

LAUTOKA CITY COUNCIL



ANNUAL REPORT (Section 19 - Local Government Act Cap 125) **FOR THE YEAR ENDED** **DECEMBER 31, 2007**

Mr. PUSP RAJ (J.P)
CHIEF EXECUTIVE OFFICER

Mr. JOSEFA VUCAGO
SPECIAL ADMINISTRATOR



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

LENDERS : COLONIAL LIFE (FIJI) LTD.
COLONIAL BANK - LAUTOKA
WESTPAC BANKING CORPORATION 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, LTKA
SUN INSURANCE COMPANY LIMITED, LAUTOKA

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 "LAU-TOKA" 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 2007 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)
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. Ratu 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. Penisemani Turagabaleti

3.8 ELECTION OF MAYOR

The election of mayor was held at the annual meeting on November 23, 2007 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 re-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: -

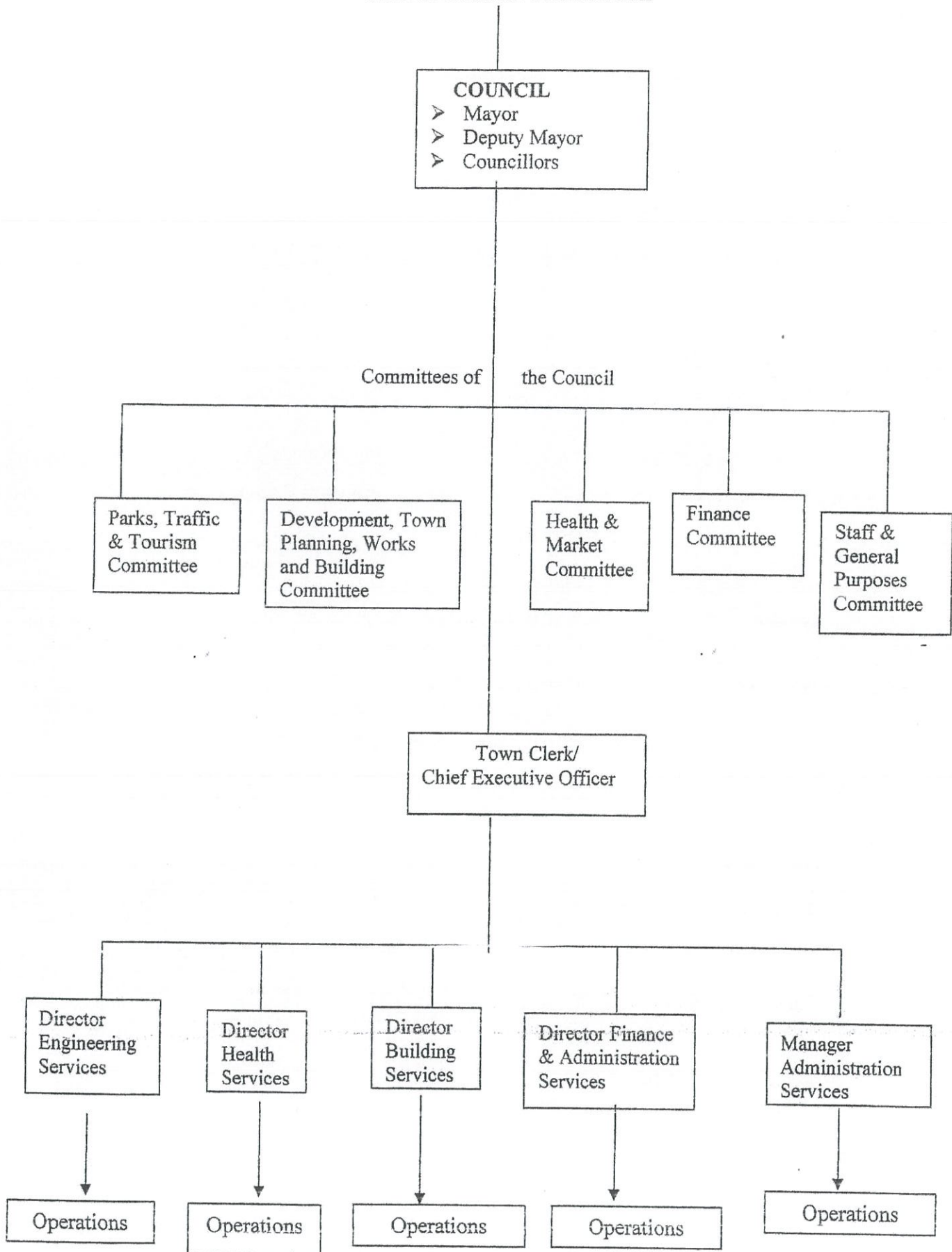
Ordinary Council	12	
Special Council	7	
Emergency	2	
Development, Town Planning, Works & Building Committee	12	
Parks & Traffic Committee	12	
Health & Market Committee	12	
Finance Committee	12	
Staff & General Purposes Committee	12	
Annual Meeting	1	

Total	82	(2006: 78)

Subcommittee Meetings	10	

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 2007:-

(1) Improvements to Churchill Park Ground No. 1 and Other Facilities in 2007

Since the new turf was opened on June 30, 2006, the Council continued to upgrade other facilities in the pavilion on the request of Fiji Rugby Union and Fiji Football Association.

Due to improved facilities, the following local and international games were played during the year 2007:-

Rugby

1. Pacific Rugby Cup on March 31, 2007 – Fiji Barbarian Vs Tautahi Gold.
2. IRB Pacific Rugby Cup on April 7, 2007 – Fiji Warriors Vs Savaii Samoa.
3. International Rugby Match on June 16, 2007 – Fiji Vs Tonga
4. Fiji Rugby Union organised Southern Rally from August 20-31, 2007.

Soccer

1. OFC O League Match on March 20, 2007 - Ba Vs Temanava.
2. World Muslim Club Championship organised by FANCA from April 6-9, 2007.
3. International Soccer Match on August 12, 2007 - Fiji Vs New Zealand.
4. International Soccer Match on October 17, 2007 - Fiji Vs New Zealand.

(2) Presentation of Certificates

Cr. Faiaaz Ali presented the Certificate of Appreciation to His Worship the Mayor, Cr. Rohit Kumar and Town Clerk/C.E.O. Mr. Pusp Raj given by the Commissioner Western for the kind contribution towards the Annual Fiji National Disabled Games held at Churchill Park on October 25-26, 2007.

(3) Arbor Week - 2007

The above Arbor Week was celebrated in Lautoka from May 21 to 25, 2007 with sale of pot plants at Narara Parade, Lautoka with the theme "Water Shed Heartbeat of the Nation".

(4) Bhojpuri Concert

A musical concert was performed on June 26, 2007 by Bhojpuri Superstar Dinesh Lal Yadav and his Orchestra of ten from India.

The concert drew a large crowd to Lautoka.

(5) Farmers Carnival

The National Farmers Union organised the farmers carnival from July 14 to 21, 2007.

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

The carnivals was staged at Churchill Park grounds.

(6) National Ozone Week Celebration

The Department of Environment had organised a National Ozone Week celebration with the theme "Protect the Ozone Layer, Save Life on Earth" from September 11-14, 2007 in the City of Lautoka as the local venue for the 20th Anniversary Celebration of the Montreal Protocol. The main objective of the week long celebration was to raise awareness on Ozone layer protection.

(7) Sugar Festival - 2007

The annual Vodafone Sugar Festival took place from September 29 to October 6, 2007. 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 Miss Shoma Anandini Devi who also won 2nd Runners Up for Miss Charity and 1st Runners Up for Miss Sugar and council's float had won the first (1st) prize in the non commercial sector.

The festival was staged at Churchill Park, Lautoka.

(8) Adi Salusalu Festival

The Ba Provincial Council organised the Adi Salusalu festival from October 24-28, 2007.

The aim of the festival was to raise funds for the development of Ba Province.

The festival was staged at Churchill Park grounds.

(9) Waste Management and Recycling Promotion Project

The Waste Management and Recycling Promotion Project was submitted to Government of Japan by the Fiji Government in August 2005 and on the basis of this proposal, the Ministry of Environment and Japan International Co-operation Agency (J.I.C.A) had considered to start a project which was focused on waste minimization and management of solid waste in western division especially in Lautoka City and Nadi Town Council.

The Government of Japan had now approved the project and Japan International Cooperation Agency (J.I.C.A) would implement from mid of year 2008.

7.0 FINANCE:

7.1 LAND VALUATION AND RATES:

The total unimproved capital valuation of land within the city for rating purposes was **\$228,155,650** and the rate levy for 2007 was 1.1739¢ in the \$ based on UCV and rates income were as follows:-

RATE	Levy C	U.C.V. \$	Rate Income \$
General	0.6609	217,163,150	1,435,231
Loan	0.513	228,155,650	1,170,438
Agriculture	0.185	4,268,600	7,897
			2,613,566

[2006 rate levy 1.1739c and total rate income \$2,656,319]

7.2 TOWN RATE COLLECTION:

	2007 Rate Levy	Arrears b/f	Total Due
	\$	\$	\$
	2,613,566	3,831,123	6,444,689
Collected to 31.12.2006	1,772,137	897,697	2,669,834
Balance	841,429	2,933,426	3,774,855
% Collected	67.80	23.43	41.43
[Same Period 2006] %	69.01	16.99	38.94

7.3 TOWN RATES IN ARREARS:

The above arrears of **\$2,933,426** was due from as follows:-

	\$
(1) Estate of Deceased Persons	174,528
(2) Namoli Landholding & Housing Co-operatives	499,651
(3) Sporting & Social Organisations	44,270
(4) Under Receivership	507,808
(5) Native Land Trust Board	15,595
(6) Individuals	1,691,574

	\$2,933,426

7.4 RATE ASSESSMENTS/RATEPAYERS:

Total number of town ratepayers: 7680

[2006 : 7678]

7.5

RECURRENT REVENUE & EXPENDITURE:

The total recurrent revenue and expenditure of the council for the year ending December 31, 2007 were as follows:-

FUND	REVENUE \$	EXPENDITURE \$	SURPLUS/ (DEFICIT) \$
General	4,704,656	4,457,696	246,960
Loan	1,177,036	1,494,552	(317,516)
Parking Meter	223,320	205,551	17,769
Total	6,105,012	6,157,799	(52,787)

[2006 5,609,500 6,231,787 (622,287)]

7.6

GENERAL FUND INCOME:

Agricultural Rate	7,888	
General Rate	1,443,958	
Interest - on overdue rates	54,140	
- investment	60,499	
Fees and charges		
Building and subdivision	77,765	
Bus station	72,412	
Business, trading and other licences	361,132	
Contribution from parking meter fund	30,000	
Garbage dump	208,954	
Market	479,988	
Municipal Carpark	107,507	
Parking lots and facilities	120,958	
Parks and tennis courts	132,569	
Plant hire	92,646	
Rent from council properties	859,300	
Sundries	77,266	
Gain from sale of fixed assets	539	
Capital expenditure (undischarged) write off	517,135	
TOTAL	\$4,704,656	

7.7

GENERAL FUND EXPENDITURE:	\$	
Advertising	9,949	
Audit Fees	8,178	
Contribution – Western Regional Library	409	
Council Expenses	65,988	
Leave Allowance & Passage Grants	6,144	
Legal	38,449	
Parks, gardens and multipurpose courts	251,783	
Plant, equipment, machinery and tools	175,169	
Postage & Telephone	47,724	
Printing, Stationery & Office Expenses	87,210	
Public Convenience	143,533	
Salaries, Wages & Related Payments	1,037,666	
Sick, Accident and Holiday Pay	43,485	
Maintenance & Operating Expenses		
Bus Station, Civic Building, Depot & Staff Quarters	233,617	
Depreciation	691,328	
Destruction of stray dogs	354	
Doubtful Debts	200,000	
Drains	330,489	
Footpath	1,328	
Garbage removal service	267,271	
Insurance	21,277	
Loss on disposal of fixed assets	801	
Market	213,125	
Miscellaneous	56,416	
Mosquito Control	10,334	
Municipal Carpark	48,334	
Street & Gutter Cleaning	115,313	
Street names and traffic signs	37,016	
Street, Footpaths & Verges	242,366	
Streetlights	237,340	
Subscriptions	4,175	
Traffic Lights	12,268	
Traffic Survey	640	
Total	\$4,639,479	
Excess of Income over Expenditure		\$65,177

7.8	LOAN RATE FUND:	\$	\$
	Income - Loan Rate		1,177,036
	Expenditure - Principal Repayment	982,554	
	- Interest	<u>465,468</u>	<u>1,448,022</u>
	Net (deficit)/surplus for the year		<u>(\$270,986)</u>

7.9 CURRENT LOAN

The council's loan liability on December 31, 2007 amounted to **\$9,994,937**.

7.10	PARKING METER FUND:	\$	\$
	Revenue - Meter Tolls	102,846	
	- Infringement Fines	93,175	
	- Parking Meter Fees	<u>27,299</u>	223,320
	Expenditure - Administrative charges to general fund	30,000	
	- Commission to Car Park	700	-
	- Depreciation	14,468	
	- Interest on Loan	11,647	
	- Legal	5	
	- Marking on Parking Bays	3,129	
	- Meter Maintenance	20,858	
	- Miscellaneous	4,408	
	- Office Rent	5,700	
	- Postage	2,939	
	- Printing & Stationery	7,397	
	- Salaries, Wages and Related Payments	106,297	
	- Search Fees	<u>1,095</u>	<u>208,643</u>
	Net surplus/(deficit) for the year		<u>\$ 14,677</u>

7.11 CAPITAL EXPENDITURE:

The total capital expenditure of the council for the fiscal year ending December 31, 2007 was \$61,858 (\$258,409 - 2006)

7.12 CAPITAL WORKS - DETAILS:

ITEM	\$
Civic Building	6,160
Furniture and fitting	736
Photocopier	9,942
Motor Vehicle	16,889
Roads	10,888
Churchill Park	1,659
Improvement to EDP Equipment	4,969
Plant & Machineries	10,615
TOTAL	\$61,858

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 Buildings	38	4,221,852
Industrial Buildings	35	7,436,392
Civic and Special Use	15	1,999,712
Residential Buildings	194	6,287,509
Miscellaneous: Retaining Walls, fence, Sewer connections, etc.	<u>72</u>	<u>395,224</u>
	<u>354</u>	<u>20,340,689</u>
[2006	(365)	(15,953,531)]

8.3 SUMMARY OF BUILDING PERMITS ISSUED:

	<u>Nos.</u>	<u>Amount</u> \$
Commercial Buildings	31	1,580,076
Industrial Buildings	24	4,518,152
Civic and Special Use	16	1,421,142
Residential Buildings	177	5,492,813
Miscellaneous: Retaining Walls, fence, Sewer connections, etc.	<u>63</u>	<u>278,627</u>
	<u>311</u>	<u>13,290,810</u>
[2006	(286)	(10,750,848)]

8.4 SUMMARY OF COMPLETION CERTIFICATES ISSUED:

	<u>Nos.</u>	<u>Amount</u> \$
Commercial Buildings	13	1,977,486
Industrial Buildings	3	163,568
Civic and Special Use	4	1,519,119
Residential Buildings	64	2,521,611
Miscellaneous: Retaining Walls, fence, sewer connections, etc.	<u>9</u>	<u>42,546</u>
	<u>93</u>	<u>6,224,330</u>
[2006	(99)	(8,064,718)]

8.5 COMPLETION CERTIFICATES OUTSTANDING IN REGISTER

4,034 number valued at \$102,487,076
(3,773 number valued at \$88,370,722)

8.6 OUTLINE APPLICATION DEALT WITH: 7 (7)**8.7 TOTAL BUILDING INSPECTIONS (UNDER CONSTRUCTION)
FOR THE YEAR 2007: 1,738 (1,757)****Non Conforming and Illegal Developments**

Case Completed	5
Cases Attended	17
Court Cases Notices Issued	73
Court Cases Pending	78

NOTE: FIGURES IN BRACKET ARE FOR CORRESPONDING PERIOD
LAST YEAR (2006)

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	8
Accommodation Hostels/Boarding Houses	2
Restaurant and Refreshment Bars	5
Refreshment Bar and Takeaways	175
Restaurant with Liquor Licence	14
Refreshment Bars	35
Ice Cream Factories	3
Butcher Shop	12
Aerated Water Factory	1
Confectionery/Sweet Meat Factories	2
Theatres	5
Bake House	20
Hairdresser & Chiropodists	2
Barber and/or Hairdresser	15
Billiard Tables/Amusement Centre	6
Laundries	2
Masseur	1
Hair Salon/Beauty Parlor	33
Hawkers	19

9.3 HAWKERS:

Ice-Cream	15
Roasted Peanuts	3
Fancy Goods	1

Total	19

[2006: 19]

9.4 SUMMARY OF INSPECTIONS:

	Total No. Existing	Inspt.	Reinspt.	Total
1 House to house inspection of district	-	8,822	6,024	14,846
2 Investigation of complaints nuisance, food etc.	-	1,727	1,238	2,965
3 Hotels, Guest Houses or Private Hotels	7	91	91	182
4 Swimming Pools	8	92	92	184
5 Laundries	2	24	24	48
6 Hairdresser & Chiropodists	22	425	423	848
7 Restaurants, Refreshment Bars/Takeaways	142	1966	1956	3922
8 Foodshops, Foodstores, Supermarkets & Market	27	333	330	663
9 Spice Pounding	4	45	43	88
10 Bake Houses	14	230	220	450
11 Butchershops	12	355	336	691
12 Food Kitchens	3	34	34	68
13 Aerated Water, Ice & Ice-cream Factories	3	38	36	74
14 Food Vehicles & Carts & Foodstalls	39	422	406	828
15 Food Processing Factories	9	129	116	-245
16 Bulkstores	63	636	550	1186
17 Premises Inspected for Business License	-	9	8	17
18 Inspection of Vacant Lots	-	1192	832	2024
19 Hawkers for License	-	10	9	19
20 Factories & Workshops	113	833	450	1283
21 Schools & Kindergartens	45	83	55	138
22 Theatres	6	74	74	148
23 Dance Halls & Night-clubs	4	52	52	104
24 Billiard Rooms	9	87	84	171
25 Public Conveniences	13	732	709	1441
26 Sanitary Drains & St. Drains	-	864	855	1719
27 Parks, Streets & Road Reserves	-	898	896	1794
28 Works Orders sent to Director Engineering Services/P.W.D.	-	108	107	215
29 Refuse Survey	-	170	170	340
30 Derelict Vehicles on-Roadside/Compound	-	10	9	19
31 Survey of Litter Bins	24	277	270	547
32 Club Houses	6	20	20	40
Total		20,788	16,519	37,307
[2006: 18,519 15,274 33,793]				

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

	Ordered	Completed	Total
1. Filling in of insanitary pit privies	10	1	11
2. Repairing or cleaning or fly-proofing of privies	238	177	415
3. Repairs, cleansing or improvements to drains	115	86	201
4. Repairs, cleansing of bathroom/washing places	62	38	100
5. Public or street drains referred to Director	207	205	412
Engineering Services for maintenance & cleaning			
6. Clearing of sewer line blockage	97	96	193
7. Repairs to Septic Tank & Water closet	34	25	59
8. Repairs to rubble drain and soakage pit	15	8	23
9. Reconnection of water supply	2	1	3
10. Removal of accumulation of refuse/litter-other s	2,344	2,221	4,565
11. Renewal or provision of garbage pans or lids	495	420	915
12. Clearing of overgrowth of weeds and long grass	756	420	1176
13. Abatement of mosquito breedings	318	301	619
14. Abatement of nuisance from poultry	49	26	75
15. Abatement of nuisance from animals	15	7	22
16. Repairs or improvements to hotels, guest houses or private hotels	40	39	79
17. Repairs, cleansing or improvements To restaurants or refreshment bars	209	137	346
18. Repairs, cleansing or improvements to Foodstores, supermarkets and market	210	130	340
19. Cleansing or improvement to food vehicles and Carts	69	37	106
20. Repairs, cleansing or improvements to Butchershops	105	76	181
21. Repairs, cleansing or improvements to Bakehouses	100	66	166
22. Repairs, cleansing or improvements to Aerated water/ ice cream factory	20	16	36
23. Repairs, cleansing or improvements to Hairdressers shop	53	31	84
24. Repairs , cleansing or improvement to Theatres/dance halls	16	10	26
25. Repairs, cleansing of laundries	7	4	11
26. Repairs, cleansing of food kitchens	19	8	27
27. Provision of ventilation	3	3	6
28. Cleansing or improvements to schools and Kindergartens	34	17	51
29. Derelict vehicles - removal	7	1	8
30. Public Conveniences - cleansing/repairs	79	68	147
31. Sewer connections	10	4	14
32. Dead Animals for removal referred to Contractor	221	221	442
TOTAL	5,959	4,900	10,859
[2006	4,830	3,936	8,766]

9.6 WRITTEN NOTICES ETC. ISSUED:

Number of intimation notices issued	1,119
Number of statutory notices issued	22
Number of poultry and animal notices issued	38
Number of notices in letter form issued	358
Number of Litter Notices Issued	7
Number of Summons Served	<u>5</u>
Total	<u>1,549</u>

[2006: 1,245]

9.7 SPECIAL HOUSEHOLD DRAINAGE INSPECTION:

Total number of inspections	285
Number completed satisfactorily	94
Number connected to sewer	250
Number connected to septic tank	<u>6</u>
Total	<u>635</u>

[2006: 472]

9.8 BUILDING PLANS PROCESSED

Total Number of Plans Processed	608
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[2006: 578]

9.9 UNSOUND FOOD ITEMS CONDEMNED AND DESTROYED:

Articles	Quantity
Fresh Fruits & Vegetables	244,941.60kg
Lamb	775.1kg
Mix vegetables	98.6kg
Salt	44.0kg
Confectionery	3334.50kg
Chicken	2201.3kg
Fish	230.0kg
Ice Cream	66.99 litres
Wheat Products	70.0kg
Juice, Beverages & Mineral Water/Natural Water	143.88 litres

9.10 DISPOSAL OF DEAD ANIMALS:

Number of dead dogs disposed at the dump:	219	[2006: 410]
Number of dead cats disposed at the dump :	78	[2006: 116]

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 9,373 loads during the year

[2006: 9,961 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 already reclaimed 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 51 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	12
Number of offenders paid on spot fines	4
Number warned	2,241

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 one (1) person 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 two (2) persons for failure to comply with the "Notice Requiring Abatement of Nuisance" namely improper disposal of wastewater and insanitary pit privy.

Overgrowth of Grass

Legal proceedings were instituted against one (1) person for permitting vacant land to become overgrown with long grass and bush weeds.

Storm Water Drainage System

Legal proceedings were instituted against two (2) persons for failure to comply with the notice requiring the provision of storm water drainage system.

10.0 TOWN PLANNING/ZONINGS/SUBDIVISION

10.1 CHANGES TO ZONING

The following applications for rezoning were received during the year 2007:-

Applicant	Subject Area	Nature of Amendment
1. Go Forward Investment	Lot 2, SO. 4030 Field 40 Subdivision	Residential 'B' to General/Industrial/Commercial
2. Madam Chandrana	Lot 4, ND 5021 Saru/Natabua	Agricultural to Residential
3. R. Prasad Ltd.	Lots 1- 6, DP 7281, Tavakubu/Sukanaivalu Road	Residential B to Commercial
4. Dr. Suresh Chandra	Lot 12, ND 3271, Section 20, 12 Verona Street	Residential 'B' to Commercial
5. Apollo Pacific Hospital	Lot 1, ND. 4900 (Pt of) Lautoka Golf Course site, Tavakubu Road	Civic (Open Space) to Special use (Private Hospital)

10.3 SCHEME PLANS:

Wood and Jepson	Proposed subdivision of Lot 13, DP. 2939 for Digicel Fiji Ltd., Tualasia Street
Patson & Associates	Rajendra Prasad Brothers Ltd, Lots 1-2, DP Tukani Street
Patson & Associates	Mr. Magan/Gandi, Lots 3 & 4, DP. 52 - 48 Drasa and Vitogo
Patson & Associates	Dharmendra Sharma/Punjas & Sons, Lots 29 - 30, Section 15, ND 3746
Patson & Associates	P. Meghji Ltd., Lot 1, DP. 7029, Waterfront Foreshore
Cadastral Solution	Old Radio Fiji site - Lot 1, ND. 4426, Vomo Street, Lautoka
Cadastral Solution	Apollo Pacific Hospital - Lot 1, ND. 4900 (Pt of) Lautoka Golf Course site

10.4 SUBDIVISION OF LAND

SURVEY PLAN

APPLICANT	OWNER	LOCATION
Cadastral Solution	Post Fiji	Part of Lot 1, DP 7721, Narara Parade.
Patson & Associates	Rajendra Prasad Brothers Limited	Lot 1, DP 621 & Lot 2, DP 56, Baravi Lane
Cadastral Solution	Apollo Pacific Hospital	Lot 1, ND 4900 (Pt of) Lautoka Golf Course. Site - Tavakubu Road
Cadastral Solution	Punjas & Son's	Lot 1, ND 4426 Vomo Street
Cadastral Solution	Punjas & Son's/ Dharmendra Sharma	Lots 29 & 30, Section 15, ND 3740 Nasoki Street
Patson & Associate	Suresh Maganlal Ghandhi	Lots 3 - 4, DP 5249 Tagimoucia Street.

10.5 CITY BOUNDARY AREA AND PRESENT ZONING

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

<u>Total</u>		
Residential A	131	hectares
(42%) B	272.7	hectares
C	194.6	hectares
D	69.6	hectares

	667.9	hectares

Commercial A	6	hectares
(2%) B	18.1	hectares
C	1.6	hectares

	25.7	hectares

Industrial Light	165	hectares
(21%) Heavy	148.2	hectares
Noxious	23.3	hectares

	336.5	hectares

Civic (11%)	184 hectares
Special Use (1%)	16 hectares
Open Space (11%)	174 hectares
Rural (1%)	17 hectares
Roads (11%)	185.8 hectares -----
Total	1,606.9 hectares -----

11.0 PARKS & GARDENS:

11.1 BOTANICAL GARDENS:

The development of botanical gardens were 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 2,058 business licences and total revenue was \$361,132 [2006: \$334,165].

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 no application for fair rent assessment.

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 - Area A	Edwards Enterprises - 1/1/07 - 31/10/07
3. Street Sweeping - Area A	Mobile Construction - 1/11/07 - 31/12/07
4. Street Sweeping - Area B	Suresh Chand - 1/11/07 - 31/12/07
5. Traffic Light Maintenance	Bethel Electrical Services Limited
6. Concrete Works	Mobile Construction Limited
7. Market Cleaning	Ranga Sami
8. 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
9. 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)
	Emmanuel Sami (Tavakubu Ward Area B)
	Ram Prasad (Tavakubu Ward Area C)
	Ram Prasad (Tavakubu Ward Area D)
	Vijay Chandra (Veitari Areas A & C) - 1/1/07 - 15/12/07
	Sharwan Kumar Singh & Jai Govind (Veitari Area A & C) - 16/12/07 - 31/12/07
	Ashok Kumaran (Veitari Area B)
	Mohammed Kamal - (Veitari Area D)
	Emmanuel Sami (Veitari Area E)
	David Edwards (Simla Area A)
	Ashok Kumaran (Simla B)
	Modern Electric Company
10. Churchill Park Floodlights Maintenance	
11. Fuel & Oil Supply	B.P. (SWP) Limited
12. Street Lights	Electrical Solutions Limited
13. Park Works	Mikaele Bete
14. Collection of Refuse	Vidya Charan
15. Watering Flower Gardens	Dhirendra Singh
16. Botanical Garden Labour Supply	Casual Labourers
17. Supply of Toilet Tissues	SCA Hygiene Australasia Limited
18. 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. January 12, 2007 - Cr. Chandar Singh
Nasinu Town Council
2. January 12, 2007 - His Worship the Mayor, Cr. Rajeshwar Singh
Nasinu Town Council.
3. February 27, 2007 - Romanu Tikotikoca
Commissioner of Police - Police Head Quarters.
4. March 9, 2007 - His Worship the Mayor, Cr. T. Vuatalevu
Lami Town Council.
5. March 15, 2007 - Mr. Jone Navakamocea
Honourable Minister for Local Government.
6. June 14, 2007 - Mr. J.V. Bainimarama
Prime Minister's Office.
7. June 14, 2007 - Mr. E. Teleni
Deputy Commander, R.F.M.F.
8. November 16, 2007 - Ms. Carolyn Kidd
ABS Bank Executive, New Zealand.

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	15	2	17
City Engineer	5	35	40
Building	4	-	4
Public Health	10	1	11
Parking Meter/Car Park	3	14	17
Total	37	52	89

[2006: 48 35 83]

14.2 RETIREMENT:

Staff

1. Mrs. Rosi Lele - Manager Administration Services

Unestablished

1. Ashok Kumar
2. Lach Ram
3. Ramesh Prasad
4. Saiyad Hussein

14.3 RESIGNATION - Nil

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 - Nil

14.5 During the year 13 employees had been sponsored for training programmes.

14.6 TRAINING - LOCAL (STAFF)

1. February 22 and 23, 2007 - Jeremaia Marawa, Organizing and Recruitment at F.T.U.C. Conference Room, Suva.
2. March 13 and 14, 2007 - His Worship the Mayor, Cr. Rohit Kumar, Cr. Mohammed Yusuf, Cr. Tevita Tuikabara, Cr. Sudeer Kumar, Cr. Kamal Kant Prasad, Cr. Kāla Singh, Cr. Jai Narayan, Cr. Faiaaz Ali, Cr. Dharmendra Singh, Cr. Ashok Kumar, Cr. Peni Turagabaleti, Cr. Apisaki Lomani, Cr. Adi Laisa Balavu, Cr. Ratu Jone Bouwalu, Mr. Krishna Rai - Fiji Local Elected Leadership Training Programme at FIRCA Conference Room, Lautoka.
3. July 20 and 21, 2007 - Gyneshwar Rao - Freedom of Association and Protection of Right to Organize and the Employment Relations Bill at Lautoka Hotel.
4. August 9 and 10, 2007 - Amal Prasad, Abdul Mofid, Shalendra Singh, Jeremaia Marawa - Building Regulations and National Building Code at West Motor Inn Hotel, Nadi.
5. September 17 & 18, 2007 - Cr. Apisaki Lomani, Cr. Dharmendra Singh, Cr. Faiaaz Ali, Cr. Jai Narayan, Cr. Tevita Tuikabara, Cr. Mohammed Yusuf, Cr. Ratu Jone Bouwalu - Fiji Local Elected Leadership Programme at Ba.

6. September 24, 2007 – Rajendra Pratap and Shalend Prem Singh – Environment Management Unit Workshop, Ministry of Tourism and Environment, Suva.
7. September 26 to 28, 2007 – Wally Atalifo – Occupational Health and Safety Course, Modules 1 & 2 in Suva.
8. October 18 and 19, 2007 – Sharon Rao and Vimlesh Deo Magan – Youth Issues Employment Relation Promulgation 2007 at Capricorn Hotel, Nadi.
9. November 20 and 21, 2007 Gyneshwar Rao, Rouhit Karan Singh, Shalend Prem Singh, Sundressan Reddy – Public Health Environment and Town Planning at Suva City Council Chambers.
10. November 23 and 24, 2007 – Amal Prasad, Charlie Saukuru – Employment Relations Promulgation at Capricorn Hotel, Nadi.
11. December 13 and 14, 2007 – Abdul Mofid – New Zealand Institute of Highway Technology Training Programme at Nasilivata House, Suva.

14.7 TRAINING (OVERSEAS)

1. March 26 to 29, 2007 – His Worship the Mayor, Cr. Rohit Kumar, Cr. Apisaki Lomani, Cr. Ashok Kumar, Cr. Adi Laisa Balavu, Cr. Dharmendra Singh, Cr. Faiaaz Ali, Cr. Ratu Jone Bouwalu, Cr. Kamal Kant Prasad, Cr. Mohammed Yusuf, Cr. Penisemani Turagabaleti and Pusp Raj – Commonwealth Local Government Conference at Auckland, New Zealand.

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]
CHIEF EXECUTIVE OFFICER

JOSEFA VUCAGO
SPECIAL ADMINISTRATOR

LAUTOKA CITY COUNCIL



FINANCIAL STATEMENTS (Section 57 - Local Government Act Cap 125) **FOR THE YEAR ENDED** **DECEMBER 31, 2007**

Mr. PUSP RAJ (J.P.)
CHIEF EXECUTIVE OFFICER

Mr. JOSEFA VUCAGO
SPECIAL ADMINISTRATOR



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

REPUBLIC OF THE FIJI ISLANDS
OFFICE OF THE AUDITOR GENERAL



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Email: info@auditorgeneral.gov.fj
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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 2007 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.

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

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

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

Audit Opinion

In my opinion, the financial statements present fairly in accordance with the Fiji Accounting Standards and statutory provisions, the financial position of the Lautoka City Council as at 31 December 2007 and the results of its operations and cash flows for the year ended.

Without further qualification to the opinion expressed above, the Council did not comply with the requirements of the International Financial Reporting Standards while preparing the Financial Statements for 2007.

7B Bolanavanua

Tevita Bolanavanua

ACTING AUDITOR GENERAL

Suva, Fiji
6 August 2009



**LAUTOKA CITY COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

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
LAUTOKA CITY COUNCIL

GENERAL FUND

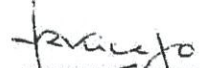
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2007

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 2007 and of the state of affairs as at that date.


.....
PUSP RAJ JP
~~TOWN CLERK~~ CEO

Special



.....
JOSEFA VUCAGO
ADMINISTRATOR

LAUTOKA CITY COUNCIL
STATEMENT OF FINANCIAL POSITION - GENERAL FUND
AS AT 31 DECEMBER 2007

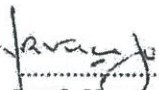
	Notes	2007 \$	2006 \$
CURRENT ASSETS			
Cash	2	1,000	1,000
Term deposit	3	778,120	778,121
Receivables	4	3,977,207	4,168,815
Inventories	5	38,782	50,336
Other assets	6	5,222	10,031
Total current assets		4,800,331	5,008,303
NON CURRENT ASSETS			
Property, plant and equipment	7	56,089,973	56,740,487
Total non current assets		56,089,973	56,740,487
TOTAL ASSETS		60,890,304	61,748,790
CURRENT LIABILITIES			
Bank overdraft	2	80,936	328,718
Creditors and borrowings	8	754,754	764,940
Provisions	9	748,265	740,909
Term loans	10	427,038	301,451
Total current liabilities		2,010,993	2,136,018
NON CURRENT LIABILITIES			
Term loans	10	9,630,607	10,256,687
Total liabilities		11,641,600	12,392,705
NET ASSETS		49,248,704	49,356,085
MUNICIPAL FUNDS			
Accumulated general fund (Page 7)		762,413	632,347
Loan rate fund (Page 8)		(138,187)	132,799
Car Park Fund	11	152,388	118,850
Reserves	12	48,472,089	48,472,089
TOTAL MUNICIPAL FUNDS		49,248,703	49,356,085

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

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


Pusp Raj, J.P.
Town Clerk CEO

Special



Josefa Vacago
Administrator

LAUTOKA CITY COUNCIL
STATEMENT OF FINANCIAL POSITION - PARKING METER FUND
AS AT 31 DECEMBER 2007

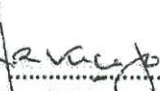
	Notes	2007 \$	2006 \$
CURRENT ASSETS			
Cash	2	320,725	284,269
Total current assets		<u>320,725</u>	<u>284,269</u>
NON CURRENT ASSETS			
Property, plant and equipment	7	148,651	163,119
Total non current assets		<u>148,651</u>	<u>163,119</u>
TOTAL ASSETS		<u>469,376</u>	<u>447,388</u>
CURRENT LIABILITIES			
Creditors and borrowings	8	5,567	209
Provisions	9	16,031	12,823
Term loans	10	3,256	2,731
Total current liabilities		<u>24,854</u>	<u>15,763</u>
NON CURRENT LIABILITIES			
Term loans	10	90,892	92,672
Total non current liabilities		<u>90,892</u>	<u>92,672</u>
TOTAL LIABILITIES		<u>115,746</u>	<u>108,435</u>
NET ASSETS		<u>353,630</u>	<u>338,953</u>
ACCUMULATED FUNDS (Page 9)		<u>353,630</u>	<u>338,953</u>

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

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


 Pusp Raj
 Town Clerk

Special


 Josefa Vucago
 Administrator

LAUTOKA CITY COUNCIL
STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	2007 \$	2006 \$
INCOME			
Agricultural rate		7,888	7,897
Building and subdivision		77,765	52,768
Bus station		72,412	78,570
Business, trading and other licenses		361,132	334,165
Capital expenditure (undischarged) write off		517,135	236,254
Contributions from parking meter fund	13	30,000	30,000
Fiji National Training Council (TPAF) grant		-	2,617
Gain from sale of fixed assets	14	539	39,375
Garbage dump		208,954	171,629
General rate		1,443,958	1,442,733
Interest - overdue rates		54,140	46,941
- investment		60,499	15,230
Market		479,988	444,561
Municipal car park		107,507	96,435
Parking lots and facilities		120,958	89,940
Parks and tennis		132,569	74,252
Plant hire		92,646	108,225
Rent from council		859,300	862,854
Sundries		77,266	82,574
Total income		4,704,656	4,217,020
EXPENDITURE			
Advertising		9,949	8,667
Audit fees		8,178	8,178
Bus station, civic building, depot and staff quarters		233,617	220,759
Contribution - Western Regional Library		409	1,292
Council election expense		-	7,773
Council expenses		65,988	59,048
Depreciation	15	691,328	711,478
Destruction of stray dogs		354	106
Doubtful debts		200,000	300,000
Drains		330,489	323,809
Footpath		1,328	2,439
Garbage removal service		267,271	295,434
Insurance		21,277	19,524
Job evaluation exercises		-	5,130
Leave allowance and passage grants		6,144	4,939
Legal		38,449	168,296

LAUTOKA CITY COUNCIL
STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	2007 \$	2006 \$
Loss on disposal of fixed assets	16	801	8,489
Market		213,125	229,059
Miscellaneous		56,416	45,573
Mosquito control		10,334	8,219
Municipal car park		48,334	41,319
Open day expenses		-	3,597
Parks, gardens and multipurpose courts		251,783	242,692
Plant, equipment, machinery and tools		175,169	160,096
Postage and telephone		47,724	43,760
Printing, stationery and office expenses		87,210	83,396
Public convenience		143,533	133,823
Salaries, wages and related payments		1,037,666	1,008,897
Sick, accident and holiday pay		43,485	47,470
Street and gutter cleaning		115,313	95,195
Street names and traffic signs		37,016	38,349
Street, footpath and verges		242,366	245,050
Streetlights		237,340	227,766
Subscriptions		4,175	3,860
Town cleaning campaign		-	74,075
Traffic lights		12,268	26,965
Traffic survey		640	-
Valuation fees and expenses		-	156
Total expenditure		4,639,479	4,904,678
Net deficit for the year		65,177	(687,658)
Government grant for Field Forty Squatter Settlement Works		-	170,000
Government grant for Borehole and Switchboard		20,000	-
Contribution from FSC for Narara Parade Extension		44,889	-
Accumulated funds at the beginning of the year		632,347	1,150,005
Accumulated funds at the end of the financial year		762,413	632,347

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

LAUTOKA CITY COUNCIL
STATEMENT OF INCOME AND EXPENDITURE - LOAN RATE FUND
FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	2007 \$	2006 \$
INCOME			
Loan rate		1,177,036	1,176,098
Total income		<u>1,177,036</u>	<u>1,176,098</u>
EXPENDITURE			
Interest		982,554	684,616
Principal repayment		465,468	414,389
		<u>1,448,022</u>	<u>1,099,005</u>
Net (deficit)/surplus for the year		(270,986)	77,093
Accumulated funds at the beginning of the year		<u>132,799</u>	<u>55,706</u>
Accumulated fund at the end of the financial year		<u>(138,187)</u>	<u>132,799</u>

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 2007

	Notes	2007 \$	2006 \$
INCOME			
Infringement fines		93,175	74,858
Meter tolls		102,846	117,274
Parking meter fees		27,299	24,250
Total income		223,320	216,382
EXPENDITURE			
Administrative charges to general fund		30,000	30,000
Commission to car park		700	700
Depreciation		14,468	16,325
Interest on loan		11,647	8,432
Legal		5	-
Marking on parking bays		3,129	12,488
Meter maintenance		20,858	17,440
Miscellaneous		4,408	4,196
Office rent		5,700	5,700
Postage		2,939	1,154
Printing and stationery		7,397	8,123
Salaries, wages and related payments		106,297	121,574
Search fees		1,095	1,972
Total expenditure		208,643	228,104
Net surplus/(deficit) for the year		14,677	(11,722)
Accumulated funds at the beginning of the year		338,953	350,675
Accumulated fund at the end of the financial year		353,630	338,953

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

LAUTOKA CITY COUNCIL
STATEMENT OF CASH FLOWS - GENERAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	2007 Inflows/ (Outflows)	2006 Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from ratepayers and customers		4,258,972	4,011,440
Payments to trade creditors, other creditors and employees		(2,760,928)	(3,450,931)
Interest paid		(982,554)	(684,616)
Interest received		114,639	62,171
Net cash provided by/(used in) Operating Activities	21(a)(i)	<u>630,129</u>	<u>(61,936)</u>
Cash flows from investing activities			
Acquisition of property, plant & equipment		(52,730)	(437,091)
Proceeds from Loan Rate Fund for capital works (roads, drains, footpaths)		51,667	-
Proceeds from sale of property, plant and equipment		20,781	52,309
Net cash provided by/(used in) Investing Activities		<u>19,718</u>	<u>(384,782)</u>
Cash flows from financing activities			
Repayment of borrowings		(385,824)	(385,824)
Additional loan		(114,669)	462,830
Contribution from other funds		33,538	39,350
Proceeds from FSC grant		44,889	-
Proceeds from government grant		20,000	170,000
Net cash (used in)/provided by Financing Activities		<u>(402,066)</u>	<u>286,356</u>
Net increase/(decrease) in cash and cash equivalents		247,781	(160,362)
Cash and cash equivalent at the beginning of the year		<u>450,403</u>	<u>610,765</u>
Cash and cash equivalent at the end of the year	21(a)(ii)	<u>698,184</u>	<u>450,403</u>

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

LAUTOKA CITY COUNCIL
STATEMENT OF CASH FLOWS - PARKING METER FUND
FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	2007 Inflows/ (Outflows)	2006 Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from customers (meter tolls and other revenues)		223,320	216,382
Payments to suppliers and employees		<u>(173,962)</u>	<u>(212,819)</u>
		49,358	3,563
Interest and other costs of finance paid		<u>(11,647)</u>	<u>(8,432)</u>
Net cash provided by/(used in) Operating Activities	21(b)(i)	<u>37,711</u>	<u>(4,869)</u>
Cash flows from financing activities			
Repayment of term loans		<u>(1,255)</u>	<u>(2,726)</u>
Net cash used in Financing Activities		<u>(1,255)</u>	<u>(2,726)</u>
Net increase/(decrease) in cash and cash equivalents		36,456	(7,595)
Cash and cash equivalent at the beginning of the year		<u>284,269</u>	<u>291,864</u>
Cash and cash equivalent at the end of the year	21(b)(ii)	<u>320,725</u>	<u>284,269</u>

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

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

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 2007. 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 realisable 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.

UTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2007

e) Expenditure relating to Roads, Footpaths and Drains

The Council has capitalized expenditure 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 comprising rates for different purposes and special purpose funds as required by the Local Government Act. Accordingly it is necessary to establish separate funds to record 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 75,061 tickets outstanding which were not taken into the accounts.

UTOKA CITY COUNCIL
TES TO THE FINANCIAL STATEMENTS (CONT'D)
R THE YEAR ENDED 31 DECEMBER 2007

Loan rate Fund

This fund has been created for rates charged to ratepayers for loans undertaken by the Council . The fund will be used to repay all external borrowings undertaken by the Council.

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) Comparatives

Where necessary, comparative figures have been adjusted to conform 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.

E 2: CASH ON HAND AND AT BANK

	2007	2006
	\$	\$
General Fund		
Cash on hand	1,000	1,000
Bank overdraft	(80,936)	(328,718)
	<u>(79,936)</u>	<u>(327,718)</u>
Parking Meter Fund	\$	\$
Cash at bank	320,725	284,269
	<u>320,725</u>	<u>284,269</u>

E 3. TERM DEPOSITS

	\$	\$
General Fund		
Cyclone self -insurance reserve	778,120	766,644
Workmen compensation self-insurance reserve	-	11,477
	<u>778,120</u>	<u>778,121</u>

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

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2007

	2007	2006
	\$	\$
NOTE 4. RECEIVABLES		
General Fund		
Rate debtors	4,630,227	4,633,759
Other sundry debtors	346,980	335,056
	<u>4,977,207</u>	<u>4,968,815</u>
Provision for doubtful debts	(1,000,000)	(800,000)
	<u>3,977,207</u>	<u>4,168,815</u>
NOTE 5. INVENTORIES	\$	\$
General Fund		
Material - others	38,541	50,104
Traffic light parts	178	178
Fuel and oil	63	54
	<u>38,782</u>	<u>50,336</u>
NOTE 6. OTHER ASSETS		
General Fund	\$	\$
Prepayments	<u>5,222</u>	<u>10,031</u>
NOTE 7. PROPERTY, PLANT AND EQUIPMENT	\$	\$
General fund		
Land and buildings - at cost	10,521,844	10,514,025
Less: Accumulated depreciation	<u>(1,631,228)</u>	<u>(1,498,260)</u>
	<u>8,890,616</u>	<u>9,015,765</u>
Plant and equipment - at cost	935,347	924,732
Less: Accumulated depreciation	<u>(680,100)</u>	<u>(643,435)</u>
	<u>255,247</u>	<u>281,297</u>
Furniture and fittings - at cost	194,709	194,051
Less: Accumulated depreciation	<u>(122,580)</u>	<u>(115,424)</u>
	<u>72,129</u>	<u>78,627</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 7. PROPERTY, PLANT AND EQUIPMENT (Continued)

	2007	2006
	\$	\$
Office equipment - at cost	165,710	163,989
Less: Accumulated depreciation	(122,662)	(120,717)
	<u>43,048</u>	<u>43,272</u>
Motor vehicles - at cost	397,681	434,014
Less: Accumulated depreciation	(254,122)	(258,490)
	<u>143,559</u>	<u>175,524</u>
Roads - at valuation and cost	19,976,319	19,965,433
Less: Accumulated depreciation	(976,111)	(784,245)
	<u>19,000,208</u>	<u>19,181,188</u>
Footpaths - at valuation and cost	12,883,727	12,883,727
Less: Accumulated depreciation	(630,110)	(506,336)
	<u>12,253,617</u>	<u>12,377,391</u>
Drains - at valuation and cost	16,223,804	16,223,804
Less: Accumulated depreciation	(792,255)	(636,381)
	<u>15,431,549</u>	<u>15,587,423</u>
Total property, plant and equipment, net - General Fund	<u>56,089,973</u>	<u>56,740,487</u>
Parking Meter Fund	\$	\$
Parking meters - at cost	466,421	466,421
Less: Accumulated depreciation	(356,510)	(344,297)
	<u>109,911</u>	<u>122,124</u>
Furniture and fittings - at cost	2,267	2,267
Less: Accumulated depreciation	(1,942)	(1,905)
	<u>325</u>	<u>362</u>
Streetlights - at cost	20,782	20,782
Less: Accumulated depreciation	(14,352)	(12,744)
	<u>6,430</u>	<u>8,038</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 7. PROPERTY, PLANT AND EQUIPMENT (Continued)	2007	2006
	\$	\$
Plant and equipment - at cost	3,198	3,198
Less: Accumulated depreciation	(2,259)	(1,962)
	<u>939</u>	<u>1,236</u>
Tui Street car park construction - at cost	32,157	32,157
Less: Accumulated depreciation	(1,111)	(798)
	<u>31,046</u>	<u>31,359</u>
Total property, plant and equipment, net - Parking Meter Fund	<u>148,651</u>	<u>163,119</u>

(a) Movements in Carrying Amounts - General Fund

Movements in the 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 amount at beginning	9,015,765	9,028,520
Additions	7,819	122,829
Depreciation expense	(132,968)	(135,584)
Balance as at 31 December	<u>8,890,616</u>	<u>9,015,765</u>
<u>Plant and equipment - at cost</u>		
Carrying amount at beginning	281,297	307,871
Additions	10,615	14,693
Depreciation expense	(36,666)	(41,267)
Balance as at 31 December	<u>255,246</u>	<u>281,297</u>
<u>Furniture & fittings - at cost</u>		
Carrying amount at beginning	78,627	57,722
Additions	658	28,793
Depreciation expense	(7,156)	(7,888)
Balance as at 31 December	<u>72,129</u>	<u>78,627</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(a) Movements in Carrying Amounts - General Fund

	2007	2006
	\$	\$
<u>Office equipment - at cost</u>		
Carrying amount at beginning	43,272	47,080
Additions	14,989	7,003
Disposals	(4,476)	-
Depreciation expense	(10,737)	(10,811)
Balance as at 31 December	43,048	43,272
<u>Motor vehicles - at cost</u>		
Carrying amount at beginning	175,524	197,103
Additions	16,889	31,156
Disposals	(16,567)	(12,934)
Depreciation expense	(32,287)	(39,801)
Balance as at 31 December	143,559	175,524
<u>Roads - at valuation 2004</u>		
Carrying amount at beginning	19,181,188	19,363,656
Additions	10,886	11,281
Depreciation expense	(191,866)	(193,749)
Balance as at 31 December	19,000,208	19,181,188
<u>Footpaths - at valuation 2004</u>		
Carrying amount at beginning	12,377,391	12,493,296
Additions	-	9,073
Depreciation expense	(123,774)	(124,978)
Balance as at 31 December	12,253,617	12,377,391
<u>Drains - at valuation 2004</u>		
Carrying amount at beginning	15,587,423	15,710,695
Additions	-	34,128
Depreciation expense	(155,874)	(157,400)
Balance as at 31 December	15,431,549	15,587,423
 Total balance as at 31 December 2007	 56,089,972	 56,740,487

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 7. PROPERTY, PLANT AND EQUIPMENT (Continued)		2007	2006
(a) Movements in Carrying Amounts -Parking Meter Fund		\$	\$
<u>Parking meters - at cost</u>			
Carrying amount at beginning		122,124	135,693
Depreciation expense		(12,213)	(13,569)
Balance as at 31 December		<u>109,911</u>	<u>122,124</u>
<u>Furniture and fittings - at cost</u>			
Carrying amount at beginning		362	402
Depreciation expense		(37)	(40)
Balance as at 31 December		<u>325</u>	<u>362</u>
<u>Streetlights - at cost</u>			
Carrying amount at beginning		8,038	10,047
Depreciation expense		(1,608)	(2,009)
Balance as at 31 December		<u>6,430</u>	<u>8,038</u>
<u>Plant and equipment - at cost</u>			
Carrying amount at beginning		1,236	1,626
Depreciation expense		(297)	(390)
Balance as at 31 December		<u>939</u>	<u>1,236</u>
<u>Construction of Tui Street car park - at cost</u>			
Carrying amount at beginning		31,359	31,676
Depreciation expense		(313)	(317)
Balance as at 31 December		<u>31,046</u>	<u>31,359</u>
Total balance as at 31 December 2007		<u>148,651</u>	<u>163,119</u>
NOTE 8. CREDITORS AND BORROWINGS		\$	\$
Current			
<u>General Fund</u>			
Sundry creditors and accruals		472,300	510,172
Other creditors		79,571	55,695
Security deposits		157,125	155,075
Refundable building deposits		45,758	43,998
		<u>754,754</u>	<u>764,940</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 8. CREDITORS AND BORROWINGS (Continued)

Current

Parking Meter Fund

Sundry creditors and accruals

2007

\$

5,567

2006

\$

209

NOTE 9. PROVISIONS

General Fund

In-house cyclone reserve

Workmen compensation reserve

Cyclone reserves

Long service leave

Annual leave

\$

\$

418,490

418,490

9,000

9,000

28,000

28,000

201,618

207,912

91,157

77,507

748,265

740,909

Parking Meter Fund

Long service leave

Annual leave

10,231

7,893

5,800

4,930

16,031

12,823

NOTE 10. TERM LOANS

General Fund

Westpac Banking Corporation

Colonial Life (Fiji) Limited

Colonial National Bank

Lautoka City Council

\$

\$

5,255,131

5,441,742

3,211,242

3,506,495

1,558,040

1,565,592

33,231

44,309

10,057,644

10,558,138

Loan principal commitment at balance date:

Payable within one year

Payable later than one year, not later than two years

Payable later than two years, not later than five years

Payable later than five years

427,038

301,451

467,945

388,023

1,668,634

1,432,355

7,494,027

8,436,309

10,057,644

10,558,138

Represented in the balance sheet as:

Current

Non-current

427,038

301,451

9,630,606

10,256,687

10,057,644

10,558,138

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 10. TERM LOANS (Continued)

	2007	2006
<u>Parking Meter Fund</u>	\$	\$
Westpac Banking Corporation	94,148	95,403
Loan Principal Commitment at balance date:		
Payable within one year	3,256	2,731
Payable later than one year, not later than two years	3,559	3,044
Payable later than two years, not later than five years	12,792	11,390
Payable later than five years	74,541	78,238
	<u>94,148</u>	<u>95,403</u>
Represented in the balance sheet as:		
Current	3,256	2,731
Non-current	90,892	92,672
	<u>94,148</u>	<u>95,403</u>

Loans raised by the Council bear interest charges ranging from 8.43% to 10% per annum. All loans are secured by Pari Passu Debenture Deeds covering the present and future assets of the Council.

NOTE 11. CAR PARK FUND

	\$	\$
Opening balance	118,850	79,500
Add: Contribution for car parks	33,538	39,350
	<u>152,388</u>	<u>118,850</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2007

	2007 \$	2006 \$
NOTE 12. RESERVES		
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
	48,472,089	48,472,089
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
NOTE 14. GAIN FROM SALE OF FIXED ASSETS	\$	\$
Gain from sale of land - Lot 1, DP 8747	-	39,375
Gain from sale of Council vehicle	539	-
	539	39,375
NOTE 15. DEPRECIATION	\$	\$
Land and buildings	132,968	135,584
Furniture and fittings	7,156	7,888
Plant and equipment	36,665	41,267
Office equipment	10,738	10,811
Motor vehicle	32,287	39,801
Roads	191,866	193,749
Footpaths	123,774	124,978
Drains	155,874	157,400
	691,328	711,478
NOTE 16. LOSS ON DISPOSAL OF FIXED ASSETS	\$	\$
Loss from sale of fixed assets	801	8,489

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 17. CAPITAL COMMITMENTS

The Council has committed \$NIL (2007: \$1,296,000) for the various capital works.

NOTE 18. 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.
- (ii) The Council is also a second defendant in a case by Kala Wati, whose approximate claim has not been quantified by the solicitor.
- (ii) The Council is also a defendant in a case by Value City who is claiming \$75,322 plus interest at a rate of 13.5%.

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

NOTE 19. 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 20. 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.

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 21. NOTES TO THE STATEMENT OF CASH FLOWS

(a) General Fund

(i) Reconciliation of Net Cash provided by Operating Activities to Net Surplus	2007 \$	2006 \$
Net deficit for the year	(140,920)	(440,565)
Depreciation	691,328	711,478
Provision for doubtful debts	200,000	300,000
Loss/(gain) on disposal	262	(39,375)
Capital expenditure written off	(51,667)	8,135
Proceeds from government grant	(20,000)	-
Proceeds from FSC grant	(44,889)	-
Movements in creditors for fixed asset purchases	(9,126)	-
Net cash provided by operating activities before changes in assets and liabilities	624,988	539,673
Change in assets and liabilities:		
(Increase)/decrease in receivables	(3,583)	(364,614)
Decrease in inventory	11,554	286
Increase in creditors and borrowings	(10,186)	(254,073)
Increase in accrued employment entitlement	7,356	16,792
Net cash inflows/(outflows) from operating activities	630,129	(61,936)

(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	(80,936)	(328,718)
Term deposit	778,120	778,121
	698,184	450,403

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 21. NOTES TO THE STATEMENT OF CASH FLOWS (Continued)

(b) Parking Meter Fund

(i) Reconciliation of Net Cash provided by Operating Activities to Net Surplus	2007 \$	2006 \$
Net surplus/(deficit) for the year	14,677	(11,722)
Depreciation	14,468	16,325
Net cash provided by operating activities before changes in assets and liabilities	<u>29,145</u>	<u>4,603</u>
Change in assets and liabilities:		
Increase/(decrease) in sundry creditors	5,358	(3,030)
Increase/(decrease) in provisions	<u>3,208</u>	<u>(6,442)</u>
Net cash inflows/(outflows) from operating activities	<u>37,711</u>	<u>(4,869)</u>
(ii) Cash and Cash Equivalents		

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

	\$	\$
Cash at bank	<u>320,725</u>	<u>284,269</u>
	<u>320,725</u>	<u>284,269</u>

