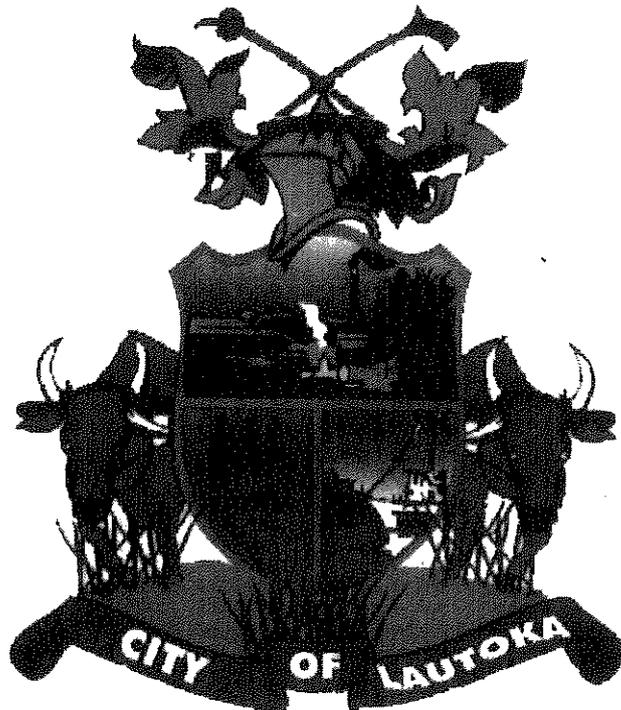


LAUTOKA CITY COUNCIL



ANNUAL REPORT (Section 19 - Local Government Act Cap 125) FOR THE YEAR ENDED DECEMBER 31, 2009

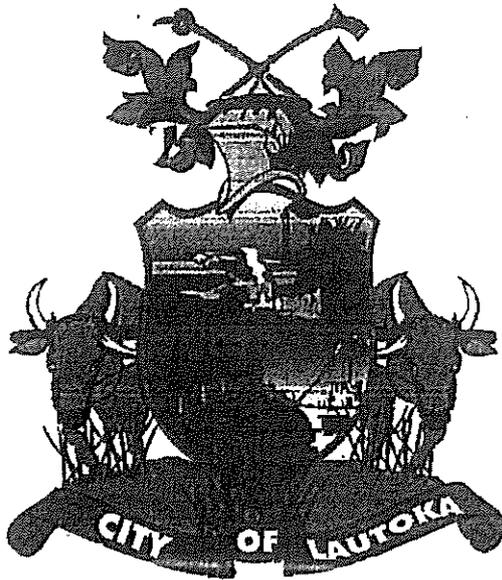
Mr. SHIVA RAJAN
ACTING CHIEF EXECUTIVE OFFICER

Mr. PARVEEN BALA
SPECIAL ADMINISTRATOR



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The coat of arms comprises of:

The Shield - is divided into three parts and each part symbolizes 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: (679) 666 0433
VODAFONE: (679) 990 8556 - RECEPTION
FAX: (679) 666 3288
EMAIL: lcc@connect.com.fj
WEBSITE: www.lautokacity.org

AUDITOR: AUDITOR GENERAL

BANKER: WESTPAC BANKING CORPORATION - LAUTOKA

LENDERS: WESTPAC BANKING CORPORATION LAUTOKA
COLONIAL LIFE (FIJI) LTD.
COLONIAL BANK - LAUTOKA

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

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.

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

3.3 POPULATION

It has about 8,164 ratepayers, 13,415 school children attended primary & secondary school within the city vicinity and a sum of 43,473 residents recorded from the December 2008 Census.

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

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.

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.

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. Replacing the councillors, the government of the day had appointed a Special Administrator on February 16 2009 till September 2014.

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.

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

Apart from this, there are a number of other industries such as timber, pine chips, garment, distillery, brewery, jewelers, 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, tube makers 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 such as:- The Fiji Pine Commission, Fiji Sugar Corporation Limited, Sugar Cane Growers Council, Fiji Sugar Commission and The Agricultural Tribunal Office.

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. Towards the end of the year on December

warning 14, 2009, tropical cyclone Mick struck Lautoka city for only 3 hours and left behind huge debris. Also due to climatic changes, the city was given precaution for Tsunami attack whereby the city centres & those living on sea-level areas were moved up to higher grounds. The warning was later called off by the DISMAC unit.

3.7 (a) ELECTED COUNCIL

The councillors for the year 2009 until January 31st were as follows:-

VETARI WARD

1. His Worship the Mayor Cr. Rohit Kumar
2. Deputy Mayor Cr. Jesoni Balewai
3. Cr. Ashok Kumar
4. Cr. Jai Narayan

TAVAKUBU WARD

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

SIMLA WARD

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

WAIYAVI WARD

1. Cr. Adi Laisa Balavu Tora
2. Cr. Ratu Jone Bouwaku
3. Cr. Faiaaz Ali
4. 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 decreased from four (4) years to three (3) years.

3.8 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

3.9 TRANSITION PERIOD

During the absence of elected councillors and awaiting the appointment of Special Administrator; Chief Executive Officer, Mr. Pusp Raj took control of the affairs of the council from February 1 to 15, 2009.

3.10 LAUTOKA CITY COUNCIL SPECIAL ADMINISTRATOR

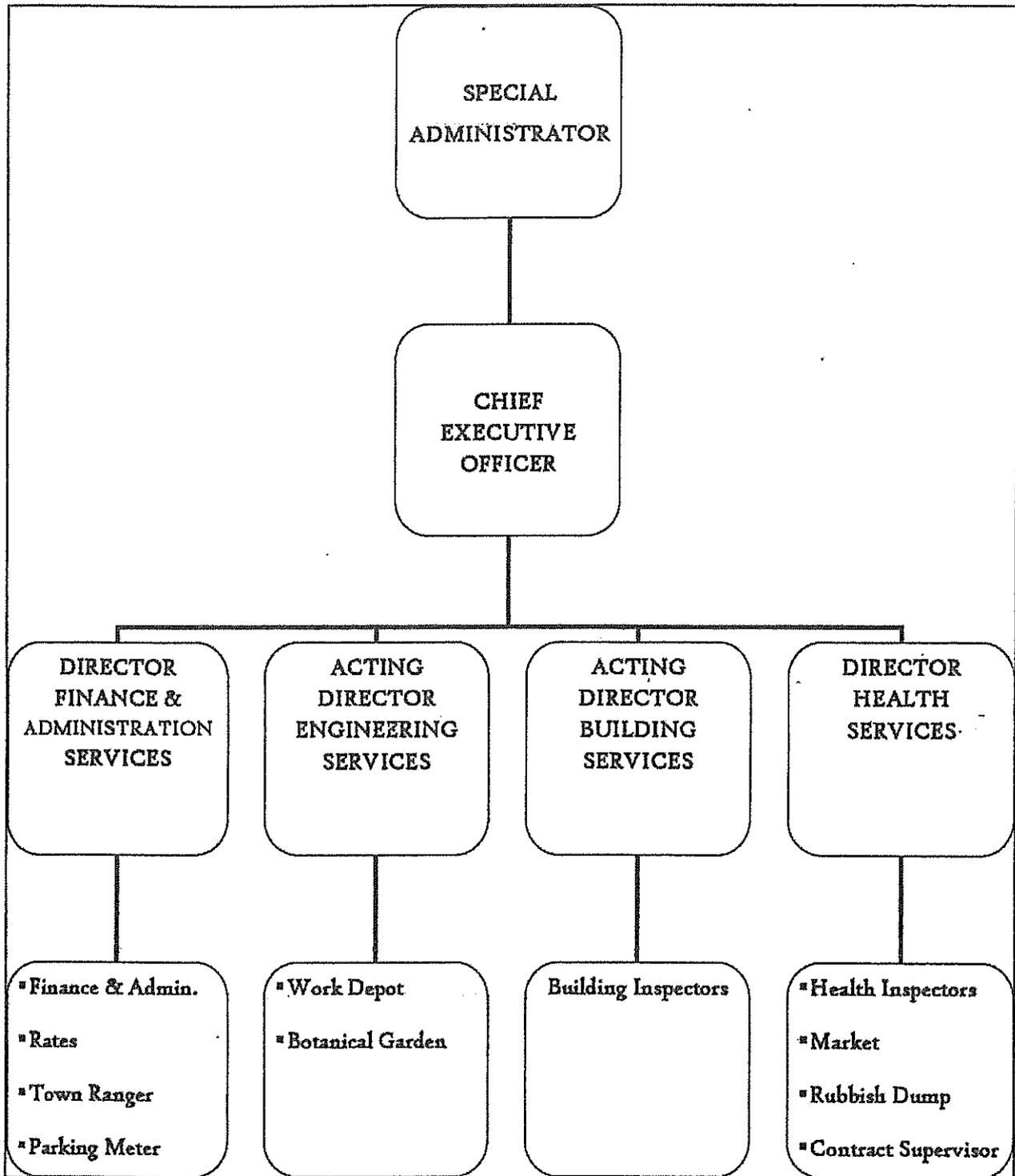
Mr. Josefa Raivoka Vucago was appointed Special Administrator for the city from the 16th February, 2009.

3.11 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 Karan*
- 5) Acting Director Building Services - *Shalendra Dass*

4.0 ORGANISATION STRUCTURE



5.0 COUNCIL OVERVIEW

5.1 OUR CORPORATE VISION

To be the best HEALTH, SPORTS & CULTURAL tourism city in the South Pacific

5.2 OUR CORPORATE MISSION

With sugar being synonymous with Lautoka City, the council will continue to promote and facilitate:

- Clean and Healthy Environment*
- Safety and Security*
- Prosperous Investment*
- Better wellbeing of Ratepayers*

5.3 OUR CORPORATE GOALS

- (a.) To enhance the quality of life of residents by maximizing their sense of community ownership*
- (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*

5.4 OUR CORPORATE VALUES

- ✓ Leadership*
- ✓ Integrity*
- ✓ Transparent*
- ✓ Responsible*
- ✓ Cleanliness*
- ✓ Timeliness*
- ✓ Standardization*
- ✓ Customer Delight*

6.0 HIGHLIGHTS OF 2009

6.1 Flash Flood

Early in the year, the western division was heavily affected by the continuous heavy rainfall which resulted in the flooding of low-lying areas within the city boundary. The overflow and blockage of some of our drainage system was one of the contributing factors to the deluge of shops and damages to most of our municipal roads. Industries along the Namoli creek were submerged and heavily affected, including the residents of Vunato Area and those resided along the Musuniwai creek. It was estimated that more than \$1.5 million was the damaged cost incurred by the flooding.

6.2 Rehabilitation Work

As usual, the council desiccated its coffer in the rehabilitation process after the flood, especially on the cleaning up of the city, repairing of the damaged roads and council's properties. With the kind assistance of the Punjas Group and some of the business community and the approval of government, the Namoli Creek was realigned and dredged to alleviate future flooding.

6.3 Arbor Week - 2009

The above Arbor Week was celebrated in Lautoka from May 19 to May 29, 2009 with sale of pot plants at Narara Parade, Lautoka.

6.4 Major Events in Churchill Park

- (a) Rugby:
 - 1st May; Fiji Barbarians vs Savaii Samoa (Pacific Rugby Series)
 - 9th May; Fiji Warriors vs Savaii Samoa (Pacific Rugby Series)
 - 15th May; Fiji Warriors vs Upolu Samoa (Pacific Rugby Series)
 - 18th Jun; Japan vs Samoa (IRB Pacific Nations Cup)
 - 23rd Jun; Samoa vs Tonga & Japan vs Jnr All Blacks (IRB Pacific Nations Cup)
 - 27th Jun; Tonga vs Japan & Samoa vs Fiji (IRB Pacific Nations Cup)
 - 1st Jul; Fiji Bati vs BARLA (Vodafone Rugby League Test Match)
 - 4th Jul; New World Yanuya Sevens
 - 24th Aug to 5th Sep; Fiji Rugby Union Southern Rally
 - 5th Dec; Western Secondary School Sevens Tournament
 - 12th Dec; Suva Rugby Union Sevens Series
- (b) Soccer:
 - 27th & 29th Mar; New World National Soccer League
 - 19th & 25th Apr; New World National Soccer League
 - 6th to 9th Aug; INKK Mobile Battle of the Giants
 - 4th & 13th Sep; New World National Soccer League
 - 13th Dec; Mirch All Stars vs. Fiji Team (FBCL Series)
- (c) Others
 - 31st May; Combined Church Service - Assembly of Christian Churches in Fiji
 - 24th Jul; Jasper Williams High School Annual Cadet Pass-out Parade
 - 2nd Oct; Bunty N Bubbly Show organised by Radio Navtarang
 - 11th Nov; Ex-Servicemen's Remembrance Day

6.5 Farmers Carnival - 2009

The Lautoka district farmers, commenced from the Lomolomo to Tuvu held their annual carnival from the July 25th to August 1st, 2009 with the commitment to assist displaced, underprivileged and needy students within the district.

6.6 Sugar Festival - 2009

The renowned Sugar Festival was held from the 12th to 19th September, 2009, which was opened by the then Acting President of Fiji Island, HE Rt. Epeli Nailatikau. The week-long event was closed by our own Minister of Local Government, Urban Development, Housing & Environment, Col. Samuela Saumatua who also did crowning of Miss Sugar.

6.7 Adi Salusalu Festival - 2009

The Ba Provincial Council held their yearly fundraising festival known as "Adi Salusalu" from the 26th to 31st October, 2009 whereby all the 21 Tikinas in the Ba province converged to raise funds for the educational assistance of its children tending to pursue further studies. The council was invited to participate on their first ever Corporate Choir Competition

7.0 FINANCE

7.1 LAND VALUATION & RATE

The total unimproved capital valuation of land within the city for rating purposes was \$218,675,250 and the rate levy for 2009 was 1.5261¢ in the \$ based on UCV and rates income were as follows:-

RATES	Levy	U.C.V.	Rate Income
	C	\$	\$
General	0.8592	218,657,200	1,878,703
Loan	0.6669	229,758,550	1,532,260
Agriculture	0.185	4,019,600	7,436
			3,418,399

[2008 rate levy 1.1739c and total rate income \$2,629,296].

7.2 TOWN RATE COLLECTION

	2009 Rate Levy	Arrears	Total Due
	\$3,418,399	\$4,716,759	\$8,135,158
Collected to 31.12.2009	\$2,208,630	\$ 979,067	\$3,187,697
Balance	\$1,209,769	\$3,737,692	\$4,947,461
% Collected	64.61%	20.76%	39.18%
[Same Period 2008] %	67.58%	19.78%	36.66%

7.3 TOWN RATES IN ARREARS

The above arrears of \$4,947,461 was due from as follows:-

(1) Estate of Deceased Persons	\$ 145,156
(2) Namoli Landholding & Housing Co-operative	\$ 535,473
(3) Sporting & Social Organisation	\$ 56,267
(4) Under Receivership	\$ 384,981
(5) Native Land Trust Board	\$ 19,282
(6) Individuals	\$3,806,302
TOTAL	\$4,947,461

7.4 RATE ASSESSMENTS/RATEPAYERS

Total number of town ratepayers for the year ending 2009 is: 8,164

[2008: 7681]

7.5 RECURRENT REVENUE & EXPENDITURE

The total recurrent revenue and expenditure of the council for the year ending December 31, 2009 were as follows:-

Fund	Revenue	Expenditure	Surplus/ (Deficit)
	\$	\$	\$
General	5,550,018	5,622,643	(72,625)
Loan	1,532,262	1,461,679	70,583
Parking Meter	209,775	230,791	(21,016)
Total	7,292,055	7,315,113	(23,058)
[2008:	5,717,475	6,323,310	(605,835)]

7.6 GENERAL FUND INCOME

INCOME TYPE	AMOUNT (\$)
Agricultural Rate	7,436
General Rate	1,876,941
Interest – on overdue rates	93,544
- Investment	20,527
Fees and charges	
Building and subdivision	40,267
Bus station	92,442
Business, trading and other licences	374,551
Contribution from parking meter fund	30,000
Training and Productivity Authority of Fiji Grant	445
Garbage dump	210,125
Market Vendor Fees	609,203
Municipal Carpark	108,700
Parking lots and facilities	157,787
Parks and tennis courts	153,577
Plant hire	160,680
Rent from council properties	884,068
Sundries	98,130
Capital expenditure (undischarged) write off	631,595
Amortization of Deferred Income	40,487
TOTAL	5,590,505

7.7 **GENERAL FUND EXPENDITURE**

TYPE OF EXPENDITURE	AMOUNT (\$)
Advertising	18,546
Audit Fees	8,889
Contribution – Western Regional Library	545
Council Expenses	21,575
Leave Allowance & Passage Grants	5,916
Legal	118,648
Parks, gardens and multipurpose courts	427,795
Plant, equipment, machinery and tools	222,624
Postage & Telephone	39,171
Printing, Stationery & Office Expenses	93,822
Public Convenience	147,897
Salaries, Wages & Related Payments	1,079,556
Sick, Accident and Holiday Pay	43,379
Maintenance & Operating Expenses	
Bus Station, Civic Building, Depot & Staff Quarters	247,534
Depreciation	704,868
Destruction of stray dogs	2,524
Drains Maintenance	447,783
Footpath	1,111
Garbage removal service	502,626
Hurricane Expenses	137,088
Insurance	18,374
Market	216,687
Miscellaneous	47,287
Mosquito Control	5,022
Municipal Carpark	46,903
Street & Gutter Cleaning	153,463
Street names and traffic signs	46,170
Street, Footpaths & Verges	483,796
Streetlights	260,986
Subscriptions	5,271
Town Cleaning Campaign	306
Traffic Lights	63,523
Valuation fees and expenses	798
Total	5,620,483
Excess of Expenditure over Income	(29,978)

7.8 LOAN RATE FUND		\$	\$
Income	- Loan Rate	1,532,262	
			1,532,262
Expenditure	- Interest	830,084	
	Principal repayment	631,595	
			1,461,679
Net surplus/(deficit) for the year			70,583

7.9 CURRENT LOAN

The council's loan liability on December 31, 2009 amounted to \$9,746,080

7.10 PARKING METER FUND:

Revenue		\$	\$
• Meter Tolls		54,086	
• Infringement Fines		127,989	
• Parking Meter Fees		27,700	
			209,775
Expenditure			
• Administrative charges to general fund	30,000		
• Commission to Car Park	700		
• Depreciation	11,429		
• Interest on Loan	7,688		
• Marking on Parking Bays	21,517		
• Meter Maintenance	25,395		
• Miscellaneous	3,178		
• Office Rent	5,700		
• Postage	121		
• Printing & Stationery	2,811		
• Salaries, Wages and Related Payments	122,196		
• Search Fees	56		
			230,791
Net (deficit)/surplus for the year			(21,016)

7.11 CAPITAL EXPENDITURE

The total capital expenditure of the council for the fiscal year ending December 31, 2009 was

<u>Fund</u>	<u>Total Expenditure</u>
General	\$573,574
TOTAL	\$573,574
[2008:	\$291,583]

7.12 CAPITAL WORKS

The council carried out capital works to the value of \$573,574 and the details are as follows:-

Office Equipment, Furniture and Fittings	\$ 17,852
Plant and Equipment	\$ 27,280
Roads	\$519,877
Land and Building	\$ 8,565
<u>TOTAL</u>	<u>\$573,574</u>

8.0 BUILDING WORK

8.1 ESTABLISHMENT

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

8.2 SUMMARY OF BUILDING APPLICATIONS RECEIVED

	Nos.	Amount (\$)
Commercial Buildings	2	437,616
Industrial Buildings	-	-
Residential Buildings	67	2,980,207
Civic and Special Use	2	54,659
Alterations & Repair	159	4,638,565
Miscellaneous: retaining walls, fence, sewer connections, etc	50	256,196
	280	8,367,243

[2008: (306) (15,201,873)]

8.3 SUMMARY OF BUILDING PERMITS ISSUED:

	Nos.	Amount (\$)
Commercial Buildings	3	1,087,794
Industrial Buildings	-	-
Residential Buildings	71	2,860,446
Civic and Special Use	4	946,377
Alterations & Repair	128	3,446,060
Miscellaneous: retaining walls, fence, sewer connections, etc.	57	495,279
	263	8,835,956

[2008: (254) (13,818,159)]

8.4 SUMMARY OF COMPLETION CERTIFICATES ISSUED:

	Nos.	Amount (\$)
Commercial Buildings	-	-
Industrial Buildings	3	3,058,106
Residential Buildings	24	1,123,326
Civic and Special Use	1	620,450
Alterations and Repairs	41	727,757
Miscellaneous: retaining walls, fence, sewer connections, etc.	5	44,216
	74	5,573,855

[2008: (81) (7,593,782)]

8.5 NON-CONFORMING AND ILLEGAL DEVELOPMENTS

Case Completed	23 (22)
Cases Attended	04 (41)
Court Cases Notices Issued	52 (66)

8.6 OUTLINE APPLICATIONS PROCESSED - 7 (6)

8.7 TOTAL BUILDING INSPECTIONS - 1075 (1598)

**Figures in bracket are for corresponding period last year (2008)*

9.0 PUBLIC HEALTH & ENVIRONMENT

9.1 ESTABLISHMENT:

- 1 Acting Director Health Services
- 2 Acting Senior Health Inspectors
- 2 Health Inspectors
- 1 Clerk/Typist

9.2 LICENCES/REGISTRATION OF PREMISES:

Hotels/ Guest Houses	6
Accommodations Hostels/Boarding Houses	-
Restaurant and Refreshment Bars	2
Refreshment Bars/Takeaways	30
Restaurant with Liquor Licence	1
Refreshment Bars	4
Bake House & Refreshment Bar	-
Butcher Shop	6
Aerated Water, Ice Cream Factories	-
Confectionery/Sweet Meat Factories	-
Theatres	4
Hairdresser/Barbershop/Chiropodists	28
Billiard Tables/Amusement Centre	3
Laundries	-
Masseur	-
Dance Halls/Night Clubs	-
Hawkers	1

9.3 HAWKERS:

Ice-Cream	15
Roasted Peanuts	3
Fancy Goods	1
Total	19

[2008: 19]

9.4 SUMMARY OF INSPECTIONS

			Total Inspection	Total Reinspection	Existing
1	House to house inspection of district	-	7,090	4,692	11,782
2	Investigation of complaints nuisance, food etc.	-	2,145	1,312	3,457
3	Hotels, Guest Houses or Private Hotels	7	96	96	192
4	Swimming Pools	8	72	72	144
5	Laundries	2	24	24	48
6	Hairdresser & Chiropodists	22	456	456	912
7	Restaurants, Refreshment Bars/Takeaways	142	2,108	2,108	4,216
8	Food shops, Food stores, Supermarkets & Market	27	324	324	648
9	Spice Pounding	4	48	48	96
10	Bake Houses	14	252	252	504
11	Butcher shops	12	144	144	288
12	Food Kitchens	3	36	36	72
13	Aerated Water, Ice & Ice-cream Factories	3	36	36	72
14	Food Vehicles & Carts & Food stalls	39	465	463	928
15	Food Processing Factories	9	120	120	240
16	Bulk stores	63	749	744	1,493
17	Premises Inspected for Business License	-	15	13	28
18	Inspection of Vacant Lots	-	770	462	1,232
19	Hawkers for License	-	4	4	8
20	Factories & Workshops	113	1,262	1,252	2,514
21	Schools & Kindergartens	45	499	497	996
22	Theatres	6	48	48	96
23	Dance Halls & Night-clubs	4	47	46	93
24	Billiard Rooms	9	68	67	135
25	Public Conveniences	13	564	560	1,124
26	Sanitary Drains & St. Drains	-	740	733	1,473
27	Parks, Streets & Road Reserves	-	963	963	1,926
28	Works Orders sent to Director Engineering Services/P.W.D.	-	56	56	112
29	Refuse Survey	-	-	-	-
30	Derelict Vehicles on-Roadside/Compound	-	9	9	18
31	Survey of Litter Bins	24	227	198	425
32	Club Houses	6	35	26	61
	Total		19,472	15,861	35,333

[2008: 17,895 14,595 32,490]

9.5 SUMMARY OF SANITARY IMPROVEMENTS, ETC.

		Ordered	Completed	Total
01	Filling in of insanitary pit privies	14	7	21
02	Repairing or cleaning or fly-proofing of privies	130	109	239
03	Repairs, cleansing or improvements to drains	76	60	136
04	Repairs, cleansing of bathroom/washing places	38	32	70
05	Public or street drains referred to Director Engineering Services for maintenance & cleaning	82	77	159
06	Clearing of sewer line blockage	143	143	286
07	Repairs to Septic Tank & Water closet	12	12	24
08	Repairs to rubble drain and soakage pit	-	-	-
09	Reconnection of water supply	-	-	-
10	Removal of accumulation of refuse/litter-other s	1705	1675	3380
11	Renewal or provision of garbage pans or lids	253	251	504
12	Clearing of overgrowth of weeds and long grass	555	315	870
13	Abatement of mosquito breedings	198	198	396
14	Abatement of nuisance from poultry	15	3	18
15	Abatement of nuisance from animals	7	4	11
16	Repairs or improvements to hotels, guest houses or private hotels	37	23	60
17	Repairs, cleansing or improvements to restaurants or refreshment bars	191	150	341
18	Repairs, cleansing or improvements to food stores, supermarkets and market	145	110	255
19	Cleansing or improvement to food vehicles and carts	647	39	103
20	Repairs, cleansing or improvements to butcher shops	66	43	109
21	Repairs, cleansing or improvements to bake houses	63	39	102
22	Repairs, cleansing or improvements to aerated water/ ice cream factory	12	12	24
23	Repairs, cleansing or improvements to hairdressers shop	66	49	115
24.	Repairs , cleansing or improvement to theatres/dance halls	24	20	44
25.	Repairs, cleansing of laundries	11	10	21
26.	Repairs, cleansing of food kitchens	15	8	23
27.	Provision of ventilation	5	4	9
28.	Cleansing or improvements to schools and kindergartens	39	25	64
29.	Derelict vehicles – removal	9	9	18
30.	Public Conveniences – cleansing/repairs	77	77	154
31.	Sewer connections	6	1	7
32.	Dead Animals for removal referred to contractor	181	181	362
	TOTAL	4,239	3,686	7,925

[2008: 5,217 4,592 9,809]

9.6 WRITTEN NOTICES ETC. ISSUED

Number of intimation notices issued	827
Number of statutory notices issued	14
Number of poultry and animal notices issued	4
Number of notices in letter form issued	474
Number of Litter Notices Issued	-
Number of Summons Served	-
Total	1,332

[2008: 1,270]

9.7 SPECIAL HOUSEHOLD DRAINAGE INSPECTION

Total number of inspections	175
Number completed satisfactorily	45
Number connected to sewer	166
Number connected to septic tank	2
Total	388

[2008: 505]

9.8 BUILDING PLANS PROCESSED:

Total Number of Plans Processed: 422 [2008: 479]

9.9 UNSOUND FOOD ITEMS CONDEMNED AND DESTROYED

Articles	Quantity
Canned Fish	594.40kg
Frozen Chicken	535.45kg
Ice-Cream & Ice-Cream Products	67.25 litres
Confectionary	15.6kg
Spices	1.2kg
Rice	32.3 tonnes
Sauce, Pastry & Creams	494.63kg
Lentils, Dhal, Besan	16.3 tonnes
Meat & Meat Products	1.073 tonnes
Fruits & Vegetables [Fresh & Tin Packed]	8.57 tonnes
Noodles	16.8kg
Dairy & Butter Products	110.3kg

9.10 DISPOSAL OF DEAD ANIMALS:

Number of dead dogs disposed at the dump: 314 [2008: 349]

Number of dead cats disposed at the dump: 95 [2008: 121]

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 7,890 loads during the year.

[2008: 9,683 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 work

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 and it was installed and operational from September 4, 2009

9.14 SUPERVISION OF CONTRATUAL WORKS

The Health Department supervised garbage collection and disposal, market cleaning, garden refuse collection and fourteen [14] public convenience cleaning.

9.15 MOSQUITO CONTROL WORKS

a. 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.

b. 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.

c. 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 41 private premises were sprayed during the year.

d. 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's 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	6
Number of offenders paid on spot fines	4
Number warned	1,683

9.18 LEGAL PROCEEDINGS

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

(a.) 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 and Poultry Nuisance.

(b.) 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 2009:-

<u>Subject Area</u>	<u>Nature of Amendment</u>
Lot 2, SO4030 (Pt.of) Drasa Vitogo	Residential B to Commercial C
Lot 1, DP9714 (Pt.of) Narara Parade	Residential A to Commercial B
Lot 1, SO1223 (Pt.of) Lagilagi, District of Vitogo	General Industrial to Civic Zone
Lot 1 & 2 DP3045, Narara Parade	Civic to Commercial
Lot 2, ND3194, Drasa Avenue, Lautoka	Civic to Special Use
Lot 1-6, DP7281	Residential D to Commercial C
Lot 2, SO3852 and Lot 3, SO1275, Sukanaivalu Road, Lautoka	Residential B to Civic (Religious) and Commercial C
Lot 1 DP7105, Natabua Road, Lautoka	Residential D to Commercial C
Lot 4, ND5021, Saru, Lautoka	General Industrial to Residential B

10.2 SCHEME PLANS:

<u>Applicant</u>	<u>Location</u>
1. Patson & Associate	Proposed Scheme Plan of Lot 9, ND3194, Yawini Street – Mr. Ram Kuar Sundarji
2. Patson & Associate	Proposed Scheme Plan of Lot 2, ND3194, Drasa Avenue – Mr. Mohd Sattar
3. Cadastral Solution	Scheme Plan for Proposed Subdivision of Lot 7, ND3194, Yawini Street
4. Cadastral Solution	Scheme Plan for Proposed Subdivision of Lot 2, SO4030, (Pt. of) Drasa Avenue
5. Patson & Associate	Proposed scheme plan for Lot 2, ND5043, (Pt. of) Drasa Avenue
6. Patson & Associate	Proposed Scheme Plan of Lot 2, ND5021 (Pt.of) Saru Natabua Seaside road

10.3 SUBDIVISION OF LAND

SURVEY PLAN

<u>Applicant</u>	<u>Location</u>
1. Divisional Surveyor Western	Proposed Subdivision of Lot 1, ND1010, Tagimoucia Street.
2. P.Meghji & Co. Ltd	Proposed Subdivision of Lot 1, DP7029, Walu Street.
3. Ms. Ram Kuar Sundarji	Proposed Survey Plan of Lot 9, ND3194, Yawini Street
4. Mr. Mohd Sattar	Proposed Survey Plan of Lot 2, ND3194, Drasa Avenue
5. Mr. Feretariki Sadrata	Proposed Subdivision of Lot 1-6, SO4502, Field 40 Tramline Rd
6. Mr. Raben Bhan Singh	Proposed Subdivision of Lot 2, ND 5022, Natabua Seaside Rd
7. Mr. Raben Bhan Singh	Proposed Subdivision of Lot 7, ND 3194 Yawini Street
8. Department of Lands	Proposed Subdivision of Lot 1, DP 2075; Lot 1, ND92 and State Vacant Land

10.4 CITY BOUNDARY AREA AND PRESENT ZONING

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

Residential A	131 ha (42%)	Industrial Light	165 ha (21%)
Residential B	272.2 ha	Industrial Heavy	148.2 ha
Residential C	194.6 ha	Industrial Noxious	23.3 ha
Residential D	69.6 ha		336.5 ha
	667.9 ha	Civic	184 ha (11%)
Commercial A	6 ha (2%)	Special Use	16 ha (1%)
Commercial B	18.1 ha	Open Space	174 ha (11%)
Commercial C	1.6 ha	Rural	17 ha (1%)
	25.7 ha	Roads	185.8 ha (11%)
		TOTAL	1,606.9 ha

11.0 PARKS & GARDENS

11.1 BOTANICAL GARDENS:

The development of botanical gardens was carried out under the supervision of our 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 nursery of trees seedlings for planting was carried out during the year.

11.2 BUSINESS LICENSING:

The council is the licensing authority under:

- Business Licensing Act, Cap.124
- Second Hand Dealers Act, Cap.238
- Cinematographic Films Act, Cap 271
- Petroleum Act, Cap 190

During the year the council had issued a total of 2,100 business licence and total revenue was \$374,551. [2008: \$340,001]

11.3 FAIR RENTS:

The Town Clerk/Chief Executive Officer 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

Services	Contractor
1. Garbage Removal	S. Adam Transport
2. Street Sweeping – Area A	Mobile Construction
3. Street Sweeping – Area B	Suresh Chand
4. Traffic Light Maintenance	Bethel Electric Service Ltd
5. Market Cleaning	Daya Ram
6. Public Convenience Cleaning	(i) Mesake Beranaliva – Kamikamica Park (ii) Mesake Beranaliva – Drasa/Vitogo Ground (iii) Sheik Mehmood – IYC Park (iv) Shiu Shankar – Narara Parade (v) Suruj Kumari – Bus Station/Market (vi) Suruj Kumari – New Market (vii) Abdul Khalil – Nadovu Park (viii) Sheik Azmat Sahib – Field 40 Ground (ix) Suruj Kumar – Shirley Park (x) Sheik Azmat Sahib – Sugar City Mall
7. Drain Cleaning & Grass Cutting	(a) Mohammed Kamal – Waiyavi Area A (b) Ambika Prasad – Waiyavi Area B & C (c) Atlantic Hire – Waiyavi Area D (d) Deo Charan – Tavakubu Area A (e) Emmanuel Sami – Tavakubu Area B (f) Ram Prasad – Tavakubu Area C & D (g) Sharwan Kumar Singh – Veitari Area A (h) Ashok Kumaran – Veitari Area B (i) Jai Govind – Veitari Area C (j) Mohammed Kamal – Veitari Area D (k) Emmanuel Sami – Veitari Area E (l) Alvin Prakash – Simla Area A (m) Ashok Kumaran – Simla Area B
8. Churchill Park Floodlights Maintenance	Modern Electric Company
9. Fuel & Oil Supply	B.P. (SWP) Limited
10. Street Lights	Electrical Solutions Limited
11. Park Works	Mikaele Bete
12. Collection of Refuse	Ravin Kumar
13. Botanical Garden - Labour Supply	Casual Labourers
14. Supply of Toilet Tissues	C.J.Patel & Co Ltd
15. Security Services	Churchill Park (Soccer Matches) – New Watch Security Sugar City Mall – New Watch Security Services Civic Center – ADT Security Alarm System
16. Towing of Vehicles	Western Wreckers

13.0 VISITING DIGNITARIES

	<u>DATE</u>	<u>NAME</u>	<u>DESIGNATION</u>
1)	03rd April	Mr. Filimoni Jitoko	Permanent Secretary for Education, Marela House, Suva
2)	08th May	Hon. Filipe Bole	Minister of Education, Youth & Sports, Local Government, Urban Development & Environment
3)	15th May	Dr. Marama Tavira Rev. Gerreriec Sungga Michelle Sali Lulan Kae Hannah Lovell Stefanie Kornder	Pacific Theological College (Fiji) Pacific Theological College (PNG) Pacific Theological College (PNG) Pacific Theological College (PNG) PTC (England) PTC (Germany)
4)	05th June	HE, Rt. Epeli Nalatikau	His Excellency Vice President of the Fiji Island
5)	10th June	Moape Kaloumaira	Fiji National Rugby League Suva, Fiji
6)	22nd June	SSP Eroni Antonio	Deputy Police Commissioner, Fiji Police Force, Suva, Fiji
7)	06th July	Bob Bacchetto Margie Bacchetto	10 Namai Pl, Queensland, Australia
8)	06th July	Hon. Netani Sukanaivalu	Minister of Lands & Mineral Resource Divisional Surveyor Western
9)	14th July	Mr. Taniela Wacokecoko Dr. Michael S. Chandra	Apollo Hospital, United State of America
10)	30th July	Hon. Dr. Neil Sharma	Minister of Health
11)	13th Aug	M. Ali Hussain	Former Counselor, Ex Armyman, 16 Ragg St, Ltka
12)	18th Aug	Hon. Col. Samuela Saumatua	Minister of Local Government, Urban Development, Housing & Environment
13)	4th Sept	Mr. Sasaki Juichiro	Chief Representative, JICA office, Fiji
14)	25th Sept	Hari Morar	Tatexlule Plc, London
15)	25th Sept	Ram Karan Deo Sharan	Technical Advisor, FSC Chief Executive Officer, FSC
16)	30th Sept	Mr. Jone Usamate	Managing Director, TPAF, Suva Fiji
17)	23rd Nov	Professor Prabhakara Tha	High Commissioner of India, Embassy of India, Suva, Fiji

14.0 HUMAN RESOURCE/INDUSTRIAL RELATIONS

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	6	35	41
Building	4	0	4
Public Health	7	5	12
Parking Meter/Car Park	14	4	18
Total	53	46	99

[2008: 50 43 93]

14.2 RETIREMENT

Staff: - Rajendra Pratap

- Prem Sundar

Unestablished: - None

14.3 RESIGNATION

Staff: - Sharon Jyothi Philip

- Arti Sharma

- Shalini Suman Chand

Unestablished: - None

14.4 INDUSTRIAL MATTERS - None

14.5 OBITUARY - None

14.6 TRAINING – LOCAL (STAFF)

(a) Developing the Town Planner's Assistant

10th – 12th June 2009

Abdul Mofid @ Southern Cross Hotel, Suva

(b) Forensic Accounting and Fraud Prevention Strategic

8th – 9th June 2009

Abdul Israaz Khan @ TPAF, Lautoka Center

(c) Formulating a Decent Work Country Programme in Fiji

6th -7th August 2009

Rouhit Singh & Shalend Singh @ Hexagon International

(d.) The Pacific Urban Sector Profiling for Sustainability

13th – 17th October, 2009

Shiva Rajan @ Novotel Hotel, Nadi

14.7 TRAINING (OVERSEAS)

(a.) November 15th to November 28th 2009 - Counterpart Training on 3R Promotion, Waste Minimization & Recycling Promotion at JICA Kyushu International Centre, Japan by Acting Senior Health Inspector, Mr. Rouhit Karan Singh & Acting Senior Health Inspector Mr. Shalend Prem Singh

(b.) December 15th to December 16th 2009 – I.T.U.C –A.P. Conference on HIV/AIDS at Bay View Hotel, Singapore by Acting Senior Health Inspector, Mr. Rouhit Karan Singh

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.

Mr. SHIVA RAJAN
ACTING CHIEF EXECUTIVE OFFICER

Mr. PRAVEEN BALA
SPECIAL ADMINISTRATOR

LAUTOKA CITY COUNCIL



FINANCIAL STATEMENTS (Section 57 - Local Government Act Cap 125) FOR THE YEAR ENDED DECEMBER 31, 2009

Mr. SHIVA RAJAN
ACTING CHIEF EXECUTIVE OFFICER

Mr. PARVEEN BALA
SPECIAL ADMINISTRATOR

LAUTOKA CITY COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

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REPUBLIC OF THE FIJI ISLANDS
OFFICE OF THE AUDITOR GENERAL



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

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



ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

LAUTOKA CITY COUNCIL
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
INDEPENDENT AUDIT REPORT

Scope

I have audited the financial statements of Lautoka City Council for the year ended 31 December 2009 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.

Qualifications

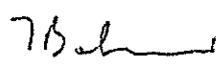
- 1) There is an unreconciled variance of \$22,276 between the General Ledger and system generated listings of Rate Debtors. I am unable to determine the exact adjustment if the account is properly reconciled due to limitation of scope.
- 2) A balance of \$248,301 included as Sundry Creditors and Accruals (Note 8) could not be substantiated due to insufficient appropriate records. I am unable to give an opinion on Sundry Creditors and Accrual balance of \$633,561.

Qualified Audit Opinion

In my opinion, except for the matters discussed in the qualification paragraphs, the financial statements present fairly, in accordance with Fiji Accounting Standards, the financial position of the Lautoka City Council as at 31 December 2009 and of the results of its operations for the year then ended.

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

The Council did not comply with the requirements of the International Financial Reporting Standards while preparing the financial statements for 2009.


Tevita Bolanavanua
AUDITOR GENERAL

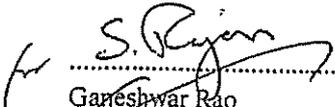


Suva, Fiji
10 January 2011

LAUTOKA CITY COUNCIL
GENERAL FUND
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2009

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 2009 and of the state of affairs as at that date.


.....
Ganeshwar Rao
Acting Town Clerk/CEO


.....
Praveen Bala
Special Administrator

LAUTOKA CITY COUNCIL
STATEMENT OF FINANCIAL POSITION - GENERAL FUND
AS AT 31 DECEMBER 2009

	Notes	2009 \$	2008 \$
Current Assets			
Cash on hand	2	1,000	1,000
Term Deposit	3	320,000	778,120
Receivables	4	4,236,961	3,998,620
Inventories	5	59,160	46,615
Other assets	6	18,984	8,808
Total current assets		<u>4,636,105</u>	<u>4,833,163</u>
Non-Current Assets			
Property, plant and equipment	7	56,262,783	55,712,632
Total non-current assets		<u>56,262,783</u>	<u>55,712,632</u>
TOTAL ASSETS		<u>60,898,888</u>	<u>60,545,795</u>
Current Liabilities			
Bank overdraft	2	160,837	313,826
Creditors	8	984,631	856,927
Provisions	9	705,706	760,790
Term loans	10	606,886	568,060
Deferred Income		684,648	-
Total current liabilities		<u>3,142,708</u>	<u>2,499,603</u>
Non-Current Liabilities			
Term loans	10	9,052,808	9,407,426
TOTAL LIABILITIES		<u>12,195,516</u>	<u>11,907,029</u>
NET ASSETS		<u>48,703,372</u>	<u>48,638,766</u>
Municipal Funds			
Accumulated general fund (Page 8)		(47,885)	(17,907)
Loan rate fund (Page 9)		90,335	19,752
Car park fund	11	188,833	164,832
Reserves	12	48,472,089	48,472,089
TOTAL MUNICIPAL FUNDS		<u>48,703,372</u>	<u>48,638,766</u>

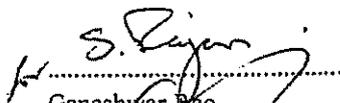
The accompanying notes form an integral part of this statement of financial position.

LAUTOKA CITY COUNCIL
 STATEMENT OF FINANCIAL POSITION - PARKING METER FUND
 AS AT 31 DECEMBER 2009

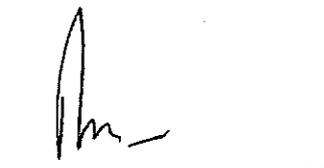
	Notes	2009 \$	2008 \$
Current Assets			
Cash	2	<u>350,601</u>	<u>383,017</u>
Total current assets		<u>350,601</u>	<u>383,017</u>
Non-Current Assets			
Property, plant and equipment	7	<u>124,377</u>	<u>135,806</u>
Total non-current assets		<u>124,377</u>	<u>135,806</u>
TOTAL ASSETS		<u>474,978</u>	<u>518,823</u>
Current Liabilities			
Creditors and borrowings	8	15,408	38,463
Provisions	9	24,024	19,866
Term loans	10	<u>4,053</u>	<u>4,072</u>
Total current liabilities		<u>43,485</u>	<u>62,401</u>
Non-Current Liabilities			
Term loans	10	<u>82,333</u>	<u>86,246</u>
Total non-current liabilities		<u>82,333</u>	<u>86,246</u>
TOTAL LIABILITIES		<u>125,818</u>	<u>148,647</u>
NET ASSETS		<u>349,160</u>	<u>370,176</u>
ACCUMULATED FUNDS (Page 10)		<u>349,160</u>	<u>370,176</u>

The accompanying notes form an integral part of this statement of financial position.

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 2009 and of the state of affairs as at that date.



 Ganeshwar Rao
 Acting Town Clerk/CEO



 Praveen Bala
 Special Administrator

LAUTOKA CITY COUNCIL
STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2009.

	Notes	2009	2008
INCOME		\$	\$
Agricultural rate fees		7,436	7,666
Amortization of Deferred Income		40,487	-
Building and subdivision fees		40,267	48,722
Bus station fees		92,442	76,634
Business, trading and other licenses fees		374,551	340,001
Capital expenditure (undischarged) write off		631,595	89,274
Contributions from parking meter fund	13	30,000	30,000
Fiji National Training Council (TPAF) grant		445	1,256
Garbage dump fees		210,125	114,147
General rate fees		1,876,941	1,443,958
Interest - overdue rates		93,544	64,350
- investment		20,527	16,367
Market vendor fees		609,203	601,823
Municipal car park fees		108,700	101,677
Parking lots and facilities fees		157,787	134,989
Parks and tennis courts hire fees		153,577	182,881
Plant hire fees		160,680	104,055
Rent from council properties		884,068	843,953
Sundries		98,130	103,223
Total income		5,590,505	4,304,976
EXPENDITURE			
Advertising		18,546	14,306
Audit fees		8,889	9,600
Bus station, civic building, depot and staff quarters		247,534	223,653
Contribution - Western Regional Library		545	681
Council expenses		21,575	74,637
Depreciation	14	704,868	679,119
Destruction of stray dogs		2,524	150
Drains maintenance		447,783	385,871
Footpath		1,111	-
Garbage removal service		502,626	358,673
Hurricane Expenses		137,088	11,357
Insurance		18,374	24,155
Leave allowance and passage grants		5,916	955
Legal		118,648	233,671

LAUTOKA CITY COUNCIL
 STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2009.

	Notes	2009 \$	2008 \$
Market		216,687	197,153
Miscellaneous		47,287	56,759
Mosquito control		5,022	11,665
Municipal car park		46,903	49,586
Parks, gardens and multipurpose courts		427,795	352,303
Plant, equipment, machinery and tools hire		222,624	190,838
Postage and telephone		39,171	44,323
Printing, stationery and office expenses		93,822	96,399
Public convenience		147,897	141,973
Salaries, wages and related payments		1,079,556	1,036,399
Sick, accident and holiday pay		43,379	46,971
Street and gutter cleaning		153,463	174,191
Street names and traffic signs		46,170	39,431
Street, footpath and verges maintenance		483,796	356,044
Streetlights		260,986	254,191
Subscriptions		5,271	4,695
Town cleaning campaign		306	317
Traffic lights		63,523	14,530
Valuation fees and expenses		798	700
Total expenditure		<u>5,620,483</u>	<u>5,085,296</u>
Net (deficit)/surplus for the year		(29,978)	(780,320)
Accumulated funds at the beginning of the year		(17,907)	762,413
Accumulated funds at the end of the financial year		<u>(47,885)</u>	<u>(17,907)</u>

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

LAUTOKA CITY COUNCIL
 STATEMENT OF INCOME AND EXPENDITURE - LOAN RATE FUND
 FOR THE YEAR ENDED 31 DECEMBER 2009 .

	Notes	2009 \$	2008 \$
INCOME			
Loan rate		1,532,262	1,177,672
Total income		<u>1,532,262</u>	<u>1,177,672</u>
EXPENDITURE			
Interest		830,084	944,262
Principal repayment		631,595	75,471
Total expenditure		<u>1,461,679</u>	<u>1,019,733</u>
Net surplus/(deficit) for the year		70,583	157,939
Accumulated funds at the beginning of the year		19,752	(138,187)
Accumulated fund at the end of the financial year		<u><u>90,335</u></u>	<u><u>19,752</u></u>

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

LAUTOKA CITY COUNCIL
 STATEMENT OF INCOME AND EXPENDITURE - PARKING METER FUND
 FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 \$	2008 \$
INCOME			
Infringement fines		54,086	89,966
Meter tolls		127,989	122,076
Parking meter fees		27,700	22,785
Total income		<u>209,775</u>	<u>234,827</u>
EXPENDITURE			
Administrative charges to general fund		30,000	30,000
Commission to car park		700	700
Depreciation		11,429	12,845
Interest on loan		7,688	5,852
Marking on parking bays		21,517	18,573
Meter maintenance		25,395	15,420
Miscellaneous		3,178	7,653
Office rent		5,700	5,700
Postage		121	1,430
Printing and stationery		2,811	5,451
Salaries, wages and related payments		122,196	114,494
Search fees		56	163
Total expenditure		<u>230,791</u>	<u>218,281</u>
Net surplus/deficit for the year		(21,016)	16,546
Accumulated funds at the beginning of the year		370,176	353,630
Accumulated fund at the end of the financial year		<u><u>349,160</u></u>	<u><u>370,176</u></u>

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

LAUTOKA CITY COUNCIL
STATEMENT OF CASH FLOWS - GENERAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2009 .

	Notes	2009 Inflows/ (Outflows)	2008 Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from ratepayers and customers		5,308,676	4,346,982
Payments to trade creditors, other creditors and employees		(3,350,984)	(3,368,834)
Interest paid		(830,084)	(944,262)
Interest received		114,071	80,717
Net cash provided by/(used in) Operating Activities	19(a)(i)	<u>1,241,679</u>	<u>114,603</u>
Cash flows from investing activities			
Acquisition of property, plant & equipment		(1,255,019)	(291,583)
Proceeds from Loan Rate Fund for capital works		-	13,804
Net cash provided by/(used in) Investing Activities		<u>(1,255,019)</u>	<u>(277,779)</u>
Cash flows from financing activities			
Proceeds/ Repayment of term loan, net		(315,792)	(82,159)
Contribution from other funds		24,001	12,445
Net cash (used in)/provided by Financing Activities		<u>(291,791)</u>	<u>(69,714)</u>
Net increase/(decrease) in cash and cash equivalents		(305,131)	(232,890)
Cash and cash equivalent at the beginning of the year		465,294	698,184
Cash and cash equivalent at the end of the year	19(a)(ii)	<u>160,163</u>	<u>465,294</u>

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

**LAUTOKA CITY COUNCIL
STATEMENT OF CASH FLOWS - PARKING METER FUND
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Notes	2009 Inflows/ (Outflows)	2008 Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from customers (meter tolls and other revenues)		209,775	234,826
Payments to suppliers and employees		<u>(230,571)</u>	<u>(162,852)</u>
		(20,796)	71,974
Interest and other costs of finance paid		<u>(7,688)</u>	<u>(5,852)</u>
Net cash provided by/(used in) Operating Activities	19(b)(i)	<u>(28,484)</u>	<u>66,122</u>
Cash flows from financing activities			
Repayment of term loans		<u>(3,932)</u>	<u>(3,830)</u>
Net cash used in Financing Activities		<u>(3,932)</u>	<u>(3,830)</u>
Net (decrease)/increase in cash and cash equivalents		(32,416)	62,292
Cash and cash equivalent at the beginning of the year		383,017	320,725
Cash and cash equivalent at the end of the year	19(b)(ii)	<u><u>350,601</u></u>	<u><u>383,017</u></u>

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

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

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 2009. Unless otherwise stated, the policies were consistent with those of 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 off, 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 2009

(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.

LAUTOKA CITY COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2009.

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	2009	2008
		\$	\$
	General Fund		
	Cash on hand	1,000	1,000
	Bank Overdraft	(160,837)	(313,826)
		<u>(159,837)</u>	<u>(312,826)</u>
	Parking Meter Fund		
	Cash at bank	350,601	383,017
		<u>350,601</u>	<u>383,017</u>

NOTE 3 TERM DEPOSITS

	General Fund		
	Cyclone self-insurance reserve	320,000	778,120
		<u>320,000</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 2009.

	2009	2008
NOTE 4 RECEIVABLES	\$	\$
General Fund		
Rate debtors	4,945,701	4,716,759
Other sundry debtors	291,260	281,861
	<u>5,236,961</u>	<u>4,998,620</u>
Provision for doubtful debts	(1,000,000)	(1,000,000)
	<u>4,236,961</u>	<u>3,998,620</u>
NOTE 5 INVENTORIES		
General Fund		
Material - others	59,124	46,537
Fuel and oil	36	78
	<u>59,160</u>	<u>46,615</u>
NOTE 6 OTHER ASSETS		
General Fund		
Prepayments	18,984	8,808
	<u>18,984</u>	<u>8,808</u>
NOTE 7 PROPERTY, PLANT AND EQUIPMENT		
General fund		
Land and buildings - at cost	10,792,479	10,523,160
Less: Accumulated depreciation	(1,890,142)	(1,761,261)
	<u>8,902,337</u>	<u>8,761,899</u>
Plant and equipment - at cost	978,467	946,014
Less: Accumulated depreciation	(749,389)	(717,200)
	<u>229,078</u>	<u>228,814</u>
Furniture and fittings - at cost	198,758	195,366
Less: Accumulated depreciation	(135,095)	(129,064)
	<u>63,663</u>	<u>66,302</u>

LAUTOKA CITY COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
NOTE 7 PROPERTY, PLANT AND EQUIPMENT (Continued)		
Office equipment - at cost	182,656	173,369
Less: Accumulated depreciation	<u>(142,681)</u>	<u>(132,650)</u>
	<u>39,975</u>	<u>40,719</u>
Motor vehicles - at cost	826,396	405,681
Less: Accumulated depreciation	<u>(341,630)</u>	<u>(281,397)</u>
	<u>484,766</u>	<u>124,284</u>
Roads - at valuation and cost	20,769,676	20,249,799
Less: Accumulated depreciation	<u>(1,360,943)</u>	<u>(1,167,499)</u>
	<u>19,408,733</u>	<u>19,082,300</u>
Footpaths - at valuation and cost	12,883,727	12,883,727
Less: Accumulated depreciation	<u>(873,957)</u>	<u>(752,646)</u>
	<u>12,009,770</u>	<u>12,131,081</u>
Drains - at valuation and cost	16,223,804	16,223,804
Less: Accumulated depreciation	<u>(1,099,343)</u>	<u>(946,571)</u>
	<u>15,124,461</u>	<u>15,277,233</u>
	<u>56,262,783</u>	<u>55,712,632</u>
Parking Meter Fund		
Parking meters - at cost	466,421	466,421
Less: Accumulated depreciation	<u>(377,393)</u>	<u>(367,501)</u>
	<u>89,028</u>	<u>98,920</u>
Furniture and fittings - at cost	2,267	2,267
Less: Accumulated depreciation	<u>(2,003)</u>	<u>(1,974)</u>
	<u>264</u>	<u>293</u>
Streetlights - at cost	20,782	20,782
Less: Accumulated depreciation	<u>(16,667)</u>	<u>(15,638)</u>
	<u>4,115</u>	<u>5,144</u>

LAUTOKA CITY COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2009.

	2009	2008
	\$	\$
NOTE 7 PROPERTY, PLANT AND EQUIPMENT (Continued)		
Plant and equipment - at cost	3,198	3,198
Less: Accumulated depreciation	<u>(2,656)</u>	<u>(2,484)</u>
	<u>542</u>	<u>714</u>
Tui Street car park construction - at cost	32,157	32,157
Less: Accumulated depreciation	<u>(1,729)</u>	<u>(1,422)</u>
	<u>30,428</u>	<u>30,735</u>
	<u>124,377</u>	<u>135,806</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	8,761,899	8,890,616
Additions	269,319	1,316
Depreciation expense	<u>(128,881)</u>	<u>(130,033)</u>
Balance as at 31 December	<u>8,902,337</u>	<u>8,761,899</u>
<u>Plant and equipment - at cost</u>		
Carrying amount at beginning	228,790	255,246
Additions	32,453	10,668
Depreciation expense	<u>(32,165)</u>	<u>(37,100)</u>
Balance as at 31 December	<u>229,078</u>	<u>228,814</u>
<u>Furniture & fittings - at cost</u>		
Carrying amount at beginning	66,302	72,129
Additions	3,392	657
Depreciation expense	<u>(6,031)</u>	<u>(6,484)</u>
Balance as at 31 December	<u>63,663</u>	<u>66,302</u>

LAUTOKA CITY COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
NOTE 7		
PROPERTY, PLANT AND EQUIPMENT (Continued)		
(a) Movements in Carrying Amounts - General Fund		
<u>Office equipment - at cost</u>		
Carrying amount at beginning	40,719	43,048
Additions	9,287	7,659
Depreciation expense	<u>(10,031)</u>	<u>(9,988)</u>
Balance as at 31 December	<u>39,975</u>	<u>40,719</u>
<u>Motor vehicles - at cost</u>		
Carrying amount at beginning	124,284	143,559
Additions	420,715	8,000
Depreciation expense	<u>(60,233)</u>	<u>(27,275)</u>
Balance as at 31 December	<u>484,766</u>	<u>124,284</u>
<u>Roads - at valuation 2004</u>		
Carrying amount at beginning	19,082,300	19,000,208
Additions	519,877	273,480
Depreciation expense	<u>(193,444)</u>	<u>(191,388)</u>
Balance as at 31 December	<u>19,408,733</u>	<u>19,082,300</u>
<u>Footpaths - at valuation 2004</u>		
Carrying amount at beginning	12,131,081	12,253,617
Additions	-	-
Depreciation expense	<u>(121,311)</u>	<u>(122,536)</u>
Balance as at 31 December	<u>12,009,770</u>	<u>12,131,081</u>
<u>Drains - at valuation 2004</u>		
Carrying amount at beginning	15,277,233	15,431,549
Additions	-	-
Depreciation expense	<u>(152,772)</u>	<u>(154,316)</u>
Balance as at 31 December	<u>15,124,461</u>	<u>15,277,233</u>
Total balance as at 31 December 2009	<u><u>56,262,783</u></u>	<u><u>55,712,632</u></u>

LAUTOKA CITY COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
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	98,920	109,911
Depreciation expense	(9,892)	(10,991)
Balance as at 31 December	<u>89,028</u>	<u>98,920</u>
<u>Furniture and fittings - at cost</u>		
Carrying amount at beginning	293	325
Depreciation expense	(29)	(32)
Balance as at 31 December	<u>264</u>	<u>293</u>
<u>Streetlights - at cost</u>		
Carrying amount at beginning	5,144	6,430
Depreciation expense	(1,029)	(1,286)
Balance as at 31 December	<u>4,115</u>	<u>5,144</u>
<u>Plant and equipment - at cost</u>		
Carrying amount at beginning	714	939
Depreciation expense	(172)	(225)
Balance as at 31 December	<u>542</u>	<u>714</u>
<u>Construction of Tui Street car park - at cost</u>		
Carrying amount at beginning	30,735	31,046
Depreciation expense	(307)	(311)
Balance as at 31 December	<u>30,428</u>	<u>30,735</u>
Total balance as at 31 December 2009	<u><u>124,377</u></u>	<u><u>135,806</u></u>
NOTE 8		
CREDITORS AND BORROWINGS		
Current		
<u>General Fund</u>		
Sundry creditors and accruals	633,561	567,443
Other creditors	125,074	70,427
Security deposits	173,796	167,866
Refundable building deposits	52,200	51,191
	<u>984,631</u>	<u>856,927</u>

LAUTOKA CITY COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
NOTE 8 CREDITORS AND BORROWINGS (Continued)		
Current		
<u>Parking Meter Fund</u>		
Sundry creditors and accruals	15,408	38,463
	<hr/>	<hr/>
NOTE 9 PROVISIONS		
<u>General Fund</u>		
In-house cyclone reserve	418,490	418,490
Workmen compensation reserve	9,000	9,000
Cyclone reserves	27,999	28,000
Long service leave	154,774	206,880
Annual leave	95,443	98,420
	<hr/>	<hr/>
	705,706	760,790
	<hr/>	<hr/>
<u>Parking Meter Fund</u>		
Long service leave	11,965	10,838
Annual leave	12,059	9,028
	<hr/>	<hr/>
	24,024	19,866
	<hr/>	<hr/>
NOTE 10 TERM LOANS		
<u>General Fund</u>		
Westpac Banking Corporation	5,399,832	5,309,300
Colonial Life (Fiji) Limited	2,829,997	3,091,549
Colonial National Bank	1,418,788	1,552,482
Lautoka City Council	11,077	22,154
	<hr/>	<hr/>
	9,659,694	9,975,485
	<hr/>	<hr/>
Loan principal commitment at balance date:		
Payable within one year	606,886	568,060
Payable later than one year, not later than two years	646,850	616,336
Payable later than two years, not later than five years	2,292,858	2,156,987
Payable later than five years	6,113,100	6,634,103
	<hr/>	<hr/>
	9,659,694	9,975,486
	<hr/>	<hr/>
Represented in the balance sheet as:		
Current	606,886	568,060
Non-current	9,052,808	9,407,426
	<hr/>	<hr/>
	9,659,694	9,975,486
	<hr/>	<hr/>

LAUTOKA CITY COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
NOTE 10 TERM LOANS (Continued)		
<u>Parking Meter Fund</u>		
Westpac Banking Corporation	<u>86,386</u>	<u>90,319</u>
Loan Principal Commitment at balance date:		
Payable within one year	4,053	4,072
Payable later than one year, not later than two years	4,430	4,429
Payable later than two years, not later than five years	15,921	15,759
Payable later than five years	<u>61,982</u>	<u>66,058</u>
	<u>86,386</u>	<u>90,318</u>
Represented in the balance sheet as:		
Current	4,053	4,072
Non-current	<u>82,333</u>	<u>86,246</u>
	<u>86,386</u>	<u>90,318</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	164,832	152,388
Add: Contribution for car parks	<u>24,001</u>	<u>12,444</u>
Balance as at 31 December	<u>188,833</u>	<u>164,832</u>

LAUTOKA CITY COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 12 RESERVES	2009 \$	2008 \$
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	16,000,000	16,000,000
	<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 DEPRECIATION

Land and buildings	128,881	130,033
Furniture and fittings	6,031	6,484
Plant and equipment	32,165	37,100
Office equipment	10,031	9,987
Motor vehicle	60,233	27,275
Roads	193,444	191,388
Footpaths	121,311	122,536
Drains	152,772	154,316
	<u>704,868</u>	<u>679,119</u>

**LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2009**

NOTE 15 CAPITAL COMMITMENTS

The Council has committed \$1,000,000 (2008: \$1,000,000) for the various capital works.

NOTE 16 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 17 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 18 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 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 2009

	2009	2008
	\$	\$
NOTE 19 NOTES TO THE STATEMENT OF CASH FLOWS		
(a) General Fund		
Reconciliation of Net Cash provided by Operating Activities		
(i) to Net Surplus		
Net surplus/(deficit) for the year	40,605	(622,382)
Depreciation	704,868	679,119
Capital expenditure written off	-	(13,804)
Movements in creditors for fixed asset purchases	-	(10,195)
Net cash provided by operating activities before changes in assets and liabilities	745,473	32,738
Change in assets and liabilities:		
(Increase)/decrease in receivables	(248,517)	(24,999)
Decrease in inventory	(12,545)	(7,833)
Increase in creditors and borrowings	812,352	102,172
Increase in accrued employment entitlement	(55,084)	12,525
Net cash inflows/(outflows) from operating activities	1,241,679	114,603

(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 statement of financial position as follows:

Cash on hand	1,000	1,000
Bank overdraft	(160,837)	(313,826)
Term deposit	320,000	778,120
	160,163	465,294

LAUTOKA CITY COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
NOTE 19 NOTES TO THE STATEMENT OF CASH FLOWS (continued)		
(b) Parking Meter Fund		
Reconciliation of Net Cash provided by Operating Activities to Net Surplus		
(i)		
Net (deficit)/ surplus for the year	(21,016)	16,547
Depreciation	11,429	12,845
Net cash provided by operating activities before changes in assets and liabilities	(9,587)	29,392
Change in assets and liabilities:		
Increase/(decrease) in sundry creditors	(23,055)	32,895
Increase/(decrease) in provisions	4,158	3,835
Net cash inflows/(outflows) from operating activities	<u>(28,484)</u>	<u>66,122</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>350,601</u>	<u>383,017</u>