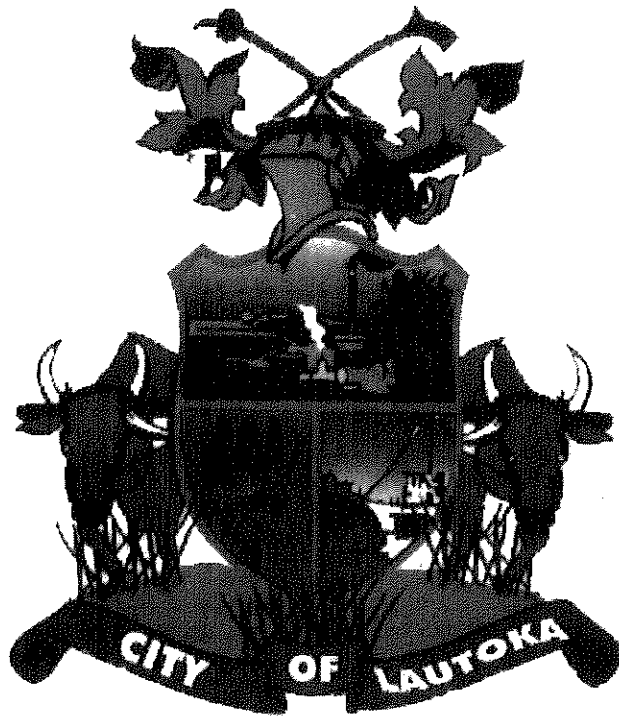


LAUTOKA CITY COUNCIL



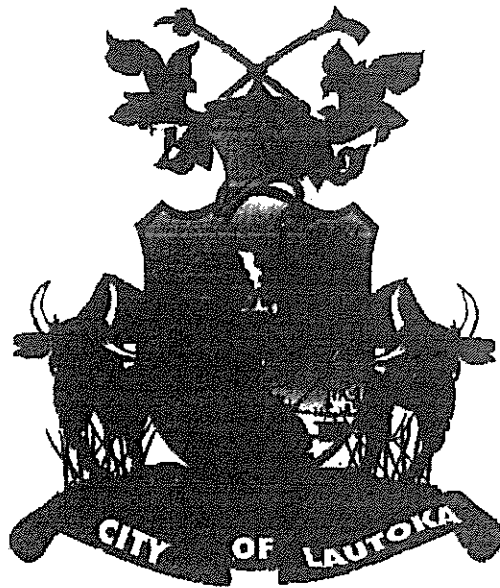
ANNUAL REPORT (Section 19 - Local Government Act Cap 125) **FOR THE YEAR ENDED** **DECEMBER 31, 2010**

Mr. JONE NAKAUVADRA
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 8559/990 8560 - 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
BANK OF SOUTH PACIFIC - LAUTOKA
BSP LIFE (FIJI) LTD

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

INSURERS: AON RISKS (FIJI) LIMITED

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.

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

3.3 POPULATION

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

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, 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.

3.7 APPOINTED SPECIAL ADMINISTRATOR – Lautoka City Council

In the absence of an elected Council, the Minister of Local Government with the Amended Local Government Act 125, section 9A, (1) & (2) appointed:

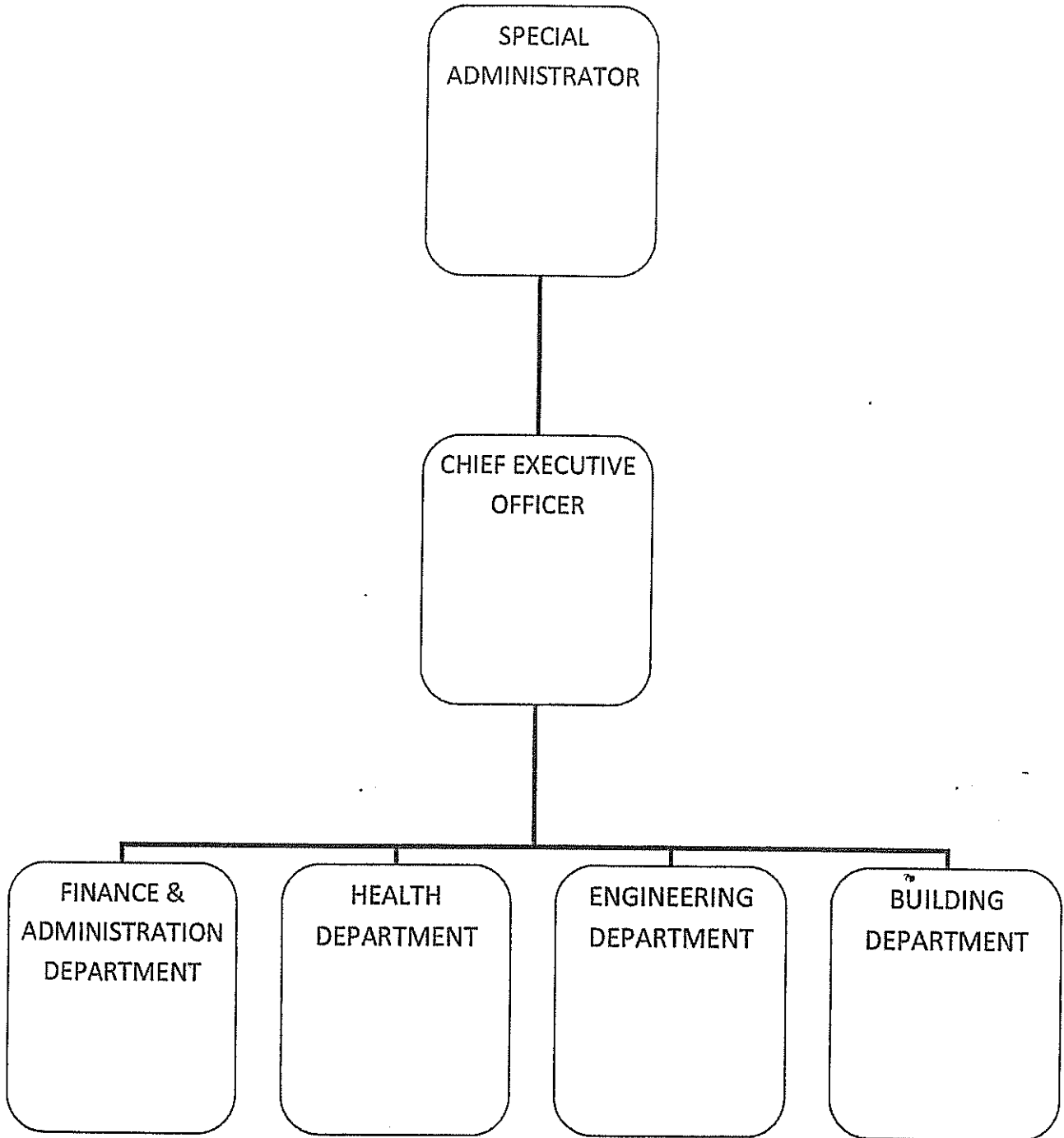
- 1) Mr. Josefa Raivoka Vucago, a former Military Officer, to be Special Administrator from February 16, 2009 to May 05, 2010
- 2) Mr. Aisea Tuidraki, Special Administrator for Nadi/Sigatoka, to be the Acting Special Administrator from May 05, 2010 to August 01, 2010
- 3) Mr. Praveen Kumar Bala, former Ba Town Mayor, to be Special Administrator from August 01, 2010 until to date.

3.11 PRINCIPAL OFFICERS:

The following were the principal officers of the council for the year 2010:-

- 1) Chief Executive Officer – *Mr. Pusp Raj (On Long Service Leave from 1st Jan till 1st Sept whereby his service ended)*
- 2) Acting Chief Executive Officer–*Siva Rajan [1st Jan- 4th Jun; 13th Dec-31st Dec]*
Director Finance & Administration Services - *Shiva Rajan*
- 3) Acting Chief Executive Officer – *Gyneshwar Rao [5th Jun-12th Dec]*
Director Health Services – *Gyneshwar Rao*
- 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 2010 TARGET

Strengthen Financial Controls & Income Generating through Prudent Management & Strict Monitoring

5.5 OUR CORPORATE VALUES

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

6.0 HIGHLIGHTS OF 2010

6.1 CHANGE IN SPECIAL ADMINISTRATOR'S OFFICE

- ✓ On May 12, 2010, Mr. Josefa Vucago ended his term as Special Administrator.
- ✓ Mr. Aisea Tuidraki took over the Acting Special Administrator for Lautoka City Council and concurrently holding the Special Administrator for Sigatoka and Nadi Town Council
- ✓ Mr. Parveen Kumar Bala was appointed Special Administrator from 2nd August, 2010 until to date. Mr. Bala was a former Mayor of Ba Town Council for the last 12 respective years before the dissolution of Ba Town Council in February 2009.

6.2 VISITING CRUISE LINER

- ✓ Eight (8) cruise liners berthed at Lautoka Wharf on the early part of the year including the well renowned MS Queen Victoria.
- ✓ Council in partnership with all tourist stakeholders managed to stage few tourist attraction activities such:
 - ⇒ Fijian Traditional Fire-Walking at our own Botanical garden
 - ⇒ Tour & entertainment at Namoli village
 - ⇒ Provision of open space for handicraft vendors
 - ⇒ Free shuttle bus for tourist to roam the city.

6.3 CRIME FREE DECLARATION

- ✓ On Friday, July 11th July, 2010, Lautoka was declared a Crime Free district, an initiative to reduce crime and enhanced prosperous investment and peaceful society.
- ✓ A strategic plan was formulated by the former Special Administrator, Mr. Josefa Vucago under the guidance and support of the Lautoka Senior Police and Military Officers.
- ✓ With the enormous effort and generous contribution of business communities, religious catechist, community leaders and reformed offenders, the event was a success.
- ✓ Mr. Kanti Punja of Punjas Gropu was the Chief Guest of the day whereby a three (3) stone monument was unveiled at Carnival ground.

6.4 AMNESTY PERIOD

- ✓ The council organized an Open Day with a "Period of Amnesty" which was officially launched by the Commissioner Western, Commander Joeli Cawaki on Monday, August 16, 2010. The amnesty lasted for three (3) months and includes the following:
 - ⇒ 100% waiver of interest on all outstanding town rates
 - ⇒ Withdrawal of rates legal cases upon full settlement by November 12, 2010
 - ⇒ 100% waiver of interest on all unpaid business license
 - ⇒ Concession on parking meter fines
 - ⇒ Sales of house numbers at low cost

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6.5 MAJOR EVENTS HELD IN CHURCHILL PARK

	<u>SPORTS</u>	<u>DATES</u>	<u>ORGANISER</u>	<u>EVENT</u>
(a.)	Rugby	30 th Jan	Suva Rugby Union	SRU Festival Fixture; President XV vs Otago Highlanders
		20 th Feb	Sugar Milling Staff	Sevens (7)-a-side Tournament
		27 th Feb	Lautoka Rugby Union	Local Franchise Rugby Final
		20 th Mar	Lautoka Rugby Union	Friendly Game; Lautoka vs Nadi
		27 th Mar	Fiji Rugby Union	Digicel Fixture; Lautoka vs Rewa
		17 th Apr	Fiji Rugby Union	Digicel Fixture; Lautoka vs Northland
		23 rd Apr	Fiji Rugby Union	Punjas Rugby Series; Fiji Warriors vs Tonga A
		08 th May	Fiji Rugby Union	Digicel Fixture; Lautoka vs Suva
		10 th -14 th May	International Rugby Board	Pacific Rim Cup Tournament Fiji, Samoa, Tonga & Japan
		12 th Jun	International Rugby Board	ANZ Pacific Nations Cup Fiji vs Japan
		31 st Jul	Fiji Secondary School Rugby Union	Western Zone II Quarter Final Games
		21 st Aug	Fiji Secondary School Rugby Union	Coke Zero Deans Final
		24 th -31 st Aug	Fiji Rugby Union	Minor Unions Southern Rally Tournament
		22 nd -23 rd Oct	Tikina Nacula, Yasawa	New World Nacula Sevens Tournament
(b.)	Soccer	27 th Nov	Fiji Rugby Union	Fiji TV Provincial 7s Series
		20 th Jan	Fiji Football Association	Champion vs Champion Lautoka vs Ba
		14 th Feb	Lautoka Football Association	Fiji Sun/Weet-Bix Soccer League; Lautoka vs Marist FC
		19 th Feb	Lautoka Football Association	Fiji Sun/Weet-Bix Soccer League; Lautoka vs Nadi
		25 th Feb	Lautoka Football Association	Fiji Sun/Weet-Bix Soccer League; Lautoka vs Olympians
		07 th Mar	Fiji Football Association	Oceania Football Championship; Lautoka vs Hekari (PNG)
		10 th Mar	Lautoka Football Association	Fiji Sun/Weet-Bix Soccer League; Lautoka vs Tavua

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	<u>SPORTS</u>	<u>DATES</u>	<u>ORGANISER</u>	<u>EVENT</u>
(b.)	Soccer	25 th Apr	Lautoka Football Association	Fiji Sun/Weet-Bix Soccer League; Lautoka vs Ba
		08 th May	Lautoka Football Association	Shop & Save Soccer League; Lautoka vs Rewa
		27 th -30 th May	Fiji Football Association	Fiji FACT Tournament
		19 th -22 nd Aug	Fiji Secondary School Soccer Association	FSSSA Annual Tournament
		05 th Sep	Lautoka Football Association	Fiji Sun/Weet-Bix Soccer League; Lautoka vs Suva
(c.)	Others	24 th Mar to 5 th Apr	Fiji Sanatan Partinithi Shaba	Annual Sanatan Convention
		26 th -28 th Aug	Fiji Secondary School Hockey Federation	Annual FSSHF Tournament
		11 th Sept	Fiji National University	Inter College Sports Day
		18 th Sept	GCAP	Make Noise Campaign
		8 th Oct	Government of Fiji	40 th Year of Independence Celebration
		28 th -30 th Oct	Jehovah's Witness of Fiji	JW Annual Convention
		11 th Nov	Retired Servicemen League	Ex-Servicemen Remembrance Day
		3 rd Dec	Communication Fiji Ltd	Navtarang Bollywood Dhamaka Show
		6 th -11 th Dec	Methodist Church of Fiji	Methodist Evangelism Seminar
		23 rd Dec	Mai Mix FM, LCC & Vodafone	Christmas Carols Night
		31 st	Mai Mix FM, LCC & Vodafone	Street Party – Rara Rumble

6.6 LAUTOKA FARMERS CARNIVAL – 2010

- ✓ The Lautoka district farmers, commenced from Lomolomo to Tuvu held their annual event at Carnival ground from the 26th June to 3rd July, 2010.
- ✓ The event was

6.7 SUGAR FESTIVAL - 2010

- ✓ The renowned Sugar Festival was held from 17th to 24th July, 2010 at the Carnival ground and main Churchill Park.
- ✓ As usual the Council sponsored a contestant for the week-long event.

6.8 PARTICIPATION ON OTHER STAKEHOLDER's INITIATIVE

(a.) Termite Taskforce

Health Inspectors were involved in the initial formation of the taskforce team whereas their knowledge and assistance in the surveying of infested properties and trees was much needed. However, we have to partly withdraw from the taskforce due to lack of manpower in our own health department. The taskforce is under the supervision of the Commissioner Western Office.

(b.) Milo Mile Project

In partnership with the Ministry of Health and in-kind sponsor of Nestle (Fiji) Ltd, three (3) sets of exercise machines was erected on the Marine Drive foreshore for public usage in their morning and afternoon walk. Minister for Health, Dr. Neil Sharma officiated the launching of the exercise machines along the waterfront on July 23, 2010.

(c.) Waste Permit Awareness

Council staff participated in the awareness program and surveys on all business houses and industries to comply with the Department of Environment standards.

(d.) Poverty Eradication Campaign

The Prime Minister's Office invited the Council to work in corporation with other stakeholders to eradicate poverty in our society. The general turnout of members of public was highly noted and the keynote address delivered by Mr. Peter Drysdale, the founder of Koroipita Model Village was a compliment.

(e.) Fiji Day Celebration

As government stakeholders, council staffs including casual labourers joined the other government department in the street procession with their bula shirts (kalavata) to mark the 40th Anniversary of Fiji's Independence. The council hosted the Chief Guest – Honorable Minister for Works & Transport, Commander Timoci Natuva with the lunch at the Botanical Garden.

(f.) Silver Jubilee of Returned Soldier Association

As usual the council always support and assisted the organized activities remembering our fallen soldiers/servicemen who gave their life and time for our beloved country. This year marks the 25th Anniversary of the association that looks after the welfare of the retired soldier/servicemen.

(g.) World AIDS Day & International Disabled Day

Special Administrator, Mr. Parveen Bala was invited to be the Chief Guest on both occasions whereby it falls on the 1st and 3rd December, 2010 respectively.

7.0 ADMINISTRATION & FINANCE**7.1 LAND VALUATION & RATE**

The total unimproved capital valuation of land within the city for rating purposes was \$219,026,200 and the rate levy for 2010 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	219,026,200	1,881,873.11
Loan	0.6669	230,127,500	1,534,720.30
Agriculture	0.185	4,019,600	7,436.26
			3,424,029.67

[2009 rate levy 1.5c and total rate income \$2,629,296].

7.2 TOWN RATE COLLECTION

Collection Status	2010 Rate Levy	Arrears	Total Due
Collected to 31.12.2010	\$2,265,829.25	\$ 953,041.12	\$3,218,870.46
Balance	\$1,157,470.63	\$3,596,920.97	\$4,754,390.90
% Collected	66.19%	20.95%	40.37%
[Same Period 2009] %	64.64%	20.75%	39.19%

7.3 TOWN RATES IN ARREARS

The above arrears of **\$3,596,920.00** were due from as follows:-

(1) Estate of Deceased Persons	\$ 184,549
(2) Namoli Landholding & Housing Co-operative	\$ 562,875
(3) Sporting & Social Organisation	\$ 62,278
(4) Under Receivership	\$ 426,924
(6) Individuals	\$2,360,294

TOTAL \$3,596,920

7.4 RATE ASSESSMENTS/RATEPAYERS

Total number of town ratepayers for the year ending 2010 is: 8,164

[2009: 8,164]

7.5 RECURRENT REVENUE & EXPENDITURE

The total recurrent revenue and expenditure of the council for the year ending December 31, 2010 were as follows:-

Fund	Revenue	Expenditure	Surplus
	\$	\$	\$
General	6,250,931	5,279,505	971,426
Loan	1,534,722	1,471,746	62,976
Parking Meter	298,415	239,179	59,236
Total	8,084,068	7,315,113	1,093,638

[2009: 7,292,055 7,315,113 (23,058)]

7.6 GENERAL FUND INCOME

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<u>INCOME TYPE</u>	<u>AMOUNT</u> <u>(\$)</u>
1) Agricultural Rate	7,436
2) General Rate	1,881,142
3) Interest – on overdue rates	33,362
-- investment	41,219
4) Fees and charges	
5) Amortization of Deferred Income	74,587
6) Building and subdivision	40,895
7) Bus station	78,268
8) Business, trading and other licences	351,901
9) Capital expenditure (undischarged) write off	685,523
10) Contribution from parking meter fund	30,000
11) Garbage dump	377,498
12) Market Vendor Fees	784,592
13) Municipal Carpark	104,163
14) Parking lots and facilities	134,885
15) Parks and tennis courts	168,877
16) Plant hire	251,805
17) Provisional Tax Written Off	248,301
18) Rent from council properties	906,849
19) Sundries	82,345
20) Visit by tourist from Cruise Ships	1,383
TOTAL	6,285,031

7.7 GENERAL FUND EXPENDITURE

<u>TYPE OF EXPENDITURE</u>	<u>AMOUNT</u> <u>(\$)</u>
1) Advertising	10,398
2) Audit Fees	8,924
3) Bus Station, Civic Building, Depot & Staff Quarters	235,846
4) Contribution – Western Regional Library	409
5) Council Expenses	29,942
6) Cleaning of Navutu & other creeks	2,667
7) Depreciation	725,995
8) Destruction of stray dogs	4,372
9) Drains Maintenance	481,974
10) Garbage removal service	482,333
11) Hurricane Expenses	8,660
12) Insurance	38,900
13) Leave Allowance & Passage Grants	3,508
14) Legal	29,532
15) Market	193,341
16) Materials for celebrations	15,363
17) Miscellaneous	39,828

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18) Mosquito Control	7,932
19) Municipal Carpark	35,520
20) Open Day Expense	2,290
21) Parks, gardens and multipurpose courts	426,817
22) Plant, equipment, machinery and tools	195,900
23) Postage & Telephone	44,135
24) Printing, Stationery & Office Expenses	79,293
25) Public Convenience	189,783
26) Salaries, Wages & Related Payments	1,024,758
27) Sick, Accident and Holiday Pay	55,430
28) Street & Gutter Cleaning	171,312
29) Street names and traffic signs	36,935
30) Street, Footpaths & Verges	282,573
31) Streetlights	366,389
32) Subscriptions	2,700
33) Town Cleaning Campaign	888
34) Traffic Lights	35,648
35) Valuation fees and expenses	3,103
Total	5,273,404
Excess of Income over Expenditure	1,011,627

7.8 LOAN RATE FUND

		\$	\$
Income	- Loan Rate	1,534,722	
			1,534,722
Expenditure	- Interest	786,223	
	Principal repayment	685,523	
			1,471,476
Net surplus for the year			62,976

7.9 CURRENT LOAN

The council's loan liability on December 31, 2010 amounted to **\$9,054,191.47**

7.10 CAPITAL EXPENDITURE

The total capital expenditure of the council for the fiscal year ending December 31, 2010 was

<u>Fund</u>	<u>Total Expenditure</u>
General	\$213,990
TOTAL	\$213,990
[2009:	\$573,574]

7.12 CAPITAL WORKS

The council carried out capital works to the value of **\$213,990** and the details are as follows:-

• Office Equipment, Furniture and Fittings	\$ 17,905
• Plant and Equipment	\$ 12,351
• Roads	\$149,794
• Land and Building	\$ 29,038
• Drain	\$ 4,902
<u>TOTAL CAPITAL WORKS</u>	<u>\$213,990</u>

7.10 PARKING METER FUND:

Revenue	\$	\$
1) Meter Tolls	40,421	
2) Infringement Fines	224,402	
3) Parking Meter Fees	33,592	
		298,415
Expenditure	\$	\$
1) Administrative charges to general fund	30,000	
2) Commission to Car Park	700	
3) Depreciation	10,187	
4) Interest on Loan	7,271	
5) Marking on Parking Bays	14,412	
6) Meter Maintenance	24,945	
7) Miscellaneous	3,624	
8) Office Rent	5,700	
9) Printing & Stationery	3,401	
10) Salaries, Wages and Related Payments	138,829	
		239,069
<u>Net surplus for the year</u>		<u>59,346</u>

8.0 PUBLIC HEALTH & ENVIRONMENT

8.1 ESTABLISHMENT:

- 1 Director Health Services
- 1 Manager Health Inspector
- 1 Senior Health Inspector
- 4 Health Inspectors
- 1 Secretary

8.2 LICENCES/REGISTRATION OF PREMISES:

<u>TYPES OF BUSINESS</u>	<u>No. of Licences</u>
Hotels/ Guest Houses	9
Restaurant and Refreshment Bars	19
Refreshment Bars/Takeaways	61
Restaurant with Liquor Licence	7

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Refreshment Bars	21
Bake House & Refreshment Bar	23
Butcher Shop	15
Aerated Water, Ice Cream Factories	2
Confectionery/Sweet Meat Factories	-
Theatres	4
Hairdresser/Barbershop/Chiropodists	18
Billiard Tables/Amusement Centre	4
Laundries	2
Masseur	-
Dance Halls/Night Clubs	3
Hawkers	1
Fish Retail	3
Food Processing	1

8.3 HAWKERS:

<u>Types of Business</u>	<u>No. of License</u>
Ice Cream Cart	12
Peanuts seller	2
Total	14
[2009:	19]

8.4 SUMMARY OF INSPECTIONS

TYPE OF INSPECTIONS			Total Inspection	Total Re- inspection	Existing
1	House to house inspection of district	-	6,918	4,759	11,677
2	Investigation of complaints nuisance, food etc.	-	1,322	880	2,202
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	480	480	960
7	Restaurants, Refreshment Bars/Takeaways	142	2,112	2,112	4,224
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	480	480	960
15	Food Processing Factories	9	120	120	240
16	Bulk stores	63	756	756	1,512
17	Premises Inspected for Business License	-	8	7	15

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18	Inspection of Vacant Lots	-	789	540	1,329
19	Hawkers for License	-	6	5	11
20	Factories & Workshops	113	1,196	1,164	2,360
21	Schools & Kindergartens	45	173	158	331
22	Theatres	6	48	48	96
23	Dance Halls & Night-clubs	4	48	48	96
24	Billiard Rooms	9	72	72	144
25	Public Conveniences	13	467	467	934
26	Sanitary Drains & St. Drains	-	458	458	916
27	Parks, Streets & Road Reserves	-	752	752	1,504
28	Works Orders sent to Director Engineering Services/P.W.D.	-	48	47	95
29	Refuse Survey	-	-	-	-
30	Derelict Vehicles on-Roadside/Compound	-	8	6	14
31	Survey of Litter Bins	24	168	93	261
32	Club Houses	6	30	25	55
	Total		17,533	14,459	32,000
		[2009:	19,472	15,861	35,333]

8.5 SUMMARY OF SANITARY IMPROVEMENTS, ETC.

IMPROVEMENT WORKS		Ordered	Completed	Total
01	Filling in of insanitary pit privies	4	-	4
02	Repairing or cleaning or fly-proofing of privies	30	20	50
03	Repairs, cleansing or improvements to drains	31	28	59
04	Repairs, cleansing of bathroom/washing places	15	11	26
05	Public or street drains referred to Director Engineering Services for maintenance & cleaning	66	65	131
06	Clearing of sewer line blockage	68	68	136
07	Repairs to Septic Tank & Water closet	2	1	3
08	Repairs to rubble drain and soakage pit	2	2	4
09	Reconnection of water supply	5	5	10
10	Removal of accumulation of refuse/litter-other s	1008	987	1995
11	Renewal or provision of garbage pans or lids	184	184	368
12	Clearing of overgrowth of weeds and long grass	589	296	888
13	Abatement of mosquito breeding	119	119	238
14	Abatement of nuisance from poultry	37	6	43
15	Abatement of nuisance from animals	7	4	11
16	Repairs or improvements to hotels, guest houses or private hotels	20	15	35
17	Repairs, cleansing or improvements to restaurants or refreshment bars	111	77	188
18	Repairs, cleansing or improvements to food stores, supermarkets and market	145	110	255
19	Cleansing or improvement to food vehicles and carts	57	45	102

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20	Repairs, cleansing or improvements to butcher shops	23	17	40
21	Repairs, cleansing or improvements to bake houses	34	22	56
22	Repairs, cleansing or improvements to aerated water/ ice cream factory	11	7	18
23	Repairs, cleansing or improvements to hairdressers shop	49	36	85
24	Repairs , cleansing or improvement to theatres/dance halls	14	11	25
25	Repairs, cleansing of laundries	11	8	19
26	Repairs, cleansing of food kitchens	12	4	16
27	Provision of ventilation	-	-	-
28	Cleansing or improvements to schools and kindergartens	44	29	73
29	Derelict vehicles – removal	9	6	15
30	Public Conveniences – cleansing/repairs	50	50	100
31	Sewer connections	4	1	5
32	Dead Animals for removal referred to contractor	114	114	228
	TOTAL	2,771	2,260	5,031

[2009: 4,239 3,686 7,925]

8.6 WRITTEN NOTICES ETC. ISSUED

Number of intimation notices issued	917
Number of statutory notices issued	93
Number of poultry and animal notices issued	44
Number of notices in letter form issued	372
Number of Litter Notices Issued	3
Number of Summons Served	1
Total	1,430

[2009: 1,332]

8.7 SPECIAL HOUSEHOLD DRAINAGE INSPECTION

Total number of inspections	175
Number completed satisfactorily	56
Number connected to sewer	177
Number connected to septic tank	-
Total	410

[2009: 388]

8.8 BUILDING PLANS PROCESSED:

Total Number of Plans Processed: 429 [2009: 422]

8.9 UNSOUND FOOD ITEMS CONDEMNED AND DESTROYED

Articles	Quantity
Canned Fish	30.41tones
Frozen Chicken	6.36tones

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Confectionary	0.024tones
Spices	5.2tones
Rice	1.7tones
Lentils, Dhal, Besan	0.1tones
Meat & Meat Products	4.26tones
Fruits & Vegetables [Fresh & Tin Packed]	2.35tones
Dairy & Butter Products	0.05tones
Fish	0.17tones

8.10 DISPOSAL OF DEAD ANIMALS

Number of dead dogs disposed at the dump: 423 [2009: 314]
Number of dead cats disposed at the dump: 142 [2009: 95]

8.11 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 12,238 loads during the year amounting to 24,203tones.
[2009: 7,890 loads]

8.12 MUNICIPAL GARBAGE DUMP

The garbage dumpsite is at Vunato. There were five (5) full-time attendants and five (5) securities 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.

8.13 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.
- ⇒ Recyclable collection was extending to whole of Field 40 area, 25 schools and Namoli village (1,000 households).
- ⇒ Home Composting concept was introduced to whole of Field 40 area, 25 schools and Namoli village (1,000 households).
- ⇒ Market waste compositing project has improved level of separation of green waste composted – 130tonnes/year.
- ⇒ Health Promotion and education awareness has targeted 25 schools for health promotion and education focusing on 3R, litre and dengue.
- ⇒ Home Composter was selling at a subsidized rate of \$30.00 to ratepayers and \$55.00 to citizens of the city. Some schools and even Ministry of Health, Western Health Service has set home composting for recycling of organic wastes.
- ⇒ Market waste compositing project continues to separate collection of market green waste from market and a total of 25.26tonnage of green market waste composted. The first batch of compost is being sold at a rate of \$5.00/10kg

8.14 SUPERVISION OF CONTRATUAL WORKS

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

8.15 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

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emphasis was placed on the clearing of vacant lots and compounds with overgrown grass.

8.16 FLY CONTROL AT MARKET

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

8.17 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	3
Number of offenders paid on spot fines	3
Number warned	1,069

8.18 LEGAL PROCEEDINGS

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

(a.) Overgrowth of Grass

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

9.0 TOWN PLANNING/ZONINGS/SUBDIVISION

9.1 CHANGES TO ZONING

The following applications for rezoning were received during the year 2010:-

<u>Applicant</u>	<u>Subject Area</u>	<u>Nature of Amendment</u>
Punja & Sons for City Investment Ltd	Proposed Rezoning of Lot 3, DP1861, Tavewa Avenue	Residential A to Commercial C
Patson & Associates	Proposed Rezoning of Lot 2, DP955, Narara Parade for Fiji Sugar & General Workers Union	Residential A to Commercial C
Lautoka City Council	Proposed Development of Council Property, Lot 1, SO3032, Daniva Street	Proposed development of council property to Commercial/Civic
Patson & Associates	Proposed Rezoning of Lot1, Section 80, ND5740 for P.Kumar Electrical Service, Ravouvou Street	Residential B to General Industrial
Mr. Malkit Singh	Proposed Rezoning of Lot 2, Section 20, 69 Drasa Avenue	Residential A to Commercial B

9.2 SCHEME PLANS:

<u>Applicant</u>	<u>Location</u>
Department of Lands	Proposed subdivision on Lot1, ND92, State Vacant Land, Mission Place, off Tavakubu Rd

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Trustees of Lovu Crematorium	Proposed scheme plan of Lot1, SO1223 (Car Park), Lovu (Pt.of) for Trustee of Lovu Crematorium, Vunato flats
Mohammed Yusuf	Proposed scheme plan of Vunato (Pt.of), Lot1 for Mohammed Yusuf
Naks & Associate	Proposed scheme plan of Lot1 (Part of NLTB Ref No.50028440 for Colonial Concrete (Fiji) Ltd & Western Builders Ltd, Vunato

9.4 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	
Residential B	272.2 ha	
Residential C	194.6 ha	
Residential D	69.6 ha	
	<u>667.9 ha</u>	(42%)
Commercial A	6 ha	
Commercial B	18.1 ha	
Commercial C	1.6 ha	
	<u>25.7 ha</u>	(2%)
Industrial Light	165 ha	
Industrial Heavy	148.2 ha	
Industrial Noxious	23.3 ha	
	<u>336.5 ha</u>	(21%)
Civic	184 ha	(11%)
Special Use	16 ha	(1%)
Open Space	174 ha	(11%)
Rural	17 ha	(1%)
Roads	185.8 ha	(11%)
TOTAL	1,606.9 ha	

10.0 PARKS & GARDENS

10.1 BEAUTIFICATIONS

Beautification and maintenance works were carried out at all landscaped traffic islands and other gardens in the city by means of cleaning, pruning, weeding, replanting and neatening.

Churchill Park – maintenance of turf in ground no.1 and upkeep for all major sports
Nadovu Park grounds were graded and leveled for soccer and rugby games

10.2 BOTANICAL GARDENS

Development and maintenance of Botanical gardens including turf nursery, compositing, nursery works and completed lily pond with a small bridge.

Arbor Week – one million tree planting campaign in Fenner Park and Shirley Park

11.0 BUILDING WORK

11.1 ESTABLISHMENT

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

11.2 SUMMARY OF BUILDING APPLICATIONS RECEIVED

	Nos.	Amount (\$)
Commercial Buildings	01	650,000
Industrial Buildings	02	1,089,497
Residential Buildings	62	4,683,155
Civic and Special Use	01	140,000
Alterations & Repair	142	4,922,568
Miscellaneous: retaining walls, fence, sewer connections, etc	54	493,095
	262	11,978,315

[2009: (280) (8,367,243)]

11.3 SUMMARY OF BUILDING PERMITS ISSUED:

	Nos.	Amount (\$)
Commercial Buildings	01	165,132
Industrial Buildings	-	-
Residential Buildings	58	4,441,409
Civic and Special Use	02	54,659
Alterations & Repair	132	5,245,939
Miscellaneous: retaining walls, fence, sewer connections, etc.	43	331,633
	236	10,238,772

[2009: (263) (8,835,856)]

11.4 SUMMARY OF COMPLETION CERTIFICATES ISSUED:

	Nos.	Amount (\$)
Commercial Buildings	01	946,899
Industrial Buildings	-	-
Residential Buildings	18	819,090
Civic and Special Use	02	92,105
Alterations and Repairs	34	939,543
Miscellaneous: retaining walls, fence, sewer connections, etc.	04	63,977
	59	2,860,814

[2009: (74) (5,573,855)]

11.5 NON-CONFORMING AND ILLEGAL DEVELOPMENTS

Case Completed	5 (23)
Cases Attended	22 (04)
Court Cases Notices Issued	45 (52)

- 11.6 OUTLINE APPLICATIONS PROCESSED – 11 (7)**
11.7 TOTAL BUILDING INSPECTIONS – 1,343 (1,075)

12.0 OTHER CIVIC RESPONSIBILITY

12.1 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 \$351,901

12.2 FAIR RENT

The Town Clerk/Chief Executive Officer is the fair rents officer under the provisions of Fair Rent Act, Cap.269 for the city. During the year the fair rent officers received no application for fair rent assessment.

13.0 SERVICES OUTSOURCING

Services	Contractor
1. Garbage Removal	- <i>S. Adam Transport</i>
2. Street Sweeping – Area A	- <i>Mobile Construction</i>
3. Street Sweeping – Area B	- <i>Suresh Chand</i>
4. Traffic Light Maintenance	- <i>Bethel Electric Service Ltd</i>
5. Market Cleaning	- <i>Daya Ram</i>
6. Public Convenience Cleaning	- <i>Mesake Beranaliya – Kamikamica Park</i> - <i>Mesake Beranaliya – Drasa / Vitogo Ground</i> - <i>Sheik Mehmood – IYC Park</i> - <i>Shiu Shankar – Narara Parade</i> - <i>Suruj Kumari – Bus Station / Market</i> - <i>Suruj Kumari – New Market</i> - <i>Abdul Khalil – Nadovu Park</i> - <i>Sheik Azmat Sahib – Field 40 Ground</i> - <i>Suruj Kumar – Shirley Park</i> - <i>Sheik Azmat Sahib – Sugar City Mall</i>
7. Churchill Park Floodlights Maintenance	- <i>Modern Electric Company</i>
8. Fuel & Oil Supply	- <i>B.P. (SWP) Limited</i>
9. Street Lights	- <i>Electrical Solutions Limited</i>
10. Park Works	- <i>Mikaele Bete</i>
11. Collection of Refuse	- <i>Ravin Kumar</i>
12. Botanical Garden - Labour Supply	- <i>Casual Labourers</i>
13. Supply of Toilet Tissues	- <i>C.J.Patel & Co Ltd</i>

LAUTOKA CITY COUNCIL – 2010 ANNUAL REPORT

14. Towing of Vehicles	- <i>Western Wreckers</i>
15. Drain Cleaning & Grass Cutting	<ul style="list-style-type: none"> - <i>Mohammed Kamal – Waiyavi Area A</i> - <i>Ambika Prasad – Waiyavi Area B & C</i> - <i>Atlantic Hire – Waiyavi Area D</i> - <i>Deo Charan – Tavakubu Area A</i> - <i>Emmanuel Sami – Tavakubu Area B</i> - <i>Ram Prasad – Tavakubu Area C & D</i> - <i>Sharwan Kumar Singh – Veitari Area A</i> - <i>Ashok Kumaran – Veitari Area B</i> - <i>Jai Govind – Veitari Area C</i> - <i>Mohammed Kamal – Veitari Area D</i> - <i>Emmanuel Sami – Veitari Area E</i> - <i>Alvin Prakash – Simla Area A</i> - <i>(m) Ashok Kumaran – Simla Area B</i>
16. Security Services	<ul style="list-style-type: none"> - <i>Churchill Park (Soccer Matches) – New Watch Security</i> - <i>Sugar City Mall – New Watch Security Services</i> - <i>Civic Center – ADT Security Alarm System</i>

14.0 VISITING DIGNITARIES

<u>NAME</u>	<u>DESIGNATION</u>
1) Hon. Cmdr. Josaja Voreqe Bainimaram	Prime Minister, Minister for Finance, National Planning, Public Service, Information, Provincial Development, Sugar Industry, Multi-Ethnic & Indigenous Affairs
2) Hon. Col. Samuela Saumatua	Minister for Local Government, Urban Development, Housing & Environment
3) Hon. Cmdr. Timoci Natuva	Minister for Works, Transport & Public Utilities
4) Hon. Aiyaz Sayed Kahiyum	Attorney General, Minister for Justice, Tourism, Civil Aviation, Trade & Commerce
5) Hon. Jocketani Cokanasiga	Minister for Agriculture & Primary Industries
6) Hon. Neil Sharma	Minister for Health
7) Dr. Michael Chand & Dr. Karan Singh	Apollo Hospital Consultant
8) His Excellency Yutaka Yoshizawa	Ambassador of Japan
9) Brigadier General Iowane Naivalurua	Commissioner of Fiji Prison & Correctional Services
10) Commander Esala Teleni	Commissioner of Fiji Police Force
11) Commander Joeli Cawaki	Commissioner Western Division
12) Mr. John Low & Mr. Jone Koroi	Chairman & Chief Executive Officer (respectively) of National Fire Authority

LAUTOKA CITY COUNCIL – 2010 ANNUAL REPORT

- 13) Mrs. Taina Tagicakibau Permanent Secretary for Local Government, Urban Development, Housing & Environment
- 14) Mr. Josese Rakuita Director Local Government
- 15) Ms. Talei Rokotuibau Director Town Country Planning
- 16) Mr. Cama Tuiloma Permanent Secretary for Works, Transport & Public Utilities

15.0 HUMAN RESOURCE/INDUSTRIAL RELATIONS

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

Department	Staff	Un-established	Total
Town Clerk's	22	2	24
City Engineer	6	55	61
Building	4	-	4
Public Health	8	4	12
Parking Meter/Car Park	18	-	18
Total	58	71	129

[2009: 53 46 99]

15.2 RETIREMENT

Un-established: - Serupepeli Naiko

15.3 RESIGNATION

Staff: - Krishna Chand Rai (migrated)

Un-established: - Mansoor Ali (medical)

15.4 TERMINATION BY MINISTRY

Special Administrator - Mr. Josefa Vucago

Chief Executive Officer - Mr. Pusp Raj

15.5 INDUSTRIAL MATTERS - None

15.6 OBITUARY - None

15.7 TRAINING – LOCAL (STAFF)

- (a.) Exceptional Customer Service Workshop attended by Mrs. Sera Bogileka on January 26th -27th at TPAF, Lautoka
- (b.) Employer Relations Workshop attended by Mr. Amal Prasad on March 17th -18th at LTA Office, Lautoka
- (c.) Seminar – One Million Tree Planting 2011 Campaign attended by Mr. Shri Charan on April 14th – 16th at Suva
- (d.) Local Government Networking Event Seminar attended by Mrs. Devika Prasad & Mrs. Sera Bogileka on April 30th at Capricorn Hotel, Nadi
- (e.) Trade Union Leaders Symposium attended by Mr. Rouhit Singh & Mr. Shalend

LAUTOKA CITY COUNCIL – 2010 ANNUAL REPORT

- Singh on May 7th at Hexagon International Hotel, Nadi.
- (f.) Crime Free Symposium attended by Mr. Parveen Bala & Mr. Esika Qorovarua on August 17th – 18th at Fiji Police Academy, Suva
 - (g.) Basic Entomology Course – Vector Surveillance & Control attended by Mr. Wally Atalifo on September 21st – 24th at Tamavua, Suva
 - (h.) I.L.O. Supervisory System & Reporting Obligation Tripartite Workshop attended by Rouhit Singh on November 1st at Holiday Inn, Suva
 - (i.) Review of the National Solid Waste Management Strategy & Action Plan 2008-2010 attended by Mr. Gyneshwar Rao on November 11th -12th at Raffles Gateway Hotel, Nadi.

15.8 TRAINING (OVERSEAS)

- (a.) August 30th to September 13th 2010 – Waste Minimization of Recycling Promotion Project 3R Course in Japan attended by Acting Chief Executive Officer-Mr. Shiva Rajan, Director Health Service-Mr. Gyneshwar Rao and two (2) Health Inspectors namely Mr. Wally Atalifo & Mr. Jeremaia Marawa

16.0 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. JONE Q. NAKAUVADRA
CHIEF EXECUTIVE OFFICER

Mr. PRAVEEN K. BALA
SPECIAL ADMINISTRATOR

LAUTOKA CITY COUNCIL



FINANCIAL STATEMENTS (Section 57 - Local Government Act Cap 125) **FOR THE YEAR ENDED** **DECEMBER 31, 2010**

Mr. JONE NAKAUVADRA
CHIEF EXECUTIVE OFFICER

Mr. PARVEEN BALA
SPECIAL ADMINISTRATOR

LAUTOKA CITY COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

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Excellence in Public Sector Auditing

LAUTOKA CITY COUNCIL
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010
INDEPENDENT AUDIT REPORT

Scope

I have audited the financial statements of Lautoka City Council for the year ended 31 December 2010 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. The financial statements consist of the Balance Sheet, Income Statement, Statement of Cash Flows and the accompanying notes.

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, or 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.

Qualification

I have been unable to substantiate Rate Debtors amounting to \$5,188,779 as the Council did not provide proper reconciliation. Accordingly, I have been unable to ascertain the accuracy and completeness of the Rate Debtors as at 31 December 2010.

Qualified Audit Opinion

In my opinion, except for the matter discussed in the qualification paragraph, the financial statements present fairly, in accordance with Fiji Accounting Standards, the financial position of the Lautoka City Council as at 31 December 2010 and of the results of its operations for the year then ended.

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

- (a) The Council did not comply with the requirements of the International Financial Reporting Standards while preparing the financial statements for 2010.
- (b) Property, Plant and Equipment have not been revalued in accordance with Fiji Accounting Standard (FAS) 16 *Property, Plant and Equipment*.

Tevita Bolanavanua
AUDITOR GENERAL

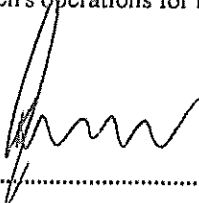


Suva, Fiji
9 February 2012

LAUTOKA CITY COUNCIL
GENERAL FUND
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

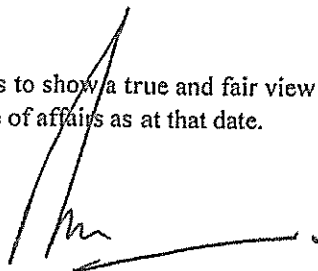
COUNCIL'S STATEMENT

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 2010 and of the state of affairs as at that date.



.....
Jone Nakauvadra
Chief Executive Officer

Date: 07/02/12



.....
Praveen Bala
Special Administrator

Date: 7/2/12

LAUTOKA CITY COUNCIL
STATEMENT OF FINANCIAL POSITION - GENERAL FUND
AS AT 31 DECEMBER 2010

	Notes	2010	2009
		\$	\$
Current Assets			
Cash on hand	2	1,000	1,000
Term deposit	3	702,120	320,000
Receivables	4	4,438,275	4,236,961
Inventories	5	39,507	59,160
Other assets	6	9,101	18,984
Total current assets		<u>5,190,003</u>	<u>4,636,105</u>
Non-Current Assets			
Property, plant and equipment	7	<u>55,750,777</u>	<u>56,262,783</u>
Total non-current assets		<u>55,750,777</u>	<u>56,262,783</u>
TOTAL ASSETS		<u>60,940,780</u>	<u>60,898,888</u>
Current Liabilities			
Bank overdraft	2	209,067	160,837
Creditors	8	687,070	984,631
Provisions	9	660,324	705,706
Term loans	10	646,850	606,886
Deferred Income		610,061	684,648
Total current liabilities		<u>2,813,372</u>	<u>3,142,708</u>
Non-Current Liabilities			
Term loans	10	<u>8,325,434</u>	<u>9,052,808</u>
TOTAL LIABILITIES		<u>11,138,806</u>	<u>12,195,516</u>
NET ASSETS		<u>49,801,974</u>	<u>48,703,372</u>
Municipal Funds			
Accumulated general fund (Page 8)		963,742	(47,885)
Loan rate fund (Page 9)		153,311	90,335
Car park fund	11	212,832	188,833
Reserves	12	<u>48,472,089</u>	<u>48,472,089</u>
TOTAL MUNICIPAL FUNDS		<u>49,801,974</u>	<u>48,703,372</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 2010

	Notes	2010 \$	2009 \$
Current Assets			
Cash	2	401,278	350,601
Total current assets		<u>401,278</u>	<u>350,601</u>
Non-Current Assets			
Property, plant and equipment	7	114,190	124,377
Total non-current assets		<u>114,190</u>	<u>124,377</u>
TOTAL ASSETS		<u>515,468</u>	<u>474,978</u>
Current Liabilities			
Creditors and borrowings	8	2,575	15,408
Provisions	9	22,479	24,024
Term loans	10	4,430	4,053
Total current liabilities		<u>29,484</u>	<u>43,485</u>
Non-Current Liabilities			
Term loans	10	77,478	82,333
Total non-current liabilities		<u>77,478</u>	<u>82,333</u>
TOTAL LIABILITIES		<u>106,962</u>	<u>125,818</u>
NET ASSETS		<u>408,506</u>	<u>349,160</u>
ACCUMULATED FUNDS (Page 10)		<u>408,506</u>	<u>349,160</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 2010 and of the state of affairs as at that date.

.....
 Jone Nakauvadra
 Chief Executive Officer

.....
 Praveen Bala
 Special Administrator

LAUTOKA CITY COUNCIL
STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010	2009
INCOME		\$	\$
Agricultural rate fees		7,436	7,436
Amortization of Deferred Income		74,587	40,487
Building and subdivision fees		40,895	40,267
Bus station fees		78,268	92,442
Business, trading and other licenses fees		351,901	374,551
Capital expenditure (undischarged) write off		685,523	631,595
Contributions from parking meter fund		30,000	30,000
Fiji National Training Council (TPAF) grant		-	445
Garbage dump fees		377,498	210,125
General rate fees		1,881,142	1,876,941
Interest - overdue rates		33,362	93,544
- investment		41,219	20,527
Market vendor fees		784,592	609,203
Municipal car park fees		104,163	108,700
Parking lots and facilities fees		134,885	157,787
Parks and tennis courts hire fees		168,877	153,577
Plant hire fees		251,805	160,680
Provisional tax written off		248,301	-
Rent from council properties		906,849	884,068
Sundries		82,345	98,130
Visits by tourists from cruise ships		1,383	-
Total income		6,285,031	5,590,505
EXPENDITURE			
Advertising		10,398	18,546
Audit fees		8,924	8,889
Bus station, civic building, depot and staff quarters		235,846	247,534
Cleaning of Navutu and other creeks		2,667	-
Contribution — Western Regional Library		409	545
Council expenses		29,942	21,575
Depreciation	14	725,995	704,868
Destruction of stray dogs		4,372	2,524
Drains maintenance		481,974	447,783
Footpath		-	1,111
Garbage removal service		482,333	502,626
Hurricane Expenses		8,660	137,088
Insurance		38,900	18,374
Leave allowance and passage grants		3,508	5,916
Legal		29,532	118,648

LAUTOKA CITY COUNCIL
STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010	2009
		\$	\$
Market		193,341	216,687
Materials for celebrations and costs		15,363	-
Miscellaneous		39,828	47,287
Mosquito control		7,932	5,022
Municipal car park		35,526	46,903
Open day expenses		2,290	-
Parks, gardens and multipurpose courts		426,817	427,795
Plant, equipment, machinery and tools hire		195,900	222,624
Postage and telephone		44,135	39,171
Printing, stationery and office expenses		79,293	93,822
Public convenience		189,783	147,897
Salaries, wages and related payments		1,024,758	1,079,556
Sick, accident and holiday pay		55,430	43,379
Street and gutter cleaning		171,312	153,463
Street names and traffic signs		36,935	46,170
Street, footpath and verges maintenance		282,573	483,796
Streetlights		366,389	260,986
Subscriptions		2,700	5,271
Town cleaning campaign		888	- 306
Traffic lights		35,648	63,523
Valuation fees and expenses		3,103	798
Total expenditure		5,273,404	5,620,483
Net (deficit)/surplus for the year		1,011,627	(29,978)
Accumulated funds at the beginning of the year		(47,885)	(17,907)
Accumulated funds at the end of the financial year		963,742	(47,885)

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 2010

	Notes	2010 \$	2009 \$
INCOME			
Loan rate		1,534,722	1,532,262
Total income		<u>1,534,722</u>	<u>1,532,262</u>
EXPENDITURE			
Interest		786,223	830,084
Principal repayment		685,523	631,595
		<u>1,471,746</u>	<u>1,461,679</u>
Net surplus/(deficit) for the year		62,976	70,583
Accumulated funds at the beginning of the year		90,335	19,752
Accumulated fund at the end of the financial year		<u><u>153,311</u></u>	<u><u>90,335</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 2010

	Notes	2010 \$	2009 \$
INCOME			
Infringement fines		40,421	54,086
Meter tolls		224,402	127,989
Parking meter fees		33,592	27,700
Total income		<u>298,415</u>	<u>209,775</u>
EXPENDITURE			
Administrative charges to general fund		30,000	30,000
Commission to car park		700	700
Depreciation		10,187	11,429
Interest on loan		7,271	7,688
Marking on parking bays		14,412	21,517
Meter maintenance		24,945	25,395
Miscellaneous		3,624	3,178
Office rent		5,700	5,700
Postage		-	121
Printing and stationery		3,401	2,811
Salaries, wages and related payments		138,829	122,196
Search fees		-	56
Total expenditure		<u>239,069</u>	<u>230,791</u>
Net surplus/deficit for the year		59,346	(21,016)
Accumulated funds at the beginning of the year		349,160	370,176
Accumulated fund at the end of the financial year		<u><u>408,506</u></u>	<u><u>349,160</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 2010

	Notes	2010 Inflows/ (Outflows)	2009 Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from ratepayers and customers		6,072,112	5,308,676
Payments to trade creditors, other creditors and employees		(4,149,180)	(3,350,984)
Interest paid		(786,223)	(830,084)
Interest received		74,581	114,071
Net cash provided by/(used in) Operating Activities	19(a)(i)	<u>1,211,290</u>	<u>1,241,679</u>
Cash flows from investing activities			
Acquisition of property, plant & equipment		<u>(213,989)</u>	<u>(1,255,019)</u>
Net cash provided by/(used in) Investing Activities		<u>(213,989)</u>	<u>(1,255,019)</u>
Cash flows from financing activities			
Proceeds/Repayment of term loan, net		(687,410)	(315,792)
Contribution from other funds		<u>23,999</u>	<u>24,001</u>
Net cash (used in)/provided by Financing Activities		<u>(663,411)</u>	<u>(291,791)</u>
Net increase/(decrease) in cash and cash equivalents		333,890	(305,131)
Cash and cash equivalent at the beginning of the year		160,163	465,294
Cash and cash equivalent at the end of the year	19(a)(ii)	<u><u>494,053</u></u>	<u><u>160,163</u></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 2010

	Notes	2010 Inflows/ (Outflows)	2009 Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from customers (meter tolls and other revenues)		298,415	209,775
Payments to suppliers and employees		<u>(235,989)</u>	<u>(230,571)</u>
		62,426	(20,796)
Interest and other costs of finance paid		<u>(7,271)</u>	<u>(7,688)</u>
Net cash provided by/(used in) Operating Activities	19(b)(i)	<u>55,155</u>	<u>(28,484)</u>
Cash flows from financing activities			
Repayment of term loans		<u>(4,478)</u>	<u>(3,932)</u>
Net cash used in Financing Activities		<u>(4,478)</u>	<u>(3,932)</u>
Net increase/(decrease) in cash and cash equivalents		50,677	(32,416)
Cash and cash equivalent at the beginning of the year		350,601	383,017
Cash and cash equivalent at the end of the year	19(b)(ii)	<u><u>401,278</u></u>	<u><u>350,601</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 2010

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 2010. Unless otherwise stated, the policies were consistent with those of 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 2010

(e) Expenditure relating to Roads, Footpaths and Drains

The Council has capitalised 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 2010

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	2010	2009
		\$	\$
	General Fund	1,000	1,000
	Cash on hand	(209,067)	(160,837)
	Bank Overdraft	<u>(208,067)</u>	<u>(159,837)</u>
	Parking Meter Fund	401,278	350,601
	Cash at bank	<u>401,278</u>	<u>350,601</u>

NOTE 3 TERM DEPOSITS

General Fund	702,120	320,000
Cyclone self-insurance reserve	<u>702,120</u>	<u>320,000</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 2010

NOTE 4	RECEIVABLES	2010	2009
		\$	\$
	General Fund		
	Rate debtors		
	Other sundry debtors	5,188,779	4,945,701
		<u>249,496</u>	<u>291,260</u>
		5,438,275	5,236,961
	Provision for doubtful debts	<u>(1,000,000)</u>	<u>(1,000,000)</u>
		<u>4,438,275</u>	<u>4,236,961</u>
NOTE 5	INVENTORIES		
	General Fund		
	Material - others		
	Fuel and oil	39,456	59,124
		<u>51</u>	<u>36</u>
		<u>39,507</u>	<u>59,160</u>
NOTE 6	OTHER ASSETS		
	General Fund		
	Prepayments		
		<u>9,101</u>	<u>18,984</u>
NOTE 7	PROPERTY, PLANT AND EQUIPMENT		
	General fund		
	Land and buildings - at cost	10,821,516	10,792,479
	Less: Accumulated depreciation	<u>(2,018,107)</u>	<u>(1,890,142)</u>
		<u>8,803,409</u>	<u>8,902,337</u>
	Plant and equipment - at cost	990,817	978,467
	Less: Accumulated depreciation	<u>(779,197)</u>	<u>(749,389)</u>
		<u>211,620</u>	<u>229,078</u>
	Furniture and fittings - at cost	210,905	198,758
	Less: Accumulated depreciation	<u>(140,745)</u>	<u>(135,095)</u>
		<u>70,160</u>	<u>63,663</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2010

	2010	2009
	\$	\$
NOTE 7 PROPERTY, PLANT AND EQUIPMENT (Continued)		
Office equipment - at cost	188,415	182,656
Less: Accumulated depreciation	<u>(152,438)</u>	<u>(142,681)</u>
	<u>35,977</u>	<u>39,975</u>
Motor vehicles - at cost	826,396	826,396
Less: Accumulated depreciation	<u>(428,883)</u>	<u>(341,630)</u>
	<u>397,513</u>	<u>484,766</u>
Roads - at valuation and cost	20,919,470	20,769,676
Less: Accumulated depreciation	<u>(1,555,155)</u>	<u>(1,360,943)</u>
	<u>19,364,315</u>	<u>19,408,733</u>
Footpaths - at valuation and cost	12,883,727	12,883,727
Less: Accumulated depreciation	<u>(994,054)</u>	<u>(873,957)</u>
	<u>11,889,673</u>	<u>12,009,770</u>
Drains - at valuation and cost	16,228,706	16,223,804
Less: Accumulated depreciation	<u>(1,250,596)</u>	<u>(1,099,343)</u>
	<u>14,978,110</u>	<u>15,124,461</u>
	<u>55,750,777</u>	<u>56,262,783</u>
Parking Meter Fund		
Parking meters - at cost	466,421	466,421
Less: Accumulated depreciation	<u>(386,296)</u>	<u>(377,393)</u>
	<u>80,125</u>	<u>89,028</u>
Furniture and fittings - at cost	2,267	2,267
Less: Accumulated depreciation	<u>(2,030)</u>	<u>(2,003)</u>
	<u>237</u>	<u>264</u>
Streetlights - at cost	20,782	20,782
Less: Accumulated depreciation	<u>(17,490)</u>	<u>(16,667)</u>
	<u>3,292</u>	<u>4,115</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2010

	2010	2009
	\$	\$
NOTE 7 PROPERTY, PLANT AND EQUIPMENT (Continued)		
Plant and equipment - at cost	3,198	3,198
Less: Accumulated depreciation	(2,786)	(2,656)
	<u>412</u>	<u>542</u>
Tui Street car park construction - at cost	32,157	32,157
Less: Accumulated depreciation	(2,033)	(1,729)
	<u>30,124</u>	<u>30,428</u>
	<u>114,190</u>	<u>124,377</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	8,902,337	8,761,899
Additions	29,037	269,319
Depreciation expense	(127,965)	(128,881)
Balance as at 31 December	<u>8,803,409</u>	<u>8,902,337</u>

Plant and equipment - at cost

Carrying amount at beginning	229,078	228,790
Additions	12,350	32,453
Depreciation expense	(29,808)	(32,165)
Balance as at 31 December	<u>211,620</u>	<u>229,078</u>

Furniture & fittings - at cost

Carrying amount at beginning	63,663	66,302
Additions	12,147	3,392
Depreciation expense	(5,650)	(6,031)
Balance as at 31 December	<u>70,160</u>	<u>63,663</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2010

	2010	2009
	\$	\$
NOTE 7 PROPERTY, PLANT AND EQUIPMENT (Continued)		
(a) Movements in Carrying Amounts - General Fund		
<u>Office equipment - at cost</u>		
Carrying amount at beginning	39,975	40,719
Additions	5,759	9,287
Depreciation expense	(9,757)	(10,031)
Balance as at 31 December	<u>35,977</u>	<u>39,975</u>
<u>Motor vehicles - at cost</u>		
Carrying amount at beginning	484,766	124,284
Additions	-	420,715
Depreciation expense	(87,253)	(60,233)
Balance as at 31 December	<u>397,513</u>	<u>484,766</u>
<u>Roads - at valuation 2004</u>		
Carrying amount at beginning	19,408,733	19,082,300
Additions	149,794	519,877
Depreciation expense	(194,212)	(193,444)
Balance as at 31 December	<u>19,364,315</u>	<u>19,408,733</u>
<u>Footpaths - at valuation 2004</u>		
Carrying amount at beginning	12,009,770	12,131,081
Additions	-	-
Depreciation expense	(120,097)	(121,311)
Balance as at 31 December	<u>11,889,673</u>	<u>12,009,770</u>
<u>Drains - at valuation 2004</u>		
Carrying amount at beginning	15,124,461	15,277,233
Additions	4,902	-
Depreciation expense	(151,253)	(152,772)
Balance as at 31 December	<u>14,978,110</u>	<u>15,124,461</u>
Total balance as at 31 December 2010	<u><u>55,750,777</u></u>	<u><u>56,262,783</u></u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2010

	2010	2009
	\$	\$
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	89,028	98,920
Depreciation expense	(8,903)	(9,892)
Balance as at 31 December	80,125	89,028
<u>Furniture and fittings - at cost</u>		
Carrying amount at beginning	264	293
Depreciation expense	(27)	(29)
Balance as at 31 December	237	264
<u>Streetlights - at cost</u>		
Carrying amount at beginning	4,115	5,144
Depreciation expense	(823)	(1,029)
Balance as at 31 December	3,292	4,115
<u>Plant and equipment - at cost</u>		
Carrying amount at beginning	542	714
Depreciation expense	(130)	(172)
Balance as at 31 December	412	542
<u>Construction of Tui Street car park - at cost</u>		
Carrying amount at beginning	30,428	30,735
Depreciation expense	(304)	(307)
Balance as at 31 December	30,124	30,428
Total balance as at 31 December 2010	114,190	124,377
NOTE 8		
CREDITORS AND BORROWINGS		
Current		
<u>General Fund</u>		
Sundry creditors and accruals	374,620	633,561
Other creditors	83,259	125,074
Security deposits	174,642	173,796
Refundable building deposits	54,549	52,200
	687,070	984,631

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2010

	2010	2009
	\$	\$
NOTE 8 CREDITORS AND BORROWINGS (Continued)		
Current		
<u>Parking Meter Fund</u>		
Sundry creditors and accruals	2,575	15,408
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	27,999
Long service leave	138,457	154,774
Annual leave	66,377	95,443
	<u>660,324</u>	<u>705,706</u>
<u>Parking Meter Fund</u>		
Long service leave	9,676	11,965
Annual leave	12,803	12,059
	<u>22,479</u>	<u>24,024</u>
NOTE 10 TERM LOANS		
<u>General Fund</u>		
Westpac Banking Corporation	5,105,183	5,399,832
Colonial Life (Fiji) Limited	2,558,870	2,829,997
Colonial National Bank	1,308,231	1,418,788
Lautoka City Council	-	11,077
	<u>8,972,284</u>	<u>9,659,694</u>
Loan principal commitment at balance date:		
Payable within one year	646,850	606,886
Payable later than one year, not later than two years	733,115	646,850
Payable later than two years, not later than five years	2,493,249	2,292,858
Payable later than five years	5,099,070	6,113,100
	<u>8,972,284</u>	<u>9,659,694</u>
Represented in the balance sheet as:		
Current	646,850	606,886
Non-current	8,325,434	9,052,808
	<u>8,972,284</u>	<u>9,659,694</u>

LAUTOKA CITY COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2010

	2010 \$	2009 \$
NOTE 10 TERM LOANS (Continued)		
<u>Parking Meter Fund</u>		
Westpac Banking Corporation	<u>81,908</u>	<u>86,386</u>
Loan Principal Commitment at balance date:		
Payable within one year	4,430	4,053
Payable later than one year, not later than two years	5,370	4,430
Payable later than two years, not later than five years	17,404	15,921
Payable later than five years	<u>54,704</u>	<u>61,982</u>
	<u>81,908</u>	<u>86,386</u>
Represented in the balance sheet as:		
Current	4,430	4,053
Non-current	<u>77,478</u>	<u>82,333</u>
	<u>81,908</u>	<u>86,386</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	188,833	164,832
Add: Contribution for car parks	<u>23,999</u>	<u>24,001</u>
Balance as at 31 December	<u>212,832</u>	<u>188,833</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2010

NOTE 12	RESERVES	2010	2009
		\$	\$
	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 DEPRECIATION

Land and buildings	127,965	128,881
Furniture and fittings	5,650	6,031
Plant and equipment	29,808	32,165
Office equipment	9,757	10,031
Motor vehicle	87,253	60,233
Roads	194,212	193,444
Footpaths	120,097	121,311
Drains	<u>151,253</u>	<u>152,772</u>
	<u>725,995</u>	<u>704,868</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2010

NOTE 15 CAPITAL COMMITMENTS

The Council has committed \$1,000,000 (2009: \$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 defendant in a legal action by Jay Lal & Co. The matter has been settled in the sum of \$5,117.50 inclusive of costs and this amount is to set off with the business licence and rate payments of Jay Lal & Co.
- (ii) The Council is also a defendant in a case by Surendra Prasad who is claiming \$175,000 plus interest at a rate of 10%.
- (iii) 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 plaintiff withdrew its action and the matter was adjourned to determine costs.
- (iv) The Council is also a second defendant in a case by Rgnesh Kumar who is claiming \$12,000 in costs for lost of purchase price in property, general damages and aggravated damages.
- (v) The Council is also a defendant in a case by Shiri Raj Singh, whose approximate claim has not been quantified by the solicitor.
- (vi) The Council is also a third defendant in a case by Miteli Seru, whose approximate claim has not been quantified by the solicitor.
- (vii) The Council is also a second defendant in a legal action by Abraham Narsey Properties Limited, who is claiming approximately \$1,485,000 in costs for demolition and reconstruction of a building or loss of rental.
- (viii) The Council is also a defendant in a case by the Trustees of the Lautoka Sports and Social Club, whose approximate claim has not been quantified by the solicitor.

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

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2010

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 2010

	2010	2009
	\$	\$
NOTE 19		
NOTES TO THE STATEMENT OF CASH FLOWS		
(a) General Fund		
(i) Reconciliation of Net Cash provided by Operating Activities to Net Surplus		
Net surplus for the year	1,074,603	40,605
Depreciation	<u>725,995</u>	<u>704,868</u>
Net cash provided by operating activities before changes in assets and liabilities	1,800,598	745,473
Change in assets and liabilities:		
Increase/Decrease in receivables	(191,431)	(248,517)
Increase/Decrease in inventory	19,653	(12,545)
Increase/Decrease in creditors and borrowings	(372,148)	812,352
Decrease in accrued employment entitlement	(45,382)	(55,084)
Net cash inflows/(outflows) from operating activities	<u>1,211,290</u>	<u>1,241,679</u>

(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	(209,067)	(160,837)
Term deposit	702,120	320,000
	<u>494,053</u>	<u>160,163</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2010

	2010	2009
	\$	\$
NOTE 19 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 for the year	59,346	(21,016)
Depreciation	10,187	11,429
Net cash provided by operating activities before changes in assets and liabilities	69,533	(9,587)
Change in assets and liabilities:		
Decrease in sundry creditors	(12,833)	(23,055)
Increase/decrease in provisions	(1,545)	4,158
Net cash inflows/(outflows) from operating activities	55,155	(28,484)

(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 at bank	401,278	350,601
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