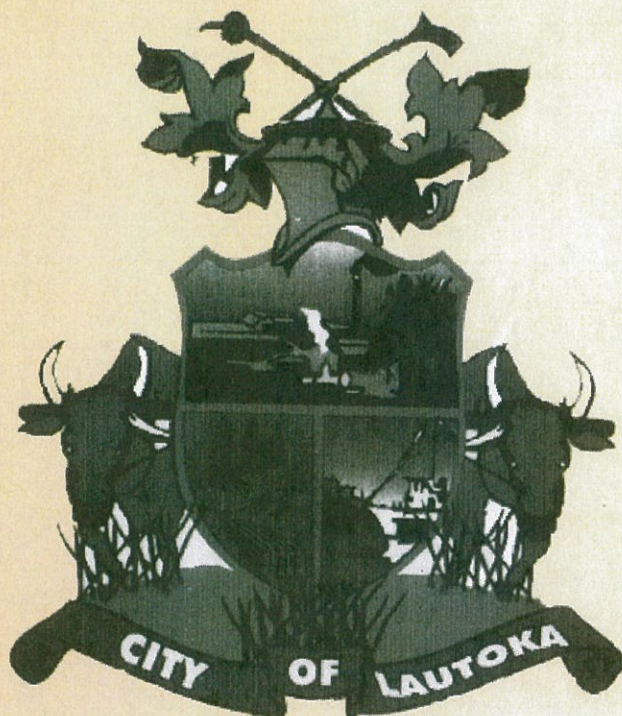


LAUTOKA CITY COUNCIL



ANNUAL REPORT (Section 19 - Local Government Act Cap 125) **FOR THE YEAR ENDED** **DECEMBER 31, 2008**

Mr. SHIVA RAJAN
ACTING CHIEF EXECUTIVE OFFICER

Mr. PARVEEN BALA
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 (a) ELECTED COUNCIL

The councillors for the year 2008 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 – as per resolution 280/02/08 ceased to be a member of the council as a result of not attending three consecutive meetings.

VETARI WARD

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

WAIYAVI WARD

1. Cr. Adi Laisa Balavu Tora
2. Cr. Ratu Jone Bouwalu
- Cr. Faiaaz Ali
3. Cr. Penisemani Turagabaleti

3.7 (b) Resulting from the amendment to section 9 (3) of Local Government Act, Cap. 125, the term of existing councillors was increased from three (3) years to four (4) years.

The election of mayor was held at the annual meeting on November 24, 2008 at 5.00p.m. Councillor Rohit Kumar was re-elected as the mayor of the city for the ensuing year.

3.9 (a) ELECTION OF DEPUTY MAYOR

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

3.9 (b) EXPIRY OF COUNCILLORS TERM IN OFFICE

The Cabinet approved through Cabinet decision IGCP (08) 439 of December 2, 2008 that the term of all councillors will expire on the 31st day of January, 2009 and furthermore stated that town clerks in the transition will control the affairs of the council.

3.10 PRINCIPAL OFFICERS:

The following were the principal officers of the council:-

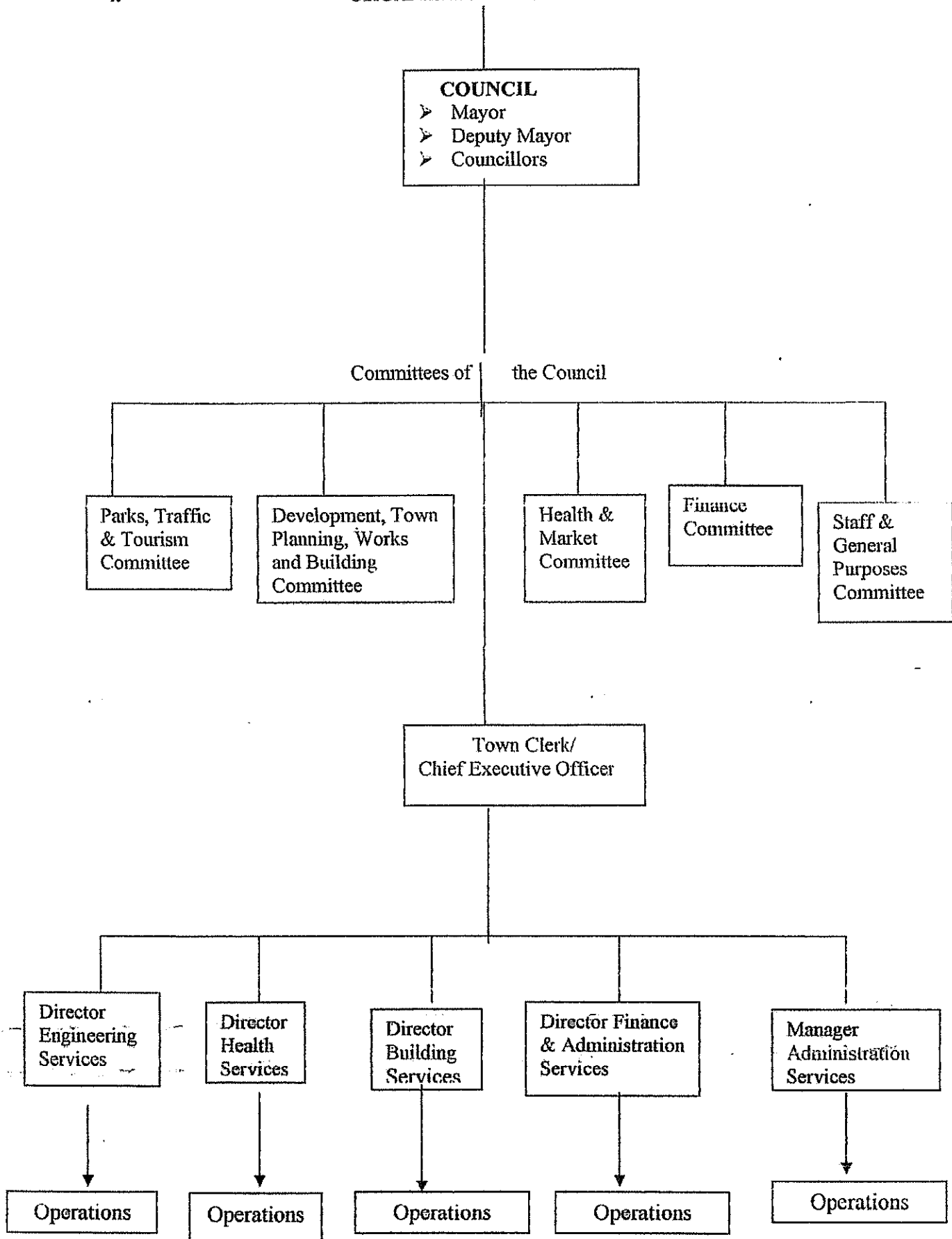
- | | |
|---|------------------------|
| 1. Town Clerk/Chief Executive Officer | - Pusp Raj, J.P. |
| 2. Director Health Services | - Rajendra Pratap |
| 3. Director Finance & Administration Services | - Shiva Rajan |
| 4. Acting Director Engineering Services | - Rimal Ravinesh Karan |
| 5. Acting Director 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	13	
Emergency	3	
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>89</u>	(2007: 82)
Subcommittee Meetings	14	

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 2008:-

(1) Alteration to City Boundary

The extension of boundaries of city of Lautoka was duly gazetted in June, 1991 vide Legal Notice No. 33 of June 7, 1991.

The boundaries of city of Lautoka has increased by 515ha from 1092 to 1607ha and comprised as follows:-

Namoli	92 hectares
Waiyavi	27 "
Natabua & Field Forty	218 "
Navutu	178 "
	<u>515</u> hectares

The extended areas include the following:-

- (i) All that area of crown land and native land known as Part of Namoli lying on the north and north east of the existing boundary of Lautoka City.
- (ii) All that area of native land being part of Native Land Corporation, Lot 39 adjoining the north east boundary of Lautoka City.
- (iii) All that area of native land lying east of the existing boundary of Lautoka City.
- (iv) All that area of native land known as Waiyavi Extension lying on the existing boundary of Lautoka City.
- (v) All that area of crown land being part of Navutu, Natabua and Field Forty lying west and south west of the existing boundary of Lautoka City.

(2) Clean and Cities Campaign 2008

Clean Up Fiji organised the Clean Cities and Towns Campaign, 2008 in which a group of volunteers consisting of His Worship the Mayor, Cr. Rohit Kumar, Deputy Mayor, Cr. Jesoni Balewai, four (4) councillors, twenty five (25) staff, two (2) contractors and ten (10) family members had cleared part of Lautoka City on Saturday, September 13, 2008.

(3) Fiji Rugby Union Match Commissioner

Mr. Amal Prasad, council's Works Manager has been appointed as a match commissioner with Fiji Rugby Union for year 2008 and it was a proud moment for the council and the city as a whole as he was the first Indo Fijian to be appointed to that position in the history of rugby's 95 years in existence in Fiji.

(4) Arbor Week - 2008

The above Arbor Week was celebrated in Lautoka from May 19 to May 29, 2008 with sale of pot plants at Narara Parade, Lautoka.

(5) Major Events in Churchill Park

(a) Rugby

1. Pacific Rugby Cup on April 18, 2008 – Fiji Warriors vs Tautahi Gold
2. Pacific Rugby Cup on April 25, 2008 – Air Pacific Fiji Barbarians vs Upohu Samoa
3. Pacific Rugby Cup on May 9, 2008 – Fiji Warriors vs Tongan Tau'uta Reds
4. I.R.B. Pacific Nations Cup on June 7, 2008 – Fiji vs Samoa
5. I.R.B. Pacific Nations Cup on June 14, 2008 - Flying Fijians vs New Zealand Maori

(b) Soccer

1. OFC Olympic Playoff – March 1 to 15, 2008 in which the national soccer team from New Zealand, Solomon Islands, Vanuatu, Papua New Guinea, Cook Islands and Fiji played on a round robin basis.
2. World Cup series on November 19, 2008 – New Zealand vs Fiji

(c) Others

- i. The following programmes organised at Churchill Park also drew large crowd to Lautoka City:-
 - (i) Vivid Enterprises Limited organised magical show from April 26 to May 7, 2008.
 - (ii) Soweto Gospel Choir Concert on May 10, 2008.
 - (iii) Gomai Pyar Ka Show (Raj Pal Yadav Show) on June 26, 2008
 - (iv) Bunty Bubby Show – August 16, 2008
 - (v) Methodist Church organised Pacific Youth Camp from December 1 to 8 2008

(6) Farmers Carnival - 2008

The National Farmers Union organised the farmers' carnival from July 5 to July 12, 2008.

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

The carnival was staged at the Churchill Park grounds.

(7) Sugar Festival - 2008

The annual Vodafone Sugar Festival took place from August 30 to September 8, 2008. 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. Due to down turn in economy there were no contestants for the festival.

The Sugar Festival was organised by the Sugar Festival Association. The council took part in the float with the theme "Clean Cities and Towns Competition" 2008 and won the first prize.

The festival was staged at Churchill Park, Lautoka

(8) Adi Salusalu Festival

The Ba Provincial Council organised the Adi Salusalu festival from October 20 to October 26, 2008.

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

The festival was stages at Churchill Park grounds.

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 2008 was 1.1739¢ in the \$ based on UCV and rates income were as follows:-

Rate	Levy	U.C.V.	Rate Income
	¢	\$	\$
General	0.6609	218,483,583	1,443,958
Loan	0.513	229,565,692	1,177,672
Agriculture	0.185	4,143,783	7,666
			2,629,296

[2007 rate levy 1.1739c and total rate income \$2,628,882].

7.2 TOWN RATE COLLECTION:

	2008 Rate Levy	Arrears b/f	Total Due
	\$	\$	\$
	2,629,296	4,816,983	7,446,279
Collected to 31.12.2008	1,776,750	952,770	2,729,520
Balance	852,546	3,864,213	4,716,759
% Collected	67.58	19.78	36.66
[Same Period 2007] %	67.80	23.43	41.43

7.3 TOWN RATES IN ARREARS:

The above arrears of \$4,716,759 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	<u>3,474,907</u>
	<u>\$4,716,759</u>

7.4 RATE ASSESSMENTS/RATEPAYERS:

Total number of town ratepayers: 7681
[2007 : 7680]

7.5 RECURRENT REVENUE & EXPENDITURE:

The total recurrent revenue and expenditure of the council for the year ending December 31, 2008 were as follows:-

Fund	Revenue	Expenditure	Surplus/ (Deficit)
	\$	\$	\$
General	4,304,976	5,085,296	(780,320)
Loan	1,177,672	1,019,733	157,939
Parking Meter	234,827	218,281	16,546
Total	5,717,475	6,323,310	(605,835)

[2007 6,105,012 6,157,799 (52,787)]

7.6

GENERAL FUND INCOME:

Agricultural Rate	7,666
General Rate	1,443,958
Interest – on overdue rates	64,350
- investment	16,367
Fees and charges	
Building and subdivision	48,722
Bus station	76,634
Business, trading and other licences	340,001
Contribution from parking meter fund	30,000
Training and Productivity Authority of Fiji Grant	1,256
Garbage dump	114,147
Market	601,823
Municipal Carpark	101,677
Parking lots and facilities	134,989
Parks and tennis courts	182,881
Plant hire	104,055
Rent from council properties	843,953
Sundries	103,223
Capital expenditure (undischarged) write off	89,274
TOTAL	\$4,304,976

7.7

GENERAL FUND EXPENDITURE:	\$
Advertising	14,306
Audit Fees	9,600
Contribution – Western Regional Library	681
Council Expenses	74,637
Leave Allowance & Passage Grants	955
Legal	233,671
Parks, gardens and multipurpose courts	352,303
Plant, equipment, machinery and tools	190,838
Postage & Telephone	44,323
Printing, Stationery & Office Expenses	96,399
Public Convenience	141,973
Salaries, Wages & Related Payments	1,036,399
Sick, Accident and Holiday Pay	46,971
Maintenance & Operating Expenses	
Bus Station, Civic Building, Depot & Staff Quarters	223,653
Depreciation	679,119
Destruction of stray dogs	150
Drains	385,871
Garbage removal service	358,673
Hurricane Expenses	11,357
Insurance	24,155
Market	197,153
Miscellaneous	56,759
Mosquito Control	11,665
Municipal Carpark	49,586
Street & Gutter Cleaning	174,191
Street names and traffic signs	39,431
Street, Footpaths & Verges	356,044
Streetlights	254,191
Subscriptions	4,695
Town Cleaning Campaign	317
Traffic Lights	14,530
Valuation fees and expenses	700
Total	\$5,085,296
Excess of Expenditure over Income	\$780,320

7.8

LOAN RATE FUND:

		\$	\$
Income	-	Loan Rate	1,177,672
Expenditure	-	Principal Repayment	75,471
	-	Interest	944,262
			<u>1,019,733</u>
Net surplus for the year			<u>157,939</u>

7.9 CURRENT LOAN

The council's loan liability on December 31, 2008 amounted to **\$10,065,804**

7.10 PARKING METER FUND:

		\$	\$
Revenue	- Meter Tolls	122,076	
	- Infringement Fines	89,966	
	- Parking Meter Fees	<u>22,785</u>	234,827
Expenditure	- Administrative charges to general fund	30,000	
	- Commission to Car Park	700	
	- Depreciation	12,845	
	- Interest on Loan	5,852	
	- Marking on Parking Bays	18,573	
	- Meter Maintenance	15,420	
	- Miscellaneous	7,653	
	- Office Rent	5,700	
	- Postage	1,430	
	- Printing & Stationery	5,451	
	- Salaries, Wages and Related Payments	114,494	
	- Search Fees	<u>163</u>	<u>218,281</u>
Net surplus for the year			<u>\$ 16,546</u>

7.11 CAPITAL EXPENDITURE:

The total capital expenditure of the council for the fiscal year ending December 31, 2008 was –

Fund	Total Expenditure
General	\$291,583
Total	\$291,583

[2007: \$61,858]

7.12 CAPITAL WORKS:

The council carried out capital works to the value of \$291,582 and the details are as follows:-

	\$
Office Equipment, Furniture and Fittings	9,632
Plant and Equipment	8,471
Roads	273,480
	291,583

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	40	4,562,984
Industrial Buildings	23	2,118,208
Civic and Special Use	18	1,234,387
Residential Buildings	134	6,860,730
Miscellaneous: Retaining Walls, fence, Sewer connections, etc.	<u>91</u>	<u>425,564</u>
	<u>306</u>	<u>15,201,873</u>
[2007	(354)	(20,340,689)]

8.3 SUMMARY OF BUILDING PERMITS ISSUED:

	<u>Nos.</u>	<u>Amount</u> \$
Commercial Buildings	30	5,402,115
Industrial Buildings	16	2,734,898
Civic and Special Use	12	855,587
Residential Buildings	116	4,505,835
Miscellaneous: Retaining Walls, fence, sewer connections, etc.	<u>80</u>	<u>319,724</u>
	<u>254</u>	<u>13,818,159</u>
[2007	(311)	(13,290,810)]

8.4 SUMMARY OF COMPLETION CERTIFICATES ISSUED:

	<u>Nos.</u>	<u>Amount</u>
		\$
Commercial Buildings	18	3,848,407
Industrial Buildings	8	596,382
Civic and Special Use	2	1,117,488
Residential Buildings	40	1,842,170
Miscellaneous: Retaining Walls, fence,	<u>13</u>	<u>189,335</u>
sewer connections, etc.	<u>81</u>	<u>7,593,782</u>
[2007	(93)	(6,224,330)]

8.5 COMPLETION CERTIFICATES OUTSTANDING IN REGISTER

225 number valued at \$7,608,091

(261 number valued at \$14,116,359)

8.6 OUTLINE APPLICATION DEALT WITH: 6 (7)**8.7 TOTAL BUILDING INSPECTIONS (UNDER CONSTRUCTION)
FOR THE YEAR 2008: 1,598 (1,738)****Non Conforming and Illegal Developments**

Case Completed	22
Cases Attended	41
Court Cases Notices Issued	66

**NOTE: FIGURES IN BRACKET ARE FOR CORRESPONDING PERIOD
LAST YEAR (2007)**

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
Accommodations Hostels/Boarding Houses	2
Restaurant and Refreshment Bars	8
Restaurant, Refreshment Bars/Takeaways	175
Restaurant with Liquor Licence	5
Refreshment Bars	10
Bake House & Refreshment Bar	5
Butcher Shop	12
Aerated Water, Ice Cream Factories	3
Confectionery/Sweet Meat Factories	2
Theatres	4
Hairdresser/Barbershop/Chiropodists	35
Billiard Tables/Amusement Centre	5
Laundries	2
Masseur	1
Dance Halls/Night Clubs	4
Hawkers	19

9.3

HAWKERS:

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

[2007: 19]

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 Derelict 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	3936	8,766

[2005: 5,133 4,055 9,178]

9.6 WRITTEN NOTICES ETC. ISSUED:

Number of intimation notices issued	878
Number of statutory notices issued	30
Number of poultry and animal notices issued	30
Number of notices in letter form issued	315
Number of Litter Notices Issued	13
Number of Summons Served	4
Total	<u>1,270</u>

[2007: 1,549]

9.7 SPECIAL HOUSEHOLD DRAINAGE INSPECTION:

Total number of inspections	223
Number completed satisfactorily	59
Number connected to sewer	223
Number connected to septic tank	-
Total	<u>505</u>

[2007: 635]

9.8 BUILDING PLANS PROCESSED

Total Number of Plans Processed	479
---------------------------------	------------

[2007: 608]

9.9 UNSOUND FOOD ITEMS CONDEMNED AND DESTROYED:

Articles	Quantity
Fresh Fruits & Vegetables	33,332 tonne
Confectionery	255kg
Spices	250kg
Rice	2,480 tonne
Sauce, Pastry and Creams	1,044kg
Lentils, Dhal, Besan	5,550kg
Meat & Meat Products	3,300kg
Fruits & Vegetables (tin packed & pre packed)	346kg
Canned Fish	5,916kg
Chicken Frozen	15,840.4kg
Ice Cream & Ice Cream Products	2010.39 litres
Noodles	100kg
Dairy & Butter Products	23.2kg

9.10 DISPOSAL OF DEAD ANIMALS:

Number of dead dogs disposed at the dump:	349	[2007: 219]
Number of dead cats disposed at the dump :	121	[2007: 78]

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 9,683 loads during the year

[2007: 9,373 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 WASTE MINIMIZATION AND RECYCLING PROMOTION PROJECT

Proposal on the above project was forwarded to the Government of Japan by the Fiji Government in August, 2005 seeking funding assistance to focus on waste minimization and waste management in the western region of Viti Levu especially Lautoka and Nadi. After series of workshops and meetings between relevant stakeholders, the Government of Japan through its Japanese Technical Cooperation Program approved to commence the project from September, 2008. The project will be for three (3) years and six (6) months.

The overall goal of the project is to develop and introduce the 3R Model (Reduce, Reuse and Recycle) in Lautoka City and Nadi Town area. The project will further focus in achieving the following five (5) specific project outputs during the duration of the project:-

- Activities of output 1: develop solid waste management plans.
- Activities of output 2: implement pilot projects including partial improvement of a section of the Lautoka Landfill (Vunato Dump).
- Activities of output 3: implement 3R in whole of Lautoka City and Nadi Town area.
- Activities of output 4: raise awareness of the residents through implementation of environmental education activities on 3R promotion.
- Activities of output 5: 3R Model for Fiji is developed and implemented.

The Japanese Expert Team (JET) contracted by JICA has commenced work on the project since October 17th, 2008. Total of nine (9) experts will be dispatched from Japan to carry out the project in collaboration with Lautoka City council and Nadi Town Council. During the course of the project, local consultants will also be contracted to carry out some baseline survey works.

Following activities have been successfully conducted within both municipalities:

Waste Amount Composition Survey (WACS) Final Disposal Amount Survey (FDAS) Topographical Survey of Vunato Rubbish Dump Public Opinion Survey Compost Demand and Market Survey (CDMS) Recycling Activity Survey (RAS) Community Survey

Furthermore, Draft waste flow has been prepared and Time and motion study will be completed by end of February. Solid Waste Management framework and Reduce, Reuse, Recycle (3 R) Pilot Project Plan for both municipalities will be formulated by JET. Dump Operational and Management Plan will also be prepared. The Expert Team is in the process of awarding tenders to local consultant to make necessary arrangements for the installation of weighbridge at the Vunato Dump by August, 2009.

9.14 SUPERVISION OF CONTRACTUAL 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.

9.15 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 54 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.

9.16 FLY CONTROL AT MARKET:

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

9.17 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	13
Number of offenders paid on spot fines	6
Number warned	1,799

9.18 LEGAL PROCEEDINGS:

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

Public Health:

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.

10.0 TOWN PLANNING/ZONINGS/SUBDIVISION

10.1 CHANGES TO ZONING

The following applications for rezoning were received during the year 2008:-

Applicant	Subject Area	Nature of Amendment
1. Swani Maharaj	Lot 1, DP. 7105, Natabua Road	Residential 'D' to Commercial
2. Abdul Rafiq	Lots 1 & 2, DP. 3045, Narara Parade, Lautoka	Civic to Commercial
3. Filipe Ravouvou	Lot 2, ND. 3194, Drasa Avenue, Lautoka	Civic to Special Use

10.2 SCHEME PLANS:

Cadastral Solutions Ltd.	Proposed Subdivision of Lots 29 & 30, Section 15, ND. 3740, Nasoki Street – Dharmendra Sharma/Punja & Sons.
Director of Lands	Proposed Subdivision of Lot 1, ND. 1010, Tagimoucia Street – P.W.D.
Patson & Associates	Proposed Scheme Plan of Lot 9, ND. 3194, Yawini Street, Lautoka – Ms. Ram Kuar Sundarji
Patson & Associates	Proposed Scheme Plan of Lot 2, ND. 3194, Drasa Avenue, Lautoka – Mr. Mohammed Sattar
Cadastral Solution	Proposed Subdivision of Lot 7, ND. 3194, Yawini Street, Lautoka – Mr. Raben Bhan Singh
Cadastral Solution	Proposed Subdivision of Lot 2, ND. 5022, Natabua Seaside Road – Mr. Raben Bhan Singh

10.3 SUBDIVISION OF LAND SURVEY PLAN

Applicant	Owner	Location
Cadastral Solutions Ltd.	Dharmendra Sharma/Punja & Sons.	Proposed Subdivision of Lots 29 & 30, Section 15, ND. 3740, Nasoki Street
Patson & Ass.	Ms. Ram Kuar Sundarji	Survey Plan of Lot 9, ND. 3194, Yawini Street, Lautoka
Patson & Ass.	Mr. Mohammed Sattar	Survey Plan of Lot 2, ND. 3194, Drasa Avenue, Lautoka

10.4 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 2177 business licences and total revenue was \$340,001 [2007: \$361,132]

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 – 1/1/2008 – 31/7/2008
2. “ “	S Adam Transport (F) Ltd – 1/8/2008 – 31/12/2008
3. Street Sweeping – Area A	Mobile Construction
4. Street Sweeping – Area B	Suresh Chand
5. Traffic Light Maintenance	Bethel Electrical Services Limited
6. Concrete Works	Mobile Construction Limited
7. Market Cleaning	Ranga Sami – 1/1/2008 – 1/6/2008
	Daya Ram – 2/6/2008 – 31/12/2008
8. Public Convenience	Mesake Beranaliva – Kamikamica Park
Cleaning	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

<u>Services</u>	<u>Contractor</u>
9. Drain Cleaning & Grass Cutting	Mohammed Kamal Waiyavi) (Area A) Ambika Prasad (Waiyavi Area B & C) Sunil Chand (Waiyavi Area D – 1/1/08 – 16/11/08) Atlantic Hire (“ “ D – 17/11/08-31/12/08) Deo Charan (Tavakubu Ward Area A – 1/1/08 – 16/11/08) Ram Kumar (Tavakubu Area D – 17/11/08 – 31/12/08) Emmanuel Sami (Tavakubu Ward Area B) Ram Prasad (Tavakubu Ward Area C) Ram Prasad (Tavakubu Ward Area D) Sharwan Kumar Singh & Jai Govind (Veitari Area A & C) Ashok Kumaran (Veitari Area B) Mohammed Kamal - (Veitari Area D) Emmanuel Sami (Veitari Area E) David Edwards (Simla Area A – 1/1/08 – 15/2/08) Alvin Prakash (Simla Area A- 16/2/08 31/12/08) 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 – 1/1/08 – 18/5/08 Ravin Kumar – 19/5/08 – 31/12/08 Casual Labourers
16. Botanical Garden – Labour Supply	
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
19. Towing of Vehicles	Western Wreckers – 1/7/08 – 31/12/08

13.0 VISITING DIGNITARIES:

- | | | | |
|-----|-------------------|---|---|
| 1.0 | January 18, 2008 | - | Mr. Esala Teleni
Commissioner of Police - Police Headquarters |
| 2.0 | February 7, 2008 | - | Mr. John Low
Chairman - National Fire Authority |
| 3.0 | February 7, 2008 | - | His Worship the Mayor. Cr. Ratu Isikele Tasere
Mayor - Sigatoka |
| 4.0 | February 19, 2008 | - | Mr. Lekh Ram Vayeshnoi
Interim Minister for Local Government & Urban Development |
| 5.0 | February 25, 2008 | - | Mr. Adeline Bering
Cooperation Attaché - French Embassy, Suva |

- 6.0 February 25, 2008 - M/s Christiane Waneissi
Advisor in Coop. - South Province, New Caledonia
- 7.0 February 29, 2008 - His Worship the Mayor, Cr. Timoci Koroiqica
Mayor of Nadi
- 8.0 May 9, 2008 - (i) Mr. Edward & Heather David
MV Doulos
- (ii) M/s Seelan Govender
MV Doulos
- (iii) Captain & Mrs. Ashley McDonald
MV Doulos
- (iv) M/s Stephane Kapitaniuk
MV Doulos
- 9.0 July 23, 2008 - His Excellency, Mr. Franciscus X. B. Guritno
Indonesian Ambassador
- 10.0 July 25, 2008 - Lt. Commander John Fox
Commander Fiji Navy
- 11.0 July 25, 2008 - M/s Midn S. Rajale
- 12.0 August 27, 2008 - (i) Mr. Filipe Bole
Minister for Local Government, Urban Development,
Housing & Environment
- (ii) Mr. Moses Kama
Ministry of Local Government, Urban Development,
Housing & Environment

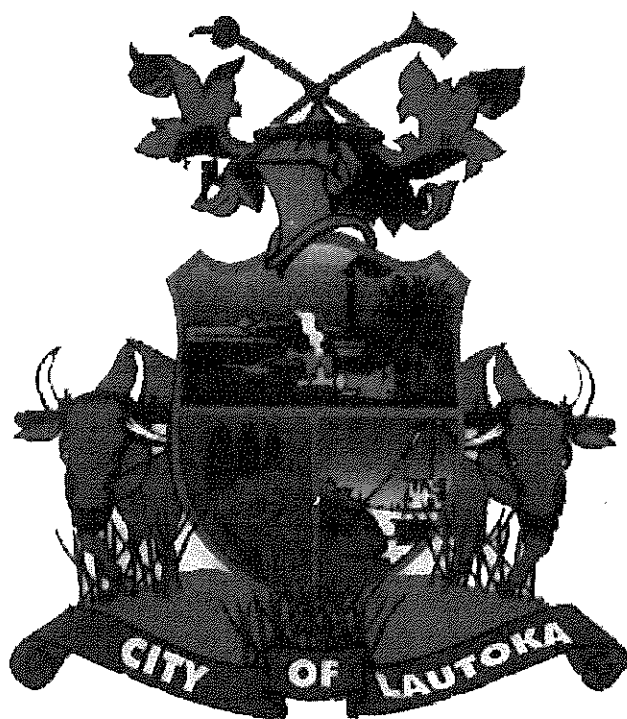
14.0 HUMAN RESOURCES/INDUSTRIAL RELATIONSHIP

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

Department	Staff	Unestablished	Total
Town Clerk's	22	2	24
City Engineer	5	33	38
Building	4	-	4
Public Health	9	-	9
Parking Meter/Car Park	10	8	18
Total	50	43	93

[2007: 45 52 97]

LAUTOKA CITY COUNCIL



FINANCIAL STATEMENTS (Section 57 - Local Government Act Cap 125) **FOR THE YEAR ENDED** **DECEMBER 31, 2008**

Mr. SHIVA RAJAN
ACTING CHIEF EXECUTIVE OFFICER

Mr. JOSEFA VUCAGO
SPECIAL ADMINISTRATOR

14.2 RETIREMENT:Staff

1. Mr. Kamlesh Chandra – Assistant Market Master

Unestablished

1. Krishna Swamy
2. Laisenia Vateitei
3. Emosi Kuruduadua

14.3 RESIGNATIONStaff

1. Avanish Kumar Mudaliar
2. Zakiya Ali
3. Arti Latchamamma Mudaliar

Unestablished

1. Ambika Nand
2. Susan Kumkee

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

1. Murray Needs – Former Engineer died on August 3, 2008.
2. Mosese Raimuria – Former Deputy Mayor died on September 2, 2008
2. Ellaiya Narsamlu – Former market master died on September 5, 2008

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

14.6 TRAINING – LOCAL (STAFF)

1. February 21 to 22, 2008 – Wally Atalifo, Organising and Recruiting at FTUC Conference Room, Capricorn International Hotel, Nadi
2. February 25 to 27, 2008 – Pusp Raj, International Financial Reporting Standards Workshop at Training & Productivity Authority of Fiji, Suva
3. April 3, 2008 – Krishna Rai, Employment Relations Promulgation at Training & Productivity Authority of Fiji, Narere, Suva

4. April 14 to 15, 2008 – Wally Atalifo, Understanding and Implementing ISO 22000: 2005 – Food and Safety Management System, APO at Training & Productivity Authority of Fiji, Narere, Suva
5. May 6 to 7, 2008 – Devika Prasad, Creating Financial Framework and Managing Performance at Ba Town Council
6. May 22 to 23, 2008 – Prem Sundar, Gyneshwar Rao and Shalend Prem Singh, Implementation and Enforcement of the Environmental Management Act, 2005 at Cathay Hotel, Lautoka
7. June 5, 2008 – Pusp Raj, Productivity Symposium at Holiday Inn, Suva
8. August 13 to 14, 2008 – Devika Mala Prasad and Krishna Rai, Strengthening Financial Management for Local Government – Management operating budget and capital investment plan – Module 3 at West Motor Inn, Nadi
9. October 30 to 31, 2008 – Amal Prasad and Abdul Israaz Khan, Trade Union Leadership training for youth at Capricorn International Hotel, Nadi
10. November 21 to 22, 2008 – Pusp Raj, Shiva Rajan, Rimal Karan, Gyneshwar Rao and Abdul Mofid, Senior Municipal Managers Workshop at Southern Cross Hotel, Suva
11. November 24 to 26, 2008 – Rouhit Karan Singh, Men as partners in Reproductive Health at Outrigger on the Lagoon, Sigatoka
12. December 4 to 5, 2008 – Shiva Rajan and Epeli Ratabaca, Infrastructure, Training and Roadworks Workshop at West Motor Inn, Nadi

14.7 TRAINING (OVERSEAS)

1. November 25, 2008 to December 12, 2008 – Jeremaia Kurusiga, Environmental Conservation in Japan

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.

SHIVA RAJAN
ACTING CHIEF EXECUTIVE OFFICER

JOSEFA VUCAGO
SPECIAL ADMINISTRATOR

REPUBLIC OF THE FIJI ISLANDS
OFFICE OF THE AUDITOR GENERAL



8th Floor, Ratu Sukuna House,
MacArthur Street,
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Suva, Fiji Islands.



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ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

File: 831/1

25 February 2010

Mr. Josefa Vucago
Special Administrator
Lautoka City Council
P O Box 124
LAUTOKA

Dear Mr. Vucago

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

Audited financial statements of the Lautoka City Council for the year ended 31 December 2008 together with my audit report on them are enclosed.

Particulars of the errors and omissions arising from the audit have been forwarded to the management of the Council for its actions.

Tevita Bolanavanua

Tevita Bolanavanua
ACTING AUDITOR GENERAL

Encl.

REPUBLIC OF THE FIJI ISLANDS
OFFICE OF THE AUDITOR GENERAL



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



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ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

LAUTOKA CITY COUNCIL
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008
INDEPENDENT AUDIT REPORT

Scope

I have audited the financial statements of Lautoka City Council for the year ended 31 December 2008 in accordance with section 13 of the Audit Act (Cap 70) and the provisions of the Local Government Act. The Council is responsible for the preparation of the financial statements and the information contained therein.

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

My audit has been conducted in accordance with 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 amounts and other disclosures in the financial statements and the evaluation of the accounting policies. These procedures were undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly and 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 and results of its operations and 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, the financial position of the Council as at 31 December 2008 and the results of its operations and cash flows for the year then ended.

Without qualifying my opinion, I draw attention to the following:

- Unreconciled difference of \$842,841 between the General Ledger and system generated listings of Rate Debtors. The effect on the financial statements is that the balances of debtors and income could be overstated by \$842,841 at year end.
- The Council did not comply with the requirements of the International Financial Reporting Standards while preparing the Financial Statements for 2008.


Tevita Bolanavanua
ACTING AUDITOR GENERAL



Suva, Fiji
25 February, 2010

LAUTOKA CITY COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

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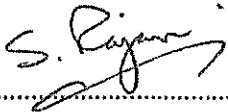
LAUTOKA CITY COUNCIL

GENERAL FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2008

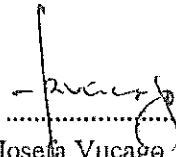
COUNCIL'S STATEMENT

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 2008 and of the state of affairs as at that date.



.....
Shiva Rajan

Acting Town Clerk/CEO



.....
Josefa Vucage

Special Administrator

LAUTOKA CITY COUNCIL
STATEMENT OF FINANCIAL POSITION - GENERAL FUND
AS AT 31 DECEMBER 2008

	Notes	2008 \$	2007 \$
Current Assets			
Cash	2	1,000	1,000
Term deposit	3	778,120	778,120
Receivables	4	3,998,620	3,977,207
Inventories	5	46,615	38,782
Other assets	6	8,808	5,222
Total current assets		<u>4,833,163</u>	<u>4,800,331</u>
Non-Current Assets			
Property, plant and equipment	7	<u>55,712,632</u>	<u>56,089,973</u>
Total non-current assets		<u>55,712,632</u>	<u>56,089,973</u>
TOTAL ASSETS		<u>60,545,795</u>	<u>60,890,304</u>
Current Liabilities			
Bank overdraft	2	313,826	80,936
Creditors	8	856,927	754,755
Provisions	9	760,790	748,265
Term loans	10	<u>568,060</u>	<u>427,038</u>
Total current liabilities		<u>2,499,603</u>	<u>2,010,994</u>
Non-Current Liabilities			
Term loans	10	<u>9,407,426</u>	<u>9,630,607</u>
TOTAL LIABILITIES		<u>11,907,029</u>	<u>11,641,601</u>
NET ASSETS		<u>48,638,766</u>	<u>49,248,703</u>
Municipal Funds			
Accumulated general fund (Page 7)		(17,907)	762,413
Loan rate fund (Page 8)		19,752	(138,187)
Car park fund	11	164,832	152,388
Reserves	12	<u>48,472,089</u>	<u>48,472,089</u>
TOTAL MUNICIPAL FUNDS		<u>48,638,766</u>	<u>49,248,703</u>

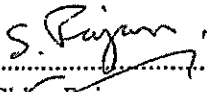
The accompanying notes form an integral part of this balance sheet.

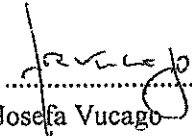
**LAUTOKA CITY COUNCIL
STATEMENT OF FINANCIAL POSITION - PARKING METER FUND
AS AT 31 DECEMBER 2008**

	Notes	2008 \$	2007 \$
Current Assets			
Cash	2	383,017	320,725
Total current assets		<u>383,017</u>	<u>320,725</u>
Non-Current Assets			
Property, plant and equipment	7	135,806	148,651
Total non-current assets		<u>135,806</u>	<u>148,651</u>
TOTAL ASSETS		<u>518,823</u>	<u>469,376</u>
Current Liabilities			
Creditors and borrowings	8	38,463	5,567
Provisions	9	19,866	16,031
Term loans	10	4,072	3,256
Total current liabilities		<u>62,401</u>	<u>24,854</u>
Non-Current Liabilities			
Term loans	10	86,246	90,892
Total non-current liabilities		<u>86,246</u>	<u>90,892</u>
TOTAL LIABILITIES		<u>148,647</u>	<u>115,746</u>
NET ASSETS		<u>370,176</u>	<u>353,630</u>
ACCUMULATED FUNDS (Page 9)		<u>370,176</u>	<u>353,630</u>

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

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 operation for the year ended 31 December and of the state of affairs as at that date.


.....
Shiva Rajan
Acting Town Clerk/CEO


.....
Josefa Vucago
Special Administrator

LAUTOKA CITY COUNCIL
STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008	2007
INCOME		\$	\$
Agricultural rate fees		7,666	7,888
Building and subdivision fees		48,722	77,765
Bus station fees		76,634	72,412
Business, trading and other licenses fees		340,001	361,132
Capital expenditure (undischarged) write off		89,274	517,135
Contributions from parking meter fund	13	30,000	30,000
Fiji National Training Council (TPAF) grant		1,256	-
Gain from sale of fixed assets	14	-	539
Garbage dump fees		114,147	208,954
General rate fees		1,443,958	1,443,958
Interest - overdue rates		64,350	54,140
- investment		16,367	60,499
Market vendor fees		601,823	479,988
Municipal car park fees		101,677	107,507
Parking lots and facilities fees		134,989	120,958
Parks and tennis courts hire fees		182,881	132,569
Plant hire fees		104,055	92,646
Rent from council properties		843,953	859,300
Sundries		103,223	77,266
Total income		4,304,976	4,704,656
EXPENDITURE			
Advertising		14,306	9,949
Audit fees		9,600	8,178
Bus station, civic building, depot and staff quarters		223,653	233,617
Contribution – Western Regional Library		681	409
Council expenses		74,637	65,988
Depreciation	15	679,119	691,328
Destruction of stray dogs		150	354
Doubtful debts		-	200,000
Drains maintenance		385,871	330,489
Footpath		-	1,328
Garbage removal service		358,673	267,271
Hurricane Expenses		11,357	21,277
Insurance		24,155	-
Leave allowance and passage grants		955	6,144
Legal		233,671	38,449

LAUTOKA CITY COUNCIL

STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 \$	2007 \$
Loss on disposal of fixed assets	16	-	801
Market		197,153	213,125
Miscellaneous		56,759	56,416
Mosquito control		11,665	10,334
Municipal car park		49,586	48,334
Parks, gardens and multipurpose courts		352,303	251,783
Plant, equipment, machinery and tools hire		190,838	175,169
Postage and telephone		44,323	47,724
Printing, stationery and office expenses		96,399	87,210
Public convenience		141,973	143,533
Salaries, wages and related payments		1,036,399	1,037,666
Sick, accident and holiday pay		46,971	43,485
Street and gutter cleaning		174,191	115,313
Street names and traffic signs		39,431	37,016
Street, footpath and verges maintenance		356,044	242,366
Streetlights		254,191	237,340
Subscriptions		4,695	4,175
Town cleaning campaign		317	-
Traffic lights		14,530	12,268
Traffic survey		-	640
Valuation fees and expenses		700	-
Total expenditure		5,085,296	4,639,479
Net (deficit)/surplus for the year		(780,320)	65,177
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		762,413	632,347
Accumulated funds at the end of the financial year		(17,907)	762,413

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 2008

	Notes	2008 \$	2007 \$
INCOME			
Loan rate		1,177,672	1,177,036
Total income		<u>1,177,672</u>	<u>1,177,036</u>
EXPENDITURE			
Interest		944,262	982,554
Principal repayment		75,471	465,468
		<u>1,019,733</u>	<u>1,448,022</u>
Net surplus/(deficit) for the year		157,939	(270,986)
Accumulated funds at the beginning of the year		(138,187)	132,799
Accumulated fund at the end of the financial year		<u><u>19,752</u></u>	<u><u>(138,187)</u></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 2008

	Notes	2008 \$	2007 \$
INCOME			
Infringement fines		89,966	93,175
Meter tolls		122,076	102,846
Parking meter fees		22,785	27,299
Total income		<u>234,827</u>	<u>223,320</u>
EXPENDITURE			
Administrative charges to general fund		30,000	30,000
Commission to car park		700	700
Depreciation		12,845	14,468
Interest on loan		5,852	11,647
Legal		0	5
Marking on parking bays		18,573	3,129
Meter maintenance		15,420	20,858
Miscellaneous		7,653	4,408
Office rent		5,700	5,700
Postage		1,430	2,939
Printing and stationery		5,451	7,397
Salaries, wages and related payments		114,494	106,297
Search fees		163	1,095
Total expenditure		<u>218,281</u>	<u>208,643</u>
Net surplus for the year		16,546	14,677
Accumulated funds at the beginning of the year		353,630	338,953
Accumulated fund at the end of the financial year		<u><u>370,176</u></u>	<u><u>353,630</u></u>

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
		<u>1,176,098</u>	<u>1,154,663</u>
Total income			
EXPENDITURE			
Interest		684,616	785,339
Principal repayment		414,389	321,242
		<u>1,099,005</u>	<u>1,106,581</u>
Total expenditure			
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		<u>132,799</u>	<u>55,706</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 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.

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Set out hereunder are the significant accounting policies by the Council in the preparation of the accounts for the year ended 31 December 2008. Unless otherwise stated, similar policies were followed in the previous. 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% - 2.50%
Furniture and fittings	5% - 20%
Plant and equipment	5% - 20%
Office equipment	10% - 20%
Motor vehicles	10% - 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.

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2008

(e) Expenditure relating to Roads, Footpaths and Drains

The Council has capitalized expenditure in relation to the 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 (FIFO).

(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 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 92,006 tickets outstanding which were not taken into the accounts.

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2008

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.

NOTE 2	CASH	2008	2007
		\$	\$
	General Fund		
	Cash on hand	1,000	1,000
	Bank Overdraft	(313,826)	(80,936)
		<u>(312,826)</u>	<u>(79,936)</u>
	Parking Meter Fund		
	Cash at bank	383,017	320,725
		<u>383,017</u>	<u>320,725</u>

NOTE 3 TERM DEPOSITS

	General Fund		
	Cyclone self-insurance reserve	778,120	778,120
		<u>778,120</u>	<u>778,120</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 2008

		2008	2007
		\$	\$
NOTE 4	RECEIVABLES		
	General Fund		
	Rate debtors	4,716,759	4,630,227
	Other sundry debtors	281,861	346,980
		<u>4,998,620</u>	<u>4,977,207</u>
	Provision for doubtful debts	(1,000,000)	(1,000,000)
		<u>3,998,620</u>	<u>3,977,207</u>
NOTE 5	INVENTORIES		
	General Fund		
	Material - others	46,537	38,541
	Traffic light parts	-	178
	Fuel and oil	78	63
		<u>46,615</u>	<u>38,782</u>
NOTE 6	OTHER ASSETS		
	General Fund		
	Prepayments	8,808	5,222
NOTE 7	PROPERTY, PLANT AND EQUIPMENT		
	General fund		
	Land and buildings - at cost	10,523,160	10,521,844
	Less: Accumulated depreciation	(1,761,261)	(1,631,228)
		<u>8,761,899</u>	<u>8,890,616</u>
	Plant and equipment - at cost	946,014	935,347
	Less: Accumulated depreciation	(717,200)	(680,100)
		<u>228,814</u>	<u>255,247</u>
	Furniture and fittings - at cost	195,366	194,709
	Less: Accumulated depreciation	(129,064)	(122,580)
		<u>66,302</u>	<u>72,129</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	\$	\$
NOTE 7 PROPERTY, PLANT AND EQUIPMENT (Continued)		
Office equipment - at cost	173,369	165,710
Less: Accumulated depreciation	(132,650)	(122,662)
	<u>40,719</u>	<u>43,048</u>
Motor vehicles - at cost	405,681	397,681
Less: Accumulated depreciation	(281,397)	(254,122)
	<u>124,284</u>	<u>143,559</u>
Roads - at valuation and cost	20,249,799	19,976,319
Less: Accumulated depreciation	(1,167,499)	(976,111)
	<u>19,082,300</u>	<u>19,000,208</u>
Footpaths - at valuation and cost	12,883,727	12,883,727
Less: Accumulated depreciation	(752,646)	(630,110)
	<u>12,131,081</u>	<u>12,253,617</u>
Drains - at valuation and cost	16,223,804	16,223,804
Less: Accumulated depreciation	(946,571)	(792,255)
	<u>15,277,233</u>	<u>15,431,549</u>
	<u>55,712,632</u>	<u>56,089,973</u>
Parking Meter Fund		
Parking meters - at cost	466,421	466,421
Less: Accumulated depreciation	(367,501)	(356,510)
	<u>98,920</u>	<u>109,911</u>
Furniture and fittings - at cost	2,267	2,267
Less: Accumulated depreciation	(1,974)	(1,942)
	<u>293</u>	<u>325</u>
Streetlights - at cost	20,782	20,782
Less: Accumulated depreciation	(15,638)	(14,352)
	<u>5,144</u>	<u>6,430</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	\$	\$
NOTE 7 PROPERTY, PLANT AND EQUIPMENT (Continued)		
Plant and equipment - at cost	3,198	3,198
Less: Accumulated depreciation	(2,484)	(2,259)
	<u>714</u>	<u>939</u>
Tui Street car park construction - at cost	32,157	32,157
Less: Accumulated depreciation	(1,422)	(1,111)
	<u>30,735</u>	<u>31,046</u>
	<u>135,806</u>	<u>148,651</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

Land and buildings - at cost

Carrying amount at beginning	8,890,616	9,015,765
Additions	1,316	7,819
Depreciation expense	(130,033)	(132,968)
Balance as at 31 December	<u>8,761,899</u>	<u>8,890,616</u>

Plant and equipment - at cost

Carrying amount at beginning	255,246	281,297
Additions	10,668	10,615
Depreciation expense	(37,100)	(36,666)
Balance as at 31 December	<u>228,814</u>	<u>255,246</u>

Furniture & fittings - at cost

Carrying amount at beginning	72,129	78,627
Additions	657	658
Depreciation expense	(6,484)	(7,156)
Balance as at 31 December	<u>66,302</u>	<u>72,129</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	\$	\$
NOTE 7 PROPERTY, PLANT AND EQUIPMENT (Continued)		
(a) Movements in Carrying Amounts - General Fund		
<u>Office equipment - at cost</u>		
Carrying amount at beginning	43,048	43,272
Additions	7,659	14,989
Disposals	-	(4,476)
Depreciation expense	(9,988)	(10,737)
Balance as at 31 December	<u>40,719</u>	<u>43,048</u>
<u>Motor vehicles - at cost</u>		
Carrying amount at beginning	143,559	175,524
Additions	8,000	16,889
Disposals	-	(16,567)
Depreciation expense	(27,275)	(32,287)
Balance as at 31 December	<u>124,284</u>	<u>143,559</u>
<u>Roads - at valuation 2004</u>		
Carrying amount at beginning	19,000,208	19,181,188
Additions	273,480	10,886
Depreciation expense	(191,388)	(191,866)
Balance as at 31 December	<u>19,082,300</u>	<u>19,000,208</u>
<u>Footpaths - at valuation 2004</u>		
Carrying amount at beginning	12,253,617	12,377,391
Additions	-	-
Depreciation expense	(122,536)	(123,774)
Balance as at 31 December	<u>12,131,081</u>	<u>12,253,617</u>
<u>Drains - at valuation 2004</u>		
Carrying amount at beginning	15,431,549	15,587,423
Additions	-	-
Depreciation expense	(154,316)	(155,874)
Balance as at 31 December	<u>15,277,233</u>	<u>15,431,549</u>
Total balance as at 31 December 2008	<u><u>55,712,632</u></u>	<u><u>56,089,972</u></u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	\$	\$
NOTE 7		
PROPERTY, PLANT AND EQUIPMENT (Continued)		
(a) Movements in Carrying Amounts -Parking Meter Fund		
<u>Parking meters - at cost</u>		
Carrying amount at beginning	109,911	122,124
Depreciation expense	(10,991)	(12,213)
Balance as at 31 December	<u>98,920</u>	<u>109,911</u>
 <u>Furniture and fittings - at cost</u>		
Carrying amount at beginning	325	362
Depreciation expense	(32)	(37)
Balance as at 31 December	<u>293</u>	<u>325</u>
 <u>Streetlights - at cost</u>		
Carrying amount at beginning	6,430	8,038
Depreciation expense	(1,286)	(1,608)
Balance as at 31 December	<u>5,144</u>	<u>6,430</u>
 <u>Plant and equipment - at cost</u>		
Carrying amount at beginning	939	1,236
Depreciation expense	(225)	(297)
Balance as at 31 December	<u>714</u>	<u>939</u>
 <u>Construction of Tui Street car park - at cost</u>		
Carrying amount at beginning	31,046	31,359
Depreciation expense	(311)	(313)
Balance as at 31 December	<u>30,735</u>	<u>31,046</u>
 Total balance as at 31 December 2008	<u><u>135,806</u></u>	<u><u>148,651</u></u>
 NOTE 8		
CREDITORS		
<u>Current</u>		
<u>General Fund</u>		
Sundry creditors and accruals	567,443	472,300
Other creditors	70,427	79,572
Security deposits	167,866	157,125
Refundable building deposits	51,191	45,758
	<u>856,927</u>	<u>754,755</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	\$	\$
NOTE 8 CREDITORS AND BORROWINGS (Continued)		
Current		
<u>Parking Meter Fund</u>		
Sundry creditors and accruals	38,463	5,567
NOTE 9 PROVISIONS		
<u>General Fund</u>		
In-house cyclone reserve	418,490	418,490
Workmen compensation reserve	9,000	9,000
Cyclone reserves	28,000	28,000
Long service leave	206,880	201,618
Annual leave	98,420	91,157
	<u>760,790</u>	<u>748,265</u>
<u>Parking Meter Fund</u>		
Long service leave	10,838	10,231
Annual leave	9,028	5,800
	<u>19,866</u>	<u>16,031</u>
NOTE 10 TERM LOANS		
<u>General Fund</u>		
Westpac Banking Corporation	5,309,300	5,255,131
Colonial Life (Fiji) Limited	3,091,549	3,211,242
Colonial National Bank	1,552,482	1,558,040
Lautoka City Council	22,154	33,231
	<u>9,975,485</u>	<u>10,057,644</u>
Loan principal commitment at balance date:		
Payable within one year	568,060	427,038
Payable later than one year, not later than two years	616,336	467,945
Payable later than two years, not later than five years	2,156,987	1,668,634
Payable later than five years	6,634,103	7,494,027
	<u>9,975,486</u>	<u>10,057,644</u>
Represented in the balance sheet as:		
Current	568,060	427,038
Non-current	9,407,426	9,630,606
	<u>9,975,486</u>	<u>10,057,644</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008 \$	2007 \$
NOTE 10 TERM LOANS (Continued)		
<u>Parking Meter Fund</u>		
Westpac Banking Corporation	<u>90,319</u>	<u>94,148</u>
Loan Principal Commitment at balance date:		
Payable within one year	4,072	3,256
Payable later than one year, not later than two years	4,429	3,559
Payable later than two years, not later than five years	15,759	12,792
Payable later than five years	<u>66,058</u>	<u>74,541</u>
	<u>90,318</u>	<u>94,148</u>
Represented in the balance sheet as:		
Current	4,072	3,256
Non-current	<u>86,246</u>	<u>90,892</u>
	<u>90,318</u>	<u>94,148</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	152,388	118,850
Add: Contribution for car parks	<u>12,444</u>	<u>33,538</u>
Balance as at 31 December	<u>164,832</u>	<u>152,388</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2008

NOTE 12 RESERVES	2008 \$	2007 \$
Asset revaluation reserve	<u>48,472,089</u>	<u>48,472,089</u>
<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	<u>16,000,000</u>	<u>16,000,000</u>
	<u>48,472,089</u>	<u>48,472,089</u>
NOTE 13 CONTRIBUTION FROM PARKING METER 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.		
NOTE 14 GAIN FROM SALE OF FIXED ASSETS	\$	\$
Gain from sale of Council vehicle	<u>-</u>	<u>539</u>
	<u>-</u>	<u>- 539</u>
NOTE 15 DEPRECIATION		
Land and buildings	130,033	132,968
Furniture and fittings	6,484	7,156
Plant and equipment	37,100	36,665
Office equipment	9,987	10,738
Motor vehicle	<u>27,275</u>	<u>32,287</u>
Roads	191,388	191,866
Footpaths	122,536	123,774
Drains	<u>154,316</u>	<u>155,874</u>
	<u>679,119</u>	<u>691,328</u>
NOTE 16 LOSS ON DISPOSAL OF FIXED ASSETS		
Loss from sale of fixed assets	<u>-</u>	<u>801</u>

**LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2008**

NOTE 17 CAPITAL COMMITMENTS

The Council has committed \$1,000,000 (2007: NIL) 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

On 10 April 2009, the then President of the Republic of Fiji Islands, Ratu Josefa Iloilo abrogated the 1997 Constitution of Fiji and declared a State of Emergency. This situation has created a degree of economic, political and governance uncertainty. Furthermore, the Governor of the Reserve Bank of Fiji announced a number of changes to monetary policies on 15 April 2009. This included a devaluation of the Fiji dollar by 20% with immediate effect. Finally, as a result of flooding caused by Cyclone Mick in January 2009, major repair works would expected to be carried out by the Council in 2009, the effect of which would be shown in the financial results for the year ended 31 December 2009.

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	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		
Net deficit for the year	(622,383)	(140,920)
Depreciation	679,119	691,328
Provision for doubtful debts	-	200,000
Loss/(gain) on disposal	-	262
Capital expenditure written off	(13,804)	(51,667)
Proceeds from government grant	-	(20,000)
Proceeds from FSC grant	-	(44,889)
Movements in creditors for fixed asset purchases	(10,195)	(9,126)
Net cash provided by operating activities before changes in assets and liabilities	32,737	624,988
Change in assets and liabilities:		
(Increase)/decrease in receivables	(24,999)	(3,583)
Decrease in inventory	(7,833)	11,554
Increase in creditors and borrowings	102,172	(10,186)
Increase in accrued employment entitlement	12,525	7,356
Net cash inflows/(outflows) from operating activities	114,602	630,129

(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	(313,826)	(80,936)
Term deposit	778,120	778,120
	465,294	698,184

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	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		
Net surplus/(deficit) for the year	16,547	14,677
Depreciation	12,845	14,468
Net cash provided by operating activities before changes in assets and liabilities	29,392	29,145
Change in assets and liabilities:		
Increase/(decrease) in sundry creditors	32,895	5,358
Increase/(decrease) in provisions	3,835	3,208
Net cash inflows/(outflows) from operating activities	66,122	37,711

(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	383,017	320,725

