CITY COUNCIL
STATEMENT OF FINANCIAL POSITION - PARKING METER FUND
AS AT 31 DECEMBER 2006**

	Notes	2006 \$	2005 \$
CURRENT ASSETS			
Cash	2	284,269	291,864
Total current assets		<u>284,269</u>	<u>291,864</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	163,119	179,444
Total non-current assets		<u>163,119</u>	<u>179,444</u>
TOTAL ASSETS		<u>447,388</u>	<u>471,308</u>
CURRENT LIABILITIES			
Creditors and borrowings	8	209	3,239
Provisions	9	12,823	19,265
Term loans	10	2,731	5,629
Total current liabilities		<u>15,763</u>	<u>28,133</u>
NON-CURRENT LIABILITIES			
Term Loans	10	92,672	92,500
Total non-current liabilities		<u>92,672</u>	<u>92,500</u>
TOTAL LIABILITIES		<u>108,435</u>	<u>120,633</u>
NET ASSETS		<u>338,953</u>	<u>350,675</u>
ACCUMULATED FUNDS (Page 9)		<u>338,953</u>	<u>350,675</u>

The accompanying notes form an integral part of this balance sheet.


.....
PUSP RAJ [J.P.]
TOWN CLERK/C.E.O.


.....
CR. ROHIT KUMAR
MAYOR

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LAUTOKA CITY COUNCIL
STATEMENT OF INCOME AND EXPENDITURE – GENERAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006 \$	2005 \$
INCOME			
Agricultural Rate		7,897	7,897
Building and subdivision		52,768	44,909
Bus station		78,570	69,447
Business, trading and other licenses		334,165	338,534
Capital expenditure (undischarged) write off		236,254	320,215
Contribution from parking meter fund	13	30,000	30,000
Training and Productivity Authority of Fiji Grant		2,617	-
Gain from sale of fixed assets	14	39,375	36,068
Garbage dump		171,629	122,886
General rate		1,442,733	1,467,526
Interest – overdue rates		46,941	52,636
- investment		15,230	11,448
Market		444,561	452,605
Municipal car park		96,435	75,366
Parking lots and facilities		89,940	76,805
Parks and tennis courts		74,252	138,701
Plant hire		108,225	62,881
Rent from council properties		862,854	859,202
Sundries		82,574	33,691
Total income		4,217,020	4,200,817
EXPENDITURE			
Advertising		8,667	16,283
Audit fees		8,178	8,178
Bus station, civic building, depot & staff quarters		220,759	196,560
Contribution – western regional library	3	1,292	939
Council election expenses		7,773	24,424
Council expenses		58,898	59,483
Depreciation	15	711,478	720,732
Destruction of stray dogs		106	2,047
Drains		323,809	272,862
Footpath		2,439	-
Garbage removal service		295,434	250,875
Insurance		19,524	15,880
Job Evaluation Exercise		5,130	10,760
Leave allowance and passage grants		4,939	2,372
Legal		168,296	61,993

LAUTOKA CITY COUNCIL
STATEMENT OF INCOME AND EXPENDITURE – GENERAL FUND (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006	2005
		\$	\$
Loss on disposal of fixed assets	16	8,489	804
Market		229,059	197,363
Miscellaneous		45,573	38,881
Mosquito Control		8,219	7,128
Municipal car park		41,319	39,867
Open day expenses		3,597	4,999
Parks, gardens and multipurpose courts		242,692	232,254
Plant, equipment, machinery and tools		160,096	135,014
Postage and telephone		43,760	50,636
Printing, stationery and office expense		83,396	80,855
Public convenience		133,823	118,756
Salaries, wages and related payments		1,008,897	1,053,609
Sick, accident and holiday pay		47,470	45,612
Street and gutter cleaning		95,195	82,708
Street names and traffic signs		38,349	33,048
Street, footpath and verges		245,050	197,513
Streetlights		227,766	204,079
Subscriptions		3,860	5,058
Town cleaning campaign		74,075	2,267
Traffic lights		26,965	14,260
Valuation fees and expenses		156	39,414
Total expenditure		4,904,678	4,227,513
		<hr/>	<hr/>
		4,604,528	
Net (deficit) for the year		(687,658)	(26,696)
Contribution to Field Forty Squatter Settlement Works		170,000	-
Accumulated funds at the beginning of the year		1,150,005	1,176,701
Accumulated funds at the end of the financial year		632,347	1,150,005

The accompanying notes form an integral part of this income statement.

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LAUTOKA CITY COUNCIL
STATEMENT OF INCOME AND EXPENDITURE – LOAN RATE FUND
FOR THE YEAR ENDED 31 DECEMBER 2006

	Note	2006	2005
		\$	\$
INCOME			
Loan rate		1,176,098	1,154,663
Total income		1,176,098	1,154,663
EXPENDITURE			
Interest		684,616	785,339
Principal repayment		414,389	321,242
Total expenditure		1,099,005 1,099,005	1,106,581
Net surplus/(deficit) for the year		77,093	48,082
Accumulated funds at the beginning of the financial year		55,706	7,624
Accumulated funds at the end of the financial year		132,799	55,706

The accompanying notes form an integral part of this income statement.

LAUTOKA CITY COUNCIL
STATEMENT OF INCOME AND EXPENDITURE - PARKING METER FUND
FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006 \$	2005 \$
INCOME			
Infringement fines		74,858	83,742
Meter tolls		117,274	122,977
Parking meter fees		24,250	22,200
Total Income		216,382	228,919
EXPENDITURE			
Administrative charges to general fund		30,000	30,000
Commission to car park		700	700
Depreciation		16,325	18,466
Interest on loan		8,432	7,699
Marking on parking bays		12,488	6,665
Meter maintenance		17,440	19,297
Miscellaneous		4,196	5,347
Office rent		5,700	5,700
Postage		1,154	1,461
Printing & stationery		8,123	9,971
Salaries, wages and related payments		121,574	126,795
Search fees		1,972	162
Total expenditure		228,104	232,263
Net (deficit)/surplus for the year		(11,722)	(3,344)
Accumulated funds at the beginning of the financial year		350,675	354,019
Accumulated funds at the end of financial year		338,953	350,675

The accompanying notes form an integral part of this income statement.

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LAUTOKA CITY COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006 Inflows/ (Outflows) S	2005 Inflows/ (Outflows) S
GENERAL FUND			
Cash flows from operating activities			
Receipts from customers		4,011,440	3,807,141
Payments to trade creditors, other creditors and employees		(3,450,931)	(3,079,485)
Interest paid		(684,616)	(781,784)
Interest received		62,171	64,084
Net cash provided by operating activities	22 (a) (i)	<u>(61,936)</u>	<u>9,956</u>
Cash flows from investing activities			
Acquisition of property, plant and equipment		(437,091)	(298,522)
Proceeds from sale of property, plant and equipment		<u>52,309</u>	<u>38,003</u>
Net cash used in investing activities		<u>(384,782)</u>	<u>(260,519)</u>
Cash flows from financing activities			
Repayment of borrowings		(385,824)	(385,824)
Additional loan		462,830	621,097
Contribution from other funds		<u>39,350</u>	<u>44,000</u>
Proceeds from government grant		<u>170,000</u>	-
Net cash provided by financing activities		<u>286,356</u>	<u>279,273</u>
Net decrease in cash and cash equivalents		(160,362)	28,710
Cash and cash equivalent at the beginning of the year		<u>610,765</u>	<u>582,055</u>
Cash and cash equivalent at the end of the year	22 (a) (ii)	<u>450,403</u>	<u>610,765</u>

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

**LAUTOKA CITY COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2006**

	Notes	2006 Inflows/ (Outflows) \$	2005 Inflows/ (Outflows) \$
PARKING METER FUND			
Cash flows from operating activities			
Receipts from customers (meter tolls & other revenues)		216,382	228,919
Payments to suppliers and employees		(212,819)	(201,192)
		3,563	27,727
Interest and other costs of finance paid		(8,432)	(7,699)
Net cash provided by operating activities	22 (b) (i)	4,869	20,028
Cash flows from investing activities			
Acquisition of property, plant and equipment		0	(27,522)
Net cash used in investing activities		0	(27,522)
Cash flows from financing activities			
Repayment of term loans		(2,726)	(1,831)
Net cash provided by Financing Activities		(2,726)	(1,831)
Net decrease in cash and cash equivalents		(7,595)	(9,325)
Cash and cash equivalent at the beginning of the year		291,864	301,198
Cash and cash equivalent at the end of the year	22 (b) (ii)	284,269	291,864

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

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LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Set out hereunder are the significant accounting policies adopted by the council in the preparation of the Accounts for the year ended 31 December 2006. Unless otherwise stated similar policies were followed in the previous year. All amounts are stated in Fijian currency.

(a) Basis of Accounting

The accrual basis of accounting is adopted for all financial transactions with the exception of interest and parking meter infringement fines. The financial statements have been prepared on the basis of historical cost and do not take into account changing money values, or current valuation of non-current assets.

(b) Property, Plant and Equipment

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

(c) Depreciation

Property, Plant and Equipment are depreciated over their estimated useful lives using the diminishing value method at the following rates:-

	Rate		
Leasehold land	over life of lease		
Buildings	1.25%	to	2.50%
Furniture and Fittings	5%	to	20%
Plant and Equipment	5%	to	20%
Office Equipment	10%	to	20%
Motor Vehicles	10%	to	20%
Road, Footpath and Drains	1%		

(d) Receivables

Receivables are stated at expected realizable value as certified by the council. A provision is raised for any doubtful debts based on a review by council of all outstanding amounts at year end. Bad debts are written off during the year in which they are identified.

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2006

(e) Expenditure relating to Roads, Footpaths and Drains

The council has capitalized expenditures in relation to establishment and upgrade of roads, footpaths and drains with effect from January 1, 2004. The valuation of the above items had been carried out by council's engineering staff.

(f) Inventories

Quantities of inventories on hand have been determined by physical count. Inventories are valued at the lower of cost and net realisable value on the basis of first in first out.

(g) Provision for Self-Insurance

The council has self-insured itself against any damages to council properties arising out of a cyclone or a similar catastrophe. It has set aside funds specifically for this purpose, which are maintained as term deposits (refer Note 3).

(h) Fund Accounting

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

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

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

- **Parking Meter Fund**

The Council, in compliance with the Land Transport Act, has to maintain a separate account for the operation of Parking Meters in designated areas of roads within the city. At year end there was approximately 68,766 tickets outstanding which was not taken into the accounts.

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LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2006

• **Car Park Fund**

This fund has been created for contributions received from developers. The fund will be used to construct and develop Car Parks.

(i) **Income Tax**

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

(j) **Comparative Figures**

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

(k) **Leave Entitlement**

The council provides for long service leave entitlements for all employees who have served the council continuously for 15 years or more at the rate of 10 days per year of service.

The leave entitlement for the employees who avail their long service leave after completing the initial 15 years, is provided after completion of every 7 years of continuous service thereafter at the above rate.

	<u>2006</u>	<u>2005</u>
	\$	\$
NOTE 2. CASH		
General fund		
Cash on Hand	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
 Parking Meter Fund		
Cash at Bank	284,269	291,864
	<u>284,269</u>	<u>291,864</u>

**LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2006**

NOTE 3. TERM DEPOSITS

	2006	2005
	\$	\$
General fund		
Cyclone self - insurance reserve	766,644	756,641
Workmen Compensation self – insurance reserve	11,477	11,307
Total term deposits	<u>778,121</u>	<u>767,948</u>

Interest earned from the above term deposits are credited to General Fund.

NOTE 4. RECEIVABLES

General fund		
Rate debtors	4,633,759	4,279,615
Other sundry debtors	335,056	329,938
	<u>4,968,815</u>	<u>4,609,553</u>
Provision for doubtful debts	(800,000)	(500,000)
Total	<u>4,168,815</u>	<u>4,109,553</u>

NOTE 5. INVENTORIES

General Fund		
Material - Sundries	50,104	50,352
Traffic light repairs	178	179
Fuel and oil	54	91
Total	<u>50,336</u>	<u>50,622</u>

NOTE 6. OTHER ASSETS

General fund		
Prepayments	<u>10,031</u>	<u>4,679</u>

NOTE 7. PROPERTY, PLANT AND EQUIPMENT

General Fund		
Land and buildings – at cost	10,514,025	10,391,196
Less: Accumulated depreciation	(1,498,260)	(1,362,676)
	<u>9,015,765</u>	<u>9,028,520</u>
Plant and equipment – at cost	924,732	910,039
Less: Accumulated depreciation	(643,435)	(602,168)
	<u>281,297</u>	<u>307,871</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2006

NOTE 7. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	2006	2005
	\$	\$
Furniture and fittings – at cost	194,051	165,258
Less: Accumulated depreciation	(115,424)	(107,536)
	<u>78,627</u>	<u>57,722</u>
Office equipment – at cost	163,989	156,986
Less: Accumulated depreciation	(120,717)	(109,906)
	<u>43,272</u>	<u>47,080</u>
Motor Vehicles - at cost	434,014	420,663
Less: Accumulated depreciation	(258,490)	(223,560)
	<u>175,524</u>	<u>197,103</u>
Roads – at valuation and cost	19,965,433	19,954,152
Less: Accumulated depreciation	(784,245)	(590,496)
	<u>19,181,188</u>	<u>19,363,656</u>
Footpaths – at valuation and cost	12,883,727	12,874,654
Less: Accumulated depreciation	(506,336)	(381,358)
	<u>12,377,391</u>	<u>12,493,296</u>
Drains - at valuation and cost	16,223,804	16,189,676
Less: Accumulated depreciation	(636,381)	(478,981)
	<u>15,587,423</u>	<u>15,710,695</u>
Total property, plant and equipment, net – General Fund	<u>56,740,487</u>	<u>57,205,943</u>
Parking Meter Fund		
Parking meters – at cost	466,421	466,421
Less: Accumulated depreciation	(344,297)	(330,728)
	<u>122,124</u>	<u>135,693</u>
Furniture and fittings	2,267	2,267
Less: Accumulated depreciation	(1,905)	(1,865)
	<u>362</u>	<u>402</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2006

NOTE. 7 PROPERTY, PLANT AND EQUIPMENT (CONT'D)	2006	2005
	\$	\$
Parking Meter Fund		
Street Lights – at cost	20,782	20,782
Less Accumulated Depreciation	(12,744)	(10,735)
	<u>8,038</u>	<u>10,047</u>
 Plant and equipment – at cost	 3,198	 3,198
Less: Accumulated depreciation	(1,962)	(1,572)
	<u>1,236</u>	<u>1,626</u>
 Tui Street Car Park Construction – at cost	 32,157	 32,157
Less: Accumulated depreciation	(798)	(481)
	<u>31,359</u>	<u>31,676</u>
 Total property, plant and equipment, net – Parking Meter Fund	 <u>163,119</u>	 <u>179,444</u>

(a) Movements in Carrying Amounts – General Fund

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

General Fund

<u>Land and buildings – at cost</u>		
Carrying amounts at beginning	9,028,520	9,080,630
Additions	122,829	83,226
Disposals	-	-
Depreciation expense	(135,584)	(135,336)
Balance as at 31 December	<u>9,015,765</u>	<u>9,028,520</u>
 <u>Plant and equipment – at cost</u>		
Carrying amounts at beginning	307,871	333,442
Additions	14,693	19,923
Depreciation expense	(41,267)	(45,494)
Balance as at 31 December	<u>281,297</u>	<u>307,871</u>
 <u>Furniture and fittings – at cost</u>		
Carrying amounts at beginning	57,722	61,155
Additions	28,793	2,148
Depreciation expense	(7,888)	(5,581)
Balance as at 31 December	<u>78,627</u>	<u>57,722</u>

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LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2006

NOTE. 7 PROPERTY, PLANT AND EQUIPMENT (CONT'D)	2006	2005
	\$	\$
(a) Movements in Carrying Amounts – General Fund		
<u>Office equipment - at cost</u>		
Carrying amounts at beginning	47,080	54,161
Additions	7,003	5,015
Depreciation expense	(10,811)	(12,096)
Balance as at 31 December	43,272	47,080
<u>Motor Vehicles - at cost</u>		
Carrying amounts at beginning	197,103	149,817
Additions	31,156	91,448
Disposals	(12,934)	(1,936)
Depreciation expense	(39,801)	(42,226)
Balance as at 31 December	175,524	197,103
<u>Roads - at valuation 2004</u>		
Carrying amounts at beginning	19,363,656	19,520,330
Additions	11,281	38,723
Depreciation expense	(193,749)	(195,397)
Balance as at 31 December	19,181,188	19,363,656
<u>Footpaths – at valuation 2004</u>		
Carrying amounts at beginning	12,493,296	12,594,960
Additions	9,073	24,408
Depreciation expense	(124,978)	(126,072)
Balance as at 31 December	12,377,391	12,493,296
<u>Drains - at valuation 2004</u>		
Carrying amounts at beginning	15,710,695	15,836,620
Additions	34,128	32,604
Depreciation expense	(157,400)	(158,529)
Balance as at 31 December	15,587,423	15,710,695
Total balance as at 31 December 2006	56,740,487	57,205,943

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2006

NOTE. 7 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) Movements in Carrying Amounts – General Fund

	2006 \$	2005 \$
<u>Parking meters - at cost</u>		
Carrying amounts at beginning	135,693	123,247
Additions	-	27,523
Depreciation expense	(13,569)	(15,077)
Balance as at 31 December	<u>122,124</u>	<u>135,693</u>
<u>Furniture and fittings - at cost</u>		
Carrying amounts at beginning	402	447
Depreciation expense	(40)	(45)
Balance as at 31 December	<u>362</u>	<u>402</u>
<u>Streetlights - at cost</u>		
Carrying amounts at beginning	10,047	12,559
Depreciation expense	(2,009)	(2,512)
Balance as at 31 December	<u>8,038</u>	<u>10,047</u>
<u>Plant and equipment - at cost</u>		
Carrying amounts at beginning	1,626	2,139
Depreciation expense	(390)	(513)
Balance as at 31 December	<u>1,236</u>	<u>1,626</u>
<u>Construction of Tui Street Car Park - at cost</u>		
Carrying amounts at beginning	31,676	31,996
Depreciation expense	(317)	(320)
Balance as at 31 December	<u>31,359</u>	<u>31,676</u>
Total balance as at 31 December 2006	<u>163,119</u>	<u>179,444</u>

NOTE 8. CREDITORS AND BORROWINGS

Current

General Fund

Bank overdraft	328,718	158,183
Sundry creditors and accruals	720,520	753,089
Other creditors	55,695	62,191
Security deposits	155,075	160,975
Refundable building deposits	43,998	42,758
Total	<u>1,304,006</u>	<u>1,177,196</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2006

NOTE 8. CREDITORS AND BORROWINGS (cont'd)

Current	2006	2005
<u>Parking Meter Fund</u>	\$	\$
Sundry creditors and accruals	209	3,239

NOTE 9. PROVISIONS

General fund		
In - house cyclone reserve	418,490	407,413
Workmen compensation reserve	9,000	9,000
Cyclone reserves	28,000	28,000
Long service leave	207,912	207,509
Annual Leave	77,507	72,195
Total provision – General Fund	740,909	724,117

Parking Meter Fund		
Long Service Leave	7,893	14,406
Annual Leave	4,930	4,859
Total Provision – Parking Meter Fund	12,823	19,265

NOTE 10. TERM LOANS

General Fund		
Westpac Banking Corporation	5,441,742	5,269,787
Colonial Life (Fiji) Limited	3,367,633	3,516,023
Colonial National Bank	1,565,592	1,639,936
Lautoka City Council	44,309	55,386
	10,419,276	10,481,132

Loan principal commitment at balance date:

Payable within one year	435,715	561,257
Payable later than one year, not later than two years	473,716	605,628
Payable later than two years, not later than five years	1,674,301	2,121,265
Payable later than five years	7,835,544	7,192,982
	10,419,276	10,481,132

Represented in balance sheet as:

Current	435,715	561,257
Non-current	9,983,561	9,919,875
	10,419,276	10,481,132

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2006

NOTE 10. TERM LOANS (CONT'D)

	2006	2005
	\$	\$
<u>Parking Meter Fund</u>		
Westpac Banking Corporation	95,403	98,129

Loan Principal Commitment at balance date:

Payable within one year	2,731	5,629
Payable later than one year, not later than two years	3,044	6,092
Payable later than two years, not later than five years	11,390	20,064
Payable later than five years	78,238	66,344
	<u>95,403</u>	<u>98,129</u>

Represented in the balance sheet as:

Current	2,731	5,629
Non-current	92,672	92,500
	<u>95,403</u>	<u>98,129</u>

Loans raised by the council bear interest charges ranging from 8.43% to 10.0% p.a. All loans are secured by Pari Passu Debenture Deeds covering the present and future assets of the council.

NOTE 11. CAR PARK FUND

	2006	2005
	\$	\$
Opening balance	79,500	35,500
Add: Contribution for car parks	39,350	44,000
Closing balance at 31 December	<u>118,850</u>	<u>79,500</u>

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LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2006

NOTE 12. RESERVES

	2006 \$	2005 \$
Asset revaluation reserve	48,472,089	48,472,089
<u>Asset Revaluation Reserve comprise of:</u>		
Revaluation increment on roads	19,672,089	19,672,089
Revaluation increment on footpaths	12,800,000	12,800,000
Revaluation increment on drains	16,000,000	16,000,000
	<u>48,472,089</u>	<u>48,472,089</u>

NOTE 13. CONTRIBUTION TO GENERAL FUND

Amounts representing salaries, accounting and administrative expenses as approved by the Council in connection with the management and operations of Parking Meter undertaking is reimbursed to the General Fund from the account of the Parking Meter Fund. The amount represents the reimbursement made during the year.

30,000	30,000
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NOTE 14. GAIN FROM SALE OF FIXED ASSETS

Gain from sale of Land Lot 1, DP 8747	39,375	35,011
Gain from sale of council vehicle CF884	-	1,057
	<u>39,375</u>	<u>36,068</u>

NOTE 15. DEPRECIATION

Land and buildings	135,584	135,336
Furniture & Fittings	7,888	5,581
Plant & Equipment	41,267	45,495
Office Equipment	10,811	12,096
Motor Vehicle	39,801	42,226
Roads	193,749	195,387
Footpaths	124,978	126,072
Drains	157,400	158,529
Total	<u>711,478</u>	<u>720,722</u>

NOTE 16. LOSS ON DISPOSAL OF FIXED ASSETS

Loss from sale of council vehicle DT602	8,489	804
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**LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2006**

NOTE 17. PRIOR YEAR ADJUSTMENT

This represents the non deduction of provisional tax of contractors for the service provided to the council, which is payable to Inland Revenue Department.

NOTE 18. CAPITAL COMMITMENTS

The council had not committed anything (2005: \$1,296,000) for the capital works.

NOTE 19. CONTINGENT LIABILITIES

Contingent liabilities at balance date, not otherwise provided for in these financial statements, include various legal claims involving the council, including the following law suits:-

- (i) The Council is a second defendant in a legal action by Ambaram Narsey Properties Limited, who is claiming approximately \$1,485,000 in costs for demolition and reconstruction of a building or loss of rental.

The council's solicitors are vigorously defending these claims and it is the council's opinion that no material damages will arise.

NOTE 20. PRINCIPAL ACTIVITY

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

NOTE 21. SUBSEQUENT EVENTS

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

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LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2006

NOTE 22. NOTES TO THE STATEMENT OF CASH FLOWS

(a) General Fund

(i) Reconciliation of net cash flows from operating activities to net surplus

	2006	2005
	\$	\$
Net (deficit)/surplus for the year	(338,067)	21,386
Depreciation	711,748	720,732
(Gain)/loss on disposal	(39,375)	(36,068)
Capital expenditure written off	8,489	1,027
Net cash provided by operating activities before changes in assets and liabilities	342,795	707,077
Change in assets and liabilities		
Decrease in receivables	126,810	(308,427)
Increase/(decrease) in inventory	286	(6,646)
Increase/(decrease) in creditors and borrowings	18,060	(438,364)
Increase in accrued employment entitlement	5,715	56,316
Net cash inflows from operating activities	493,666	9,956

(ii) Cash and Cash Equivalents

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

Cash on Hand	1,000	1,000
Bank overdraft	(328,718)	(158,183)
Term deposit	778,121	767,948
Total	450,403	610,765

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 2006

NOTE 22. NOTES TO THE STATEMENT OF CASH FLOWS (CONT'D)

(b) Parking Meter Fund

(i) Reconciliation of Net Cash provided by Operating Activities to Net Surplus

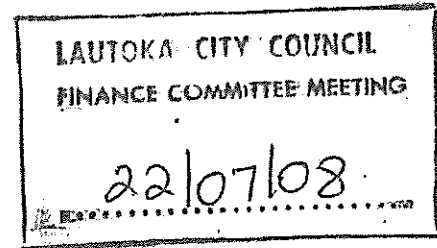
	2006	2005
	\$	\$
Net (deficit)/surplus for the year	(11,722)	(3,344)
Depreciation	16,325	18,466
Net cash provided by operating activities before		
changes in assets and liabilities	4,603	15,122
Change in assets and liabilities:		
(Decrease)/Increase in sundry creditors	(3,030)	(10,625)
(Increase)/decrease in other assets	9,472	2,090
Increase/(decrease) in provisions	(6,442)	13,441
Net cash flows from operating activities	4,603	20,028

(ii) Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash comprises of cash on hand and at bank,

net of outstanding bank overdraft. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	\$	\$
Cash at bank	<u>284,269</u>	<u>291,864</u>
Total	<u>284,269</u>	<u>291,864</u>



Annual Report and Financial Statements 2006– Files: 2/6/3 & 8/2/4

The committee considered the report of town clerk/ceo dated July 17, 2008 in the above matter together with the audited financial statements and annual report for the year ended December 31, 2006.

RECOMMENDED:

- 730 That the audited financial statements and annual report for 2006 be received and adopted.