



SAVUSAVU TOWN COUNCIL



ANNUAL REPORT 2007



PARLIAMENT OF FIJI
PARLIAMENTARY PAPER NO. 128 OF 2020



SAVUSAVU TOWN COUNCIL

ANNUAL REPORT FOR THE YEAR

2007





SAVUSAVU TOWN COUNCIL
P.O.BOX 201
MAIN STREET
SAVUSAVU

Tel No. : (679)8850261/ 8850243

Fax No. : (679)8850872

Email: ssvtowncouncil@connect.com.fj

The Honorable Premila Kumar
Minister for Local Government, Housing & Community Development
Gladstone Road
Suva

Dear Madam

I have much pleasure in submitting the Savusavu Town Council Annual Report 2007.

The report provides activities of the Council throughout the year.

The Annual Report 2007 has been prepared in the accordance with the provisions of section 19
(1) (a), (b) and (c) of the Local Government Act Cap.125.

Yours Faithfully

Seema Shiwani Dutt
Chief Executive Officer
Savusavu Town Council

Forward

The Savusavu Town Council has enjoyed a strong year of growth, achieving a record operating profit. The overall performance of the Group was underpinned by a strong showing from many of the business units. The year ahead will be a challenging one, but we believe that we have the people and strategy to make further progress.

I am delighted to report that we have another good year in terms of setting ourselves new challenges.

Adjusting to this change is a challenge and an opportunity for the next few years. This specifically to implement some of the Council projects and beat ambitious targets for the development of Savusavu town. However, our long term focus is on the ratepayers has been consistent and well-informed.

We are well placed to continue to thrive, though. We have a mixture of revenue streams—from ratepayers and rented properties. We also focus hard on hiring and employing the best people. All this makes Savusavu Town Council very special.

Special because new things to do and ways to do them. It is a measure of the quality of our people and the teams we have built that the Chief Executive Officer and our Ministry. It has been a huge privilege to lead Team Savusavu Town Council this year.



Seema Shiwani Dutt
For Chief Executive Officer
Savusavu Town Council

Annual Report for the Year 2007



1. Mayor & Councilors

The Mayor is elected on a year term and Councilors were each elected for a three year term.

Each members were elected by the Councilors of the year as follows:

Cr. Peni Naulu (JP) - ***His Worship the Mayor***
Cr. Ram Pillai - ***Deputy Mayor***
Cr. Vimal Prasad
Cr. Shiu Shankar Singh
Cr. Ashok Kumar
Cr. Ravi C Maharaj
Cr. Pettine Simpson
Cr. Ali Hussein
Cr. Manoj Kumar

2. Appointment of Committees

- a. Full Council
- b. Finance, Administration, General Purpose
- c. Building , Health, Civic Amenities & Environment
- d. Subdivision of Land, Foreshore Development & Squatter Settlement

3. Meetings

Meetings held during the year by the Council were as follows:

a. Full Council.11
b. Special Full Council6
c. Building & Health10
d. Finance10
e. Subdivision of Land10

4. Officers In the Council

<i>Town Clerk/C.E.O</i>	<i>– Mr. Dharmendra Lal (JP)</i>
<i>Accounts Clerk</i>	<i>– Mr. Shiu Chand</i>
<i>Cashier</i>	<i>– Miss Mere Ravisa</i>
<i>Enforcement Officer</i>	<i>– Mr. Wame Nabete</i>
<i>Health Inspector/ Building Surveyor</i>	<i>– Mr. James Billings</i>
<i>Typist Clerk</i>	<i>– Mrs. Unaisi</i>
<i>Ibetabakaucere</i>	
<i>Recorder Clerk</i>	<i>– Miss Minu Rita</i>
<i>Market Master</i>	<i>- Mr. Tandraiya Goundar</i>
<i>Rates Clerk</i>	<i>– Mr. Sanjesh Gounden</i>
<i>Total Labourers</i>	<i>- 9</i>

5. Council Solicitor

- Munro Leys
- Siwatibau & Sloan

6. Council Auditors

ERNST & YOUNG – Contracted by Auditor General's office

7. Finance

The finance and other records and improvements carried out during the year were as follows:

8. Town Rates Levy

<i>General Rates</i>	<i>: 0.0145</i>
<i>Special Loan Rate</i>	<i>: 0.0053</i>
<i>Total Cents in the \$:</i>	<i>0.0198</i>

December 2006

Bank balance as at 31/12/06 - \$416.00

9. Town Rates Valuation

The unimproved capital value of ratable land within the town was \$12,373,950.00. These comprised of 495 ratable properties with area of 249:4599 hectares and serving an estimated population of 3,000 people. The increase in valuation – u.c.v. 2004: 15,703,060.00 of 567 properties, 26.9% increase. The Council went to the Ministry of Local Government to defer the implementation of the valuation.

10. Budget

10.1 Recurrent Revenue & Expenditure

The total current revenue and expenditure of the Council for final year ending 31st December, 2007 were as follows:

Revenue – \$414,062.00

Expense – \$497,421.00

Deficit – \$83,359.00

The rate levy for 2007 and rates income were estimated as follows on 1998 valuation:

RATE	LEVY STRUCK IN THE \$	TOTAL U.C.V	RATE INCOME
GENERAL	11,510,285	0.0145	166,899
LOAN	11,510,285	0.0053	61,005

The Savusavu Town Council has three (3) major sources of revenue:

- 1. Town rates*
- 2. Market fees*
- 3. Business License*

During the year the Council collected:

\$229,819.00 of 2007 rates.

\$0.00 Arrears of rates

11. CAPITAL PROJECTS

The Council completed the following capital works in year 2007:

MAJOR PROJECTS

- Road Upgrading & Maintenance
Fenton, Narains Height, Nakama, Naqelekula,
Shiu Chand/Housing road, Infront of Savusavu Hardware
- Drainage Works
Shiu Chand road, Narains Height,
Hooper Street, Vunikoka, Fenton, Nakama Subdivision &
Main Street

12. PARKS & RECREATIONAL FACILITIES – GANILAU PARK

The Council continued to serve the needs of the sports people from the rural areas. Soccer and Rugby remains the major games played in town.

13. PUBLIC PARKS

The Council continued to maintain the parks to an acceptable standard.

14. BUSINESS LICENSE

The Council is the Licensing Authority under Business Licensing Act, Cap 204.

The following survey was executed regarding the business license:

- *Regular inspections before renewal of license*
- *Inspection on fire safety by National Fire Authority*

15. FIELD WORK

15.1 Labourers

The Council has thirteen (13) unestablished laborers carrying out all field works as follows:

Garbage Collection- Monday, Wednesday & Friday

Weeding/ Drainage

Raking (Main town) – from 6.00a.m

Flower Garden

Clearing of garbage Dump

Repair & Maintenance work of Council properties

16. MARKET

The market was under the management of a Market Master and controlled by the Market By-Laws.

16.1 Market Collection/2007 - \$84,953.00

16.2 Market Washing

The washing of the market is carried out once a month as required by the Health Department.

17. Number of Visitors to the Council during the Year

18. PUBLIC HEALTH

The Council continued to promote the Health Welfare and convenience of the inhabitants of the municipality within the limits of its resources.

Health Inspector's Report for the year.

HEALTH INSPECTOR/BUILDING SURVEYORS REPORT FOR THE MONTH OF FEBRUARY, 2007 APPLICATION RECEIVED FOR CONSIDERATION

STC REF NO.	OWNER	PROPOSAL	VALUE (\$)	BLDG FEES (\$)
03/07	RAMESH SAIGAL	PROPOSED RESIDENTIAL EXTENSION	\$8,000.00	\$22.00
04/07	BHAMINI KUMAR	PROPOSED RESIDENTIAL EXTENSION	\$20,000.00	\$22.00
05/07	PLANTERS' CLUB	ADDITION OF FLATS	\$35,000.00	\$22.00
06/07	JAY PRASAD	PROPOSED RESIDENTIAL EXTENSION	\$15,000.00	\$22.00
07/07	DR. MOHAMMED ISHAQUE	RESIDENTIAL	\$60,000.00	\$76.00
08/07	ASHOK KUMAR	PROPOSED EXTENSION	\$3,000.00	\$22.00
09/07	SUBHAG WATI	RESIDENTIAL	\$11,000.00	\$22.00
10/07	MARIMUTTU & SONS	COMMERCIAL B	\$15,000.00	\$22.00

APPLICATION APPROVED – 2007

STC REF NO.	OWNER	PROPOSAL	VALUE (\$)	BLDG FEES (\$)	COMMENTS
03/07	RAMESH SAIGAL	PROPOSED RESIDENTIAL EXTENSION	\$8,000.00	\$22.00	19/02/07
04/07	BHAMINI KUMAR	PROPOSED RESIDENTIAL EXTENSION	\$20,000.00	\$22.00	19/02/07
05/07	PLANTERS' CLUB	ADDITION OF FLATS	\$35,000.00	\$22.00	19/02/07
06/07	JAY PRASAD	PROPOSED RESIDENTIAL EXTENSION	\$15,000.00	\$22.00	16/02/07

BUILDING APPLICATION REFUSED –2007

NIL

BUILDINGS UNDER INSPECTION –2007

STC REF NO.	DATE	APPLICANT	NATURE	TIME	COMMENTS
76/06	10/02/07	VISHNU LAKSHMI MANDIR	FOOTING INSPECTION	1500HRS	AS PER PLANS – FILLING RECOMMENDED
76/06	12/02/07	VISHNU LAKSHMI MANDIR	SLAB INSPECTION	1000HRS	AS RECOMMENDED – FILLING RECOMMENDED
32/05	16/02/07	ROGASANO MATAI – NIGHT CLUB	FINAL INSPECTION	1410 HRS	SATISFACTORY AS PER JOINT INSPECTION WITH OHS DEPT.
39/06	21/02/07	CAKAUDROVE PROVINCIAL HOLDINGS	PROGRESSIV E REPORT	1230 HRS	SATISFACTORY AS PER PLANS
17/06	28/02/07	RAM PILLAI	STAGE 11 INSPECTION	1500 HRS	SATISFACTORY AS PER PLANS

BUILDING COMPLETED 2007

STC REF NO.	OWNER	PROPOSAL	VALUE (\$)	BLDG FEES (\$)	COMMENTS
		N	I		L

GRASS CUTTING INSPECTION –2007

WARDS	COMMENTS
DAKU	DONE
TOWN AREA	DONE
NAKAMA	DONE
NAQERE	DONE
NARAIN’S HEIGHT	DONE
HOUSING ROAD	DONE
INDUSTRIAL ROAD	DONE
NAQELEKULA ROAD	DONE
SHIU SHAND ROAD	DONE
GANILAU PARK	DONE

Health Inspector Report **Complaints for the year 2007**

Date Of Complaint	Name & Address	Nature of Complaint	Date Of inspection	Action Taken	Remarks
13/02/07	SHIVNESH NAIDU & FAMILY NAQERE HOUSING	NUISANCE – FOUL ODOUR	13/02/07	INTIMATION NOTICE GIVEN	COMPLIED
13/02/07	UGITA KUMAR NARAINS HEIGHT	SLIPPERY WALKWAY ALONG COURTS FIJI LTD	13/02/07	ADVISED COURTS FIJI LTD MANAGER TO HAVE WALKWAY KEPT CLEAR AT ALL TIMES AND TO KEEP FOOTPATH CLEAR	
16/02/07	MR. SHATROGAN.LAL	FEW COUNCILLORS AND HEALTH INSPECTOR DOES NOT KNOW HOW TO SPEAK TO RATEPAYERS		TOWN CLERK/C.E.O VERBALLY WARNED THE HEALTH INSPECTOR NOT TO TREAT RATEPAYERS OTHERWISE. FOR COUNCILLORS, MAYOR SHALL TAKE ACTION.	SHATROGAN LATER CRAWLED AT THE ARMY CAMP FOR HIS ALLEGATIONS.
26/02/07	MRS. R.S.LAL	- RUBBISH DISPOSAL BINS DAMAGED TWICE BY THE GARBAGE COLLECTORS WORTH OF \$36.00. - SMALL INSECTS AND MOSQUITOES ARE INCREASING IN THE DRAINS.	26/02/07	NEW BIN BOUGHT FOR MRS. LAL	LABOURERS WARNED TO BE CAREFUL WHILE HANDLING BINS.

PURE FOOD WORKS – 2007

**PREMISES: MORRIS HEDSTROM – PARADISE
SUPERMARKET, SAVUSAVU**

ARTICLE	BRAND	QUANTITY	CAUSE OF CONDEMNATION	REMARKS
CRAB CAKE	OCEAN	4x680g	DETERIORATED	UNFIT FOR HUMAN CONSUMPTION
GREEN PEAS	SUMERU	14x200g	DETERIORATED	UNFIT FOR HUMAN CONSUMPTION
MIXED VEGETABLES	WATTIES	4 x 500g	“	“
CHICKEN MIXED PORTIONS	ROOSTER	11 x 500g	“	“
CHICKEN PARTY PATTIES	FRESH CHOICE	8 x 550G	“	“
LAMP PARTY PATTIES	FRESH CHOICE	8 x 550g	“	“
MIXED VEGES.(LOOSE)	WATTIES	1 x 25KG	“	“
VEGETABLE SAMUSAS	SUMERU	24 x 250g	“	“
MARINATED CHICKEN	COUNTRY STYLE	4 x 1000g	“	“
CHICKEN THIGHS	TEGEL	9 x 1000g	“	“
COOL POP ORANGE	TUCKERS	117 X 30ml	“	“
COOL POP LEMONADE	TUCKERS	58 x 30ml	“	“
COOL POP RASBERRY	TUCKERS	35 x 30ml	“	“
BLING	TUCKERS	78 x 30ml	“	“
CHOC ATTACK	TUCLERS	40 x 30ml	“	“
MILKY ICE BLOCK CHOCOLATE	TUCKERS	72 x 30ml	“	“
MILKY ICE BLOCK RASBERRY	TUCKERS	21 x 30ml	“	“
PACIFIC SPLIT	“	86 x 30ml	“	“
CHOCONANA	“	56 x 30ml	“	“
MILK ICE BLOCK VANILLA	“	61 x 30ml	“	“
BLITZ	“	90 x 30ml	“	“
ICE CREAM CHOCOLATE	“	20 x 2lml	“	“
VANILLA ICE CREAM	“	5 x 2l	“	“
STRAWBERRY ICE CREAM	“	14 x 2l	“	“
ORANGE ICE CREAM	“	5 x 2l	“	“
PASSION FRUIT ICE CREAM	“	5 x 2l	“	“
STRAWBERRY ICE CREAM	“	5 x 2l	DETERIORATED	UNFIT FOR HUMAN CONSUMPTION
VANILLA ICE CREAM	“	4 x 600ml	“	“
GIBLETS	CREST	8 x 500g	“	“
LIVER	“	9 x 500g	“	“
DRUMSTICK	“	5 x 500g	“	“
WINGS	“	8 x 500g	“	“
MIXED PORTION	“	10 x 500g	“	“
LAMP SHANK	“	18.58kg	“	“

19. CONCLUSION

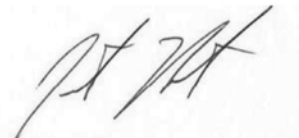
The Council also wishes to record sincere appreciation to the Minister and the staff of the Ministry of Local Government, Urban Development, Housing & Environment for their continued support to the town of Savusavu.

We also wish to record with pleasure the support of the ratepayers continued interest in the town's progress.

.
FOR CR. RAM PILLAI
MAYOR



Chief Executive Officer
Seema Shiwani Dutt
03/08/2020



Special Administrator (Chair)
Justin Hunter
03/08/2020



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.

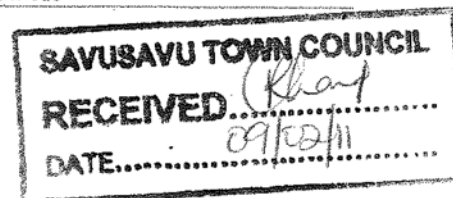
Telephone: (679) 330 9032
Fax: (679) 330 3812
Email: info@auditorgeneral.gov.fj
Website: <http://www.oag.gov.fj>



ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

File: 955/1

7 February 2011



Mr. Vijay Chand
The Administrator
Savusavu Town Council
P.O. Box 201
SAVUSAVU

Dear Mr. Chand

**AUDIT OF THE ACCOUNTS OF THE SAVUSAVU TOWN COUNCIL FOR THE YEAR ENDED 31
DECEMBER 2007**

Two copies of the audited financial statements of the Savusavu Town Council for the year ended 31 December 2007 together with an audit report on them are enclosed.

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

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

Yours sincerely

Tevita Bolanavanua
AUDITOR GENERAL

cc: Minister for Local Government, Urban Development, Housing & Environment
Mr. Dharmend Lal, Chief Executive Officer for Savusavu Town Council

Encl.



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

REPUBLIC OF THE FIJI ISLANDS
OFFICE OF THE AUDITOR GENERAL

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

**SAVUSAVU TOWN COUNCIL
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007**

INDEPENDENT AUDIT REPORT

Scope

I have audited the financial statements of the Savusavu Town Council for the year ended 31 December 2007 in accordance with Section 57(2) of the Local Government Act and Section 13 of the Audit Act. The Savusavu Town Council is responsible for the preparation and presentation of the financial statements and the information they contain.

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

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

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

Qualifications

- a) The Current Liabilities include an unidentified Land Sales Deposit amounting to \$427,456. The Council failed to provide the details for the amount, thus audit was unable to apply necessary audit procedures to verify the amount stated.
- b) The Council did not provide a detailed Fixed Assets Register for audit; therefore Property, Plant & Equipment totaling \$603,491 and Depreciation Expense totaling \$33,938 could not be substantiated.
- c) The value of all the roads, footpaths, parks, drains, streetlights & Land (CT 9197) has not been incorporated in the Statement of Financial Position of the Council as at 31 December 2007 as required under Section 57(1) of the Local Government Act and Fiji Accounting Standards 1 – *Presentation of Financial Statements*.

- d) The Council has not provided a provision for doubtful debts for its Rates Debtors totaling \$178,683 as at 31 December 2007. If a charge of doubtful debt was recorded, it would result in a decrease of net surplus in the Statement of Income and Expenditure of General Fund.
- e) Attention is drawn to Note 1 of the Financial Statements. At 31 December 2007 the Council's liabilities exceeded its assets by \$141,423 (2006: \$110,125). Accordingly there is a significant uncertainty as to whether the Council will be able to continue as a going concern and whether it will be able to pay its debts as they become due and payable and realise its assets and extinguish its liabilities in the normal course of business and at the amount stated in the Financial Statements. The Financial Statements do not include any adjustments relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the entity not be able to continue as a going concern.

Qualified Audit Opinion

In my opinion, because of the effects of the matters referred to in the qualification paragraphs, the financial statements do not present fairly the financial position of the Council as at 31 December 2007 and the result of its operations and cash flows for the year then ended.

Without further qualification to the opinion expressed above, attention is drawn to the following matter:

- The unreconciled variance of \$65,769 existed in the VAT account where the VAT Receivable in the General Ledger is more than the balance reflected in the Statement of VAT Account provided by the Fiji Islands Revenue and Customs Authority.
- The general rates and loan rates amounting to \$166,973 and \$62,876 respectively reported in the financial statement does not reconcile with the rates reconciliation prepared by the Council. An unexplained variance of \$18,004 and \$13,661 for general rates and loan rates respectively existed between the two records.

Tevita Bolanavanua

Tevita Bolanavanua
AUDITOR GENERAL



Suva, Fiji

7 February 2011

**SAVUSAVU TOWN COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2007**

	Notes	2007 \$	2006 \$
CURRENT ASSETS			
Cash at Bank	2	46,757	3,201
Receivables	3	248,604	317,757
VAT Receivable		70,941	63,882
Total current assets		<u>366,302</u>	<u>384,840</u>
NON CURRENT ASSETS			
Property, plant and equipment	4	603,491	319,304
Total non current assets		<u>603,491</u>	<u>319,304</u>
TOTAL ASSETS		<u>969,793</u>	<u>704,144</u>
CURRENT LIABILITIES			
Accounts Payable & Accruals		59,441	39,465
Bank overdraft		128,990	58,609
Land Sales Deposits	5	447,357	448,142
Refundable Deposits		1,000	500
Term loans	7	23,028	21,401
Total current liabilities		<u>659,816</u>	<u>568,117</u>
NON CURRENT LIABILITIES			
Deferred Income	6	102,906	117,079
Other loan		9,500	9,500
Term loans	7	101,671	119,573
Total non current liabilities		<u>214,077</u>	<u>246,152</u>
TOTAL LIABILITIES		<u>873,893</u>	<u>814,269</u>
NET ASSETS		<u>95,900</u>	<u>(110,125)</u>
MUNICIPAL FUNDS			
Accumulated Funds	9	(139,741)	(110,125)
Reserves	8	235,641	-
TOTAL MUNICIPAL FUNDS		<u>95,900</u>	<u>(110,125)</u>

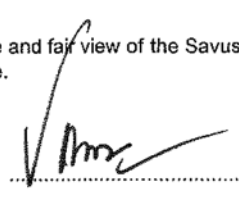
The accompanying notes form an integral part of this Statement of Financial Position.

In our opinion the Financial Statements have been properly drawn up so as to show a true and fair view of the Savusavu Town Council's operations for the year ended 31 December 2007 and of the state of affairs as at that date.


DHARMENDRA LAL
TOWN CLERK / CEO

DATE: 28/01/2011




VIJAY CHAND
SPECIAL ADMINISTRATOR

DATE: 28/01/2011

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

	2007 \$	2006 \$
INCOME		
Amortisation of deferred income	14,173	14,173
Backhoe hire	3,590	1,765
Building fees	2,582	4,533
Business, trading and other licenses	38,176	34,931
Garbage dump charges	9,538	6,008
Gate takings	2,855	3,832
General rates	166,943	171,250
Grant	35,556	-
Interest - overdue rates	1,755	3,107
Jetty Lease	1,000	-
Land sales	4,927	183,309
Market fees and charges	84,953	86,246
Market kiosk rent	13,258	14,340
Miscellaneous	7,412	10,991
Refund	313	-
Taxi,bus and carrier stand Fees	23,294	20,376
Telecom Drainage	890	-
Vunikoka Bridge	2,847	-
Total income	414,062	554,861
EXPENDITURE		
Advertising	3,084	-
Audit and accounting fees	3,800	6,200
Back hoe - maintenance	17,815	19,591
Civic reception	9,924	4,846
Depreciation	33,938	25,370
Foreshore Development	-	4,500
FLGA subscription	1,082	700
FNTC levy	1,726	873
Freight and cartage	-	485
Garbage services	17,172	25,925
General expenses	6,335	16,337
Health & Safety	2,012	-
Incidental & emergency	1,427	375
Insurance	7,451	10,089
Interest and bank charges	10,394	13,295
Land rent	612	612
Land dealing expenses	65,503	22,615
Legal expenses	13,793	4,208
Market expenses	1,769	255
Mayoral allowance	3,500	2,500
Miscellaneous	-	8,735
Park and Beautification	1,426	4,055
Office equipment - maintenance	4,658	3,743
Office and market - maintenance	2,247	3,174
Office stationery, postage, printing and advertising	4,498	13,263
Public toilet - maintenance	3,702	1,922
Rezonong fees	923	-
Roads and drains - maintenance	14,648	14,484
Rubbish bins and dump	1,781	3,987
Salaries, wages and allowances	197,121	192,389
Security	1,787	-

SAVUSAVU TOWN COUNCIL

STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND (CONT'D)

FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	2007 \$	2006 \$
Sitting allowance		5,488	5,690
Staff training and welfare		-	1,482
Street light charges and maintenance		7,512	24,286
Taxi stand		-	2,050
Town planing fees		-	12,237
Traveling and incidental expenses		15,466	21,416
Utilities		34,550	30,499
Valuation fees		280	667
Total expenditure		497,421	502,855
Net surplus for the year		(83,359)	52,006
Accumulated funds at the beginning of the year		69,313	17,307
Accumulated funds at the end of the financial year		(14,046)	69,313

The accompanying notes form an integral part of this Statement of Income & Expenditure

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

	Notes	2007 \$	2006 \$
INCOME			
Loan rate		62,876	62,595
Total income		<u>62,876</u>	<u>62,595</u>
EXPENDITURE			
Interest		<u>9,133</u>	<u>15,288</u>
		<u>9,133</u>	<u>15,288</u>
Surplus for the year		53,743	47,307
Accumulated funds at the beginning of the year		(158,994)	(206,301)
Accumulated fund at the end of the financial year		<u>(105,251)</u>	<u>(158,994)</u>

The accompanying notes form an integral part of this Statement of Income & Expenditure

SAVUSAVU TOWN COUNCIL
STATEMENT OF INCOME AND EXPENDITURE - STREET LIGHT ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	2007 \$	2006 \$
INCOME			
Street light rate		-	-
Total income		<u>-</u>	<u>-</u>
EXPENDITURE			
Street light Expenses		<u>-</u>	<u>-</u>
Surplus for the year		-	-
Accumulated funds at the beginning of the year		(22,180)	(22,180)
Accumulated fund at the end of the financial year		<u>(22,180)</u>	<u>(22,180)</u>

The accompanying notes form an integral part of this Statement of Income & Expenditure

SAVUSAVU TOWN COUNCIL
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	2007 \$ Inflows/ (Outflows)	2006 \$ Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from customers		531,918	585,160
Payments to trade creditors, other creditors and employees		(450,851)	(548,773)
Interest Received		-	3,107
Interest paid		(9,133)	-
Net cash provided by Operating Activities	13 (a) (i)	<u>71,934</u>	<u>39,494</u>
Cash flows from investing activities			
Acquisition of property, plant & equipment		<u>(82,484)</u>	<u>(12,563)</u>
Net cash used in Investing Activities		<u>(82,484)</u>	<u>(12,563)</u>
Cash flows from financing activities			
Borrowings		-	-
Repayment of borrowings		<u>(16,275)</u>	<u>(12,379)</u>
Net cash provided by Financing Activities		<u>(16,275)</u>	<u>(12,379)</u>
Net decrease in cash and cash equivalents		(26,825)	14,552
Cash and cash equivalent at the beginning of the year		(55,408)	(69,960)
Cash and cash equivalent at the end of the year	13 (a) (ii)	<u><u>(82,233)</u></u>	<u><u>(55,408)</u></u>

The accompanying notes form an integral part of this Statement of Cashflow.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Financial Statements have been prepared on a going concern basis, which contemplates the continuity of business activities. As at 31 December 2007 the Council's liabilities exceeded its assets by \$139,741 (2006: (\$110,125). To be able to meet its obligations the Council will need to continue to realise assets, obtain additional funds and obtain the support of creditors to a debt repayment plan.

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

(a) Basis of Accounting

The accrual basis of accounting is adopted for all financial transactions with the exception that some of the Council's assets are not disclosed in Statement of Financial Position. The financial statements have been prepared on the basis of historical cost and do not take into account changing money values and current valuation of some 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. Assets financed from Government Grants are expensed rather than capitalised by the Council.

(c) Depreciation

The Council's fixed assets are depreciated over their estimated useful lives using the diminishing value method at the following rates.

	<u>Rate</u>
Buildings	2.5%
Furniture and Equipment	10%
Plant, Machine and tools	10%
Motor vehicles	10%
Road, footpath and drains	10%
Street Lights	10%

(d) Income Tax

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

(e) Deferred Income

Donations received in the form of property, plant and equipment is treated as deferred income which are recognised as income on a systematic basis over the useful life of the asset.

(f) Comparatives

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

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

NOTE 2.	CASH AT BANK	2007	2006
		\$	\$
	ANZ Land Dealings Account	46,285	2,501
	Grant Account	356	416
	Petty Cash	116	284
		<u>46,757</u>	<u>3,201</u>
NOTE 3.	RECEIVABLES		
	General Fund		
	Rate debtors	178,683	177,127
	Nakama tenants	40,273	85,282
	Navaqiqi tenants	15,769	41,469
	Sundry debtors	12,441	12,441
	Rent Arrears	1,438	1,438
		<u>248,604</u>	<u>317,757</u>
NOTE 4.	Property, Plant & Equipment	\$	\$
	(a) Land & Building	157,268	157,268
	Add: Revaluation	235,641	-
	Less: Accumulated depreciation	<u>(23,366)</u>	<u>(16,293)</u>
		<u>369,543</u>	<u>140,975</u>
	Motor Vehicle - at cost	195,831	195,831
	Less: Accumulated depreciation	<u>(77,547)</u>	<u>(57,964)</u>
		<u>118,284</u>	<u>137,867</u>
	Office Furniture - at cost	22,500	22,500
	Add: Additions	1,958	-
	Less: Accumulated depreciation	<u>(13,448)</u>	<u>(11,095)</u>
		<u>11,010</u>	<u>11,405</u>
	Office equipment - at cost	39,836	39,836
	Add: Additions	2,022	-
	Less: Accumulated depreciation	<u>(14,872)</u>	<u>(10,779)</u>
		<u>26,987</u>	<u>29,057</u>

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

NOTE 4 (a).	Property, Plant & Equipment (Cont'd)	2007 \$	2006 \$
	Plant, Mahines and Tools - Costs	2,493	-
	Less: Accumulated depreciation	(121)	-
		<u>2,372</u>	<u>-</u>
	Street Lights - Costs	21,824	-
	Less: Accumulated depreciation	(610)	-
		<u>21,214</u>	<u>-</u>
	Roads and Drains - Costs	54,187	-
	Less: Accumulated depreciation	(106)	-
		<u>54,081</u>	<u>-</u>
	Written Down Value of Property, Plant & Equipment	<u>603,491</u>	<u>319,304</u>
NOTE 4 (b).	Movements in Carrying Amount	2007 \$	2006 \$
	<u>Land & Buildings</u>		
	Carrying amount at the beginning	140,975	153,354
	Add: Revaluation	235,641	-
	Add;Additions	-	2,909
	Less: Depreciation Expense	(7,073)	(15,288)
	Balance as at 31 December 2007	<u>369,543</u>	<u>140,975</u>
	<u>Motor Vehicle</u>		
	Carrying amount at the beginning	137,867	157,450
	Less: Depreciation Expense	(19,583)	(19,583)
	Balance as at 31 December 2007	<u>118,284</u>	<u>137,867</u>
	<u>Office Furniture</u>		
	Carrying amount at the beginning	11,405	13,655
	Add;Additions	1,958	-
	Less: Depreciation Expense	(2,353)	(2,250)
	Balance as at 31 December 2007	<u>11,010</u>	<u>11,405</u>
	<u>Office Equipment</u>		
	Carrying amount at the beginning	29,057	22,940
	Add;Additions	2,022	9,654
	Less: Depreciation Expense	(4,093)	(3,537)
	Balance as at 31 December 2007	<u>26,986</u>	<u>29,057</u>
	<u>Plant, Machines & Tools</u>		
	Carrying amount at the beginning	0	-
	Add;Additions	2,493	-
	Less: Depreciation Expense	(121)	-
	Balance as at 31 December 2007	<u>2,372</u>	<u>-</u>

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

NOTE 4 (b). Movements in Carrying Amount (Cont'd)

Streetlights

Carrying amount at the beginning
Add; Additions
Less: Depreciation Expense
Balance as at 31 December 2007

2007
\$

0
21,824
(610)
21,214

2006
\$

-
-
-
-

Roads & Drains

Carrying amount at the beginning
Add; Additions
Less: Depreciation Expense
Balance as at 31 December 2007

0
54,187
(106)
54,081

-
-
-
-

Written Down Value of Property, Plant & Equipment

603,491

319,304

NOTE 5. DEPOSITS

Land Sales Deposits
Unidentified Land Sales Deposits

19,901
427,456
447,357

-
448,142
448,142

NOTE 6. Deferred Income

2007
\$

2006
\$

This component of benefits realized represents the cost of Backhoe Digger and Garbage Truck donated.
The value of the vehicles totaling \$168,200 was transferred to deferred income and to be amortized over the number of years, the two motor vehicles are used as mentioned in Note 1(e). The benefits are derived as follows:

Donation
Less: Benefits realized from fixed assets
Balance

117,079
14,173
102,906

131,252
14,173
117,079

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

NOTE 7.	TERM LOANS	2007	2006
		\$	\$
	General Fund		
	Balance as at 1 January	140,974	153,353
	Loan Raised	-	-
		<u>140,974</u>	<u>153,353</u>
	Bank Fees	420	420
	Interest	8,713	2,489
		<u>150,107</u>	<u>156,262</u>
	Repayment	25,408	15,288
		<u><u>124,699</u></u>	<u><u>140,974</u></u>
	Represented in the balance sheet as:		
	Current	23,028	21,401
	Non-current	101,671	119,573
		<u><u>124,699</u></u>	<u><u>140,974</u></u>

The loan raised under the provision of the Local Government Act is covered by registered mortgage No. 307227 by the Town Council over crown lease no: 11197 and limited guarantee by the Government of Fiji.

NOTE 8.	RESERVES		
	Asset Revaluation Reserve		
	Opening Balance	-	-
	Valuation during the year	235,641	-
	Asset revaluation reserve	<u><u>235,641</u></u>	<u><u>-</u></u>

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

NOTE 9.	ACCUMULATED FUNDS	2007	2006
		\$	\$
	Accumulated general fund (Page 5)	(14,046)	69,313
	Fire Service Account	1,736	1,736
	Loan rate fund (Page 6)	(105,251)	(158,994)
	Street Light Account (Page 7)	(22,180)	(22,180)
		<u>(139,741)</u>	<u>(110,125)</u>
NOTE 10.	CAPITAL COMMITMENTS		
	Capital commitment as at 31 December 2007 was Nil.		
NOTE 11.	PRINCIPAL ACTIVITY		
	The Savusavu Town Council was established under the Local Government Act to provide for the health, welfare and convenience of the inhabitants of the Savusavu Town Municipality and to preserve the amenities or credit thereof.		
NOTE 12.	SUBSEQUENT EVENTS		
	Since the end of the financial year, the Council is not aware of any matter or circumstance not otherwise dealt with in the report or financial statements that has significantly or may significantly affect the operations of the Council, the results of those operations or state of affairs of the Council in subsequent years.		
NOTE 13.	NOTES TO THE STATEMENT OF CASH FLOWS		
(a)			
(i)	Reconciliation of Net Cash provided by Operating Activities to Net Surplus	2007	2006
		\$	\$
	Net surplus/(deficit) for the year - General fund	(83,359)	52,006
	Net surplus/(deficit) for the year - Loan rate fund	53,743	47,307
	Depreciation and amortisation	33,938	25,370
	Net cash provided by operating activities before changes in assets and liabilities	<u>4,322</u>	<u>124,683</u>
	Change in assets and liabilities:		
	Increase in receivable	62,094	(16,893)
	(Decrease)/Increase in other liabilities	(14,458)	15,288
	(Decrease)/Increase in creditors and borrowings	19,976	(83,584)
	Net cash inflows from operating activities	<u>71,934</u>	<u>39,494</u>
(ii)	Cash and Cash Equivalents (Continued)		
	Cash on hand	46,757	3,201
	Cash at Bank	<u>(128,990)</u>	<u>(58,609)</u>
		<u>(82,233)</u>	<u>(55,408)</u>