



BA TOWN COUNCIL

Annual Report for the Year 2013



PARLIAMENT OF FIJI
PARLIAMENTARY PAPER NO.224

24 June 2019

Honourable Premila Devi Kumar
Minister for Local Government, Housing and
Community Development
P O Box 2131
Government Buildings
SUVA

Dear Honourable Minister

BA TOWN COUNCIL ANNUAL REPORT 2013

I am pleased to present the Annual Report for Ba Town Council for the financial year ending 31st December, 2013.

Council's Vision:

To enhance business and community development in Ba District through social, economic, sustainable and Green methods.

Mission:

- To deliver the statutory responsibilities of the local government.
- To facilitate access to a healthy and green environment
- To promote health, welfare and convenience of the people of Ba
- Provide a well maintained range of Community leisure and recreation facilities for the enjoyment of the Community.
- To promote more investments and developments for the district and create employment opportunities
- To work hand in hand with business house to further develop business in Ba
- To improve infrastructure and amenities in Ba Town
- To create disaster resilient community

Values:

Ba Town Council's work will be governed in accordance with the Local Government Act and other related Acts and Regulations. Council will take respective actions to ensure that the Council is in line with the Central Government.

Council will implement and enforce relevant Local Government and Town Planning Legislations and by-laws to enhance business and community development which confines to Social, Economic, Sustainable and Green method growth.

Council's internal affairs will work according to its respective department SOP's and Council's Code of Conduct.

Council's 5 pillars of strength are

Honesty	Transparency
Accountability	Responsibility
Dedication.	

Ba was settled in 1864 and in 1886 the Rarawai Sugar Mill was established. Following the establishment of the Sugar Mill, Ba began to grow and records show that in 1905 Ba Rural Local Authority was established under the Public Health Ordinance had administered the district of Ba on various matters.

The urbanized area of Varoka was proclaimed as Township under the Township Ordinance in 1939. Local Government Act was enacted in 1972, hence Ba was elevated to Town status in June 1972.

The Town has a well-developed urban Centre with a population of about 18,000 with a total area of 652 hectares.

Mr. Chandresh Arun Prasad continued to serve as the Special Administrator for Ba and Tavua Town Councils.

The Special Administrator as the Chairman, Chief Executive Officer and Head of Departments represented the Council in the Committee and Full Board Meetings as Committee Members.

The Council met all its loan repayments for the year 2013 and the outstanding loan at the end of 2013 was \$2,050,153.00.

Memorandum of Agreement was signed on 27th August, 2012 to establish Sister City Relationship with Jiazing City and a delegation visited Council on 17th May, 2013.

Diversion of Namosau Creek was carried out.

Handicraft Vendors occupied the Multi-Purpose Bure.

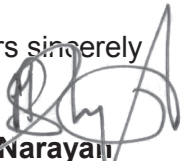
On 15th July, 2013 the appointment of Mr. Chandresh Arun Prasad as Special Administrator of Ba/Tavua Town Councils was terminated by the Attorney-General and Acting Minister of Local Government, Urban Development, Housing and Environment and Mr. Praveen Bala was appointed as the Special Administrator of Ba and Tavua Town Councils.
Clopcott Subdivision Amended Plan was approved.

Memorandum of Agreement was signed between Fiji Road Authority and Councils regarding all Street Lights, Traffic Lights, Road Signs, Footpaths, Pavements and all Municipal Roads taken over by Fiji Roads Authority.

Street Party was organized on New Year's Eve.

This report is submitted in accordance with Section 19 of the Local Government Act, Cap. 125.

Yours sincerely



Dip Narayan
Chief Executive Officer

1.0 THE COUNCIL

Mr. Chandresh Arun Prasad continued to serve as the Special Administrator for Ba and Tavua Town Councils till 15th July, 2013.

The Council provided services to the five wards namely:-

- **VARADOLI WARD**
- **VAROKA WARD**
- **RARAWAI WARD**
- **YALALEVU WARD**
- **NAMOSAU WARD**

1.1 APPOINTMENT OF COMMITTEES

a] Market Parks Library and Traffic Committee:

Mr. Praveen Bala	-	Special Administrator – Chairman
Mr. Dip Narayan	-	Chief Executive Officer/HIBS
Mr. Bala Achari	-	Accountant
Mrs. Sushil Kumar	-	Secretary/HR
Mr. Binesh Naidu	-	Town Ranger/Prosecutor
Mr. Ramesh Kumar	-	Works Section Supervisor
Mr. Hirendra Kumaran	-	Landscaper/Gardener
Mr. Rakesh Verma	-	Assistant Market Master
Mr. Unaiz Asum	-	Assistant Building Surveyor
Mr. Ravindra Kumar	-	Parking Meter Technician
Mr. Afazil Ifraz	-	Electrician

b] Building Health Works Gardens Street Lights and General Purposes Committee

Mr. Praveen Bala	-	Special Administrator – Chairman
Mr. Dip Narayan	-	Chief Executive Officer/HIBS
Mr. Bala Achari	-	Accountant
Mrs. Sushil Kumar	-	Secretary/HR
Mr. Binesh Naidu	-	Town Ranger/Prosecutor
Mr. Ramesh Kumar	-	Works Section Supervisor
Mr. Hirendra Kumaran	-	Landscaper/Gardener
Mr. Unaiz Asum	-	Assistant Building Surveyor
Ms. Maria Vulavou	-	Assistant Health Inspector
Mr. Ravindra Kumar	-	Parking Meter Technician
Mr. Afazil Ifraz	-	Electrician

c] Finance Capital Development & Planning Committee

Mr. Praveen Bala	-	Special Administrator – Chairman
Mr. Dip Narayan	-	Chief Executive Officer/HIBS
Mr. Bala Achari	-	Accountant
Ms. Manjula Sahay	-	Credit Controller/Accounts Officer
Ms. Sushil Kumar	-	Secretary/HR

d] **Staff and Tender Committee**

Mr. Praveen Bala	-	Special Administrator/Chairman
Mr. Dip Narayan	-	Chief Executive Officer/HIBS
Mr. Bala Achari	-	Accountant
Ms. Sushil Kumar	-	Secretary/HR

On the 15th of July, 2013 the appointment of Mr. Chandresh Arun Prasad as Special Administrator of Ba/Tavua Town Council was terminated by the Attorney-General and Acting Minister for Local Government, Urban Development, Housing and Environment and Mr. Praveen Bala was appointed as the Special Administrator of Ba and Tavua Town Councils.

1.2 COUNCIL AND COMMITTEE MEETINGS

The Council held the following number of Council and Committee Meetings-

Ordinary Council Meetings	-	10	
Annual Meeting	-	Nil	
Market/Parks/Library and Traffic Committee Meetings	-	11	
Building/ Health/ Works and Street Lights Committee Meetings	-	11	-
Finance Capital Development and Planning Committee Meetings	-	11	
Staff and Tender Committee Meetings	-	5	
Special Committee Meetings	-	27	
Emergency and Extra Ordinary Council Meetings	-	3	

1.3 LIBRARY REPORT

Ba Town Council Library was officially opened by His Excellency, the Ambassador of Japan to Fiji, Mr. Hisato Murayama on 15th March, 2002.

The Library has been providing services to people of Ba. Also users from as far as Tavua, Raki Raki and Lautoka are daily users of the Library.

Two (2) Staff are in-charge of the Library – 1 appointed by the Council and the other by the Library Services of Fiji.

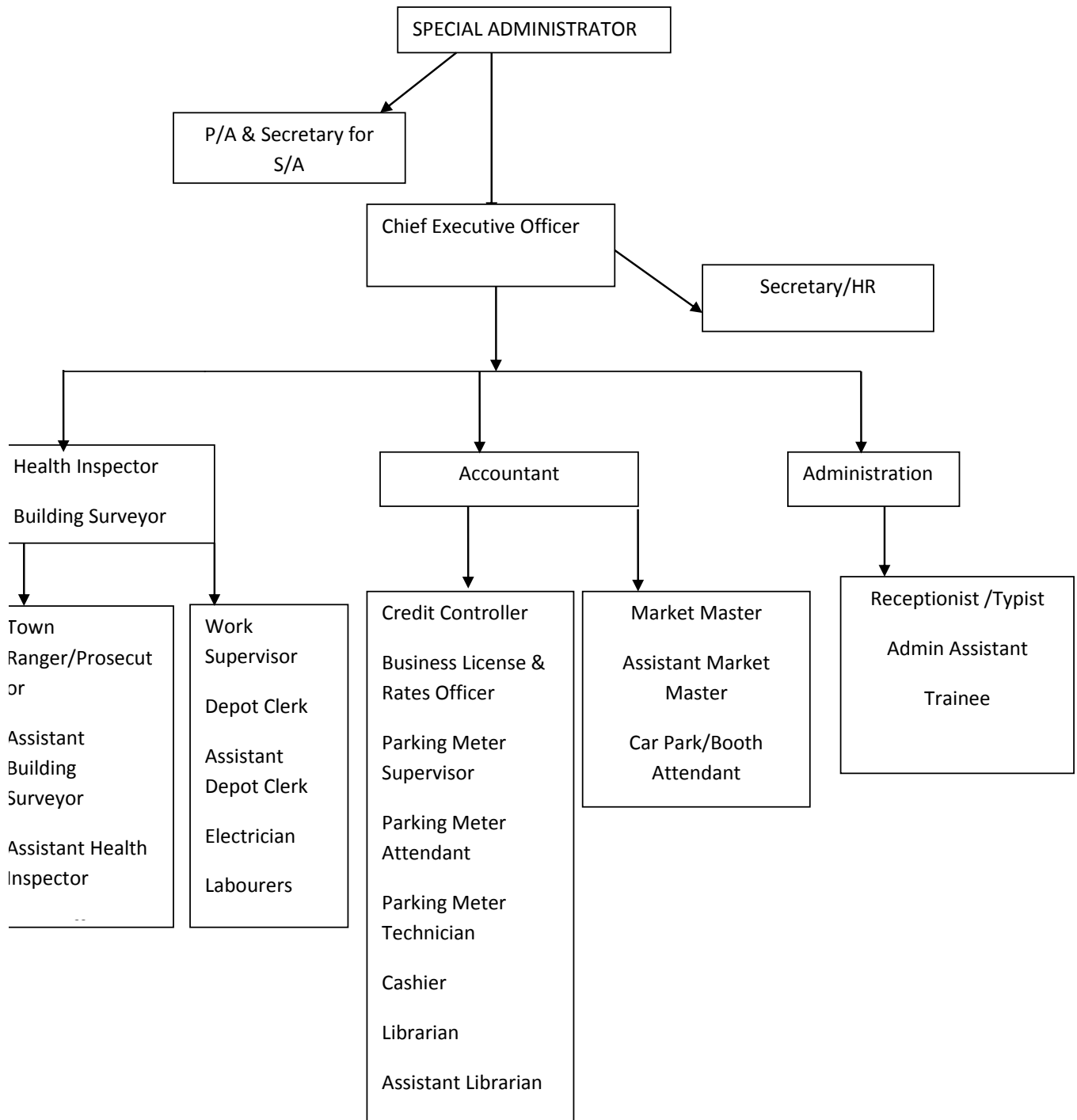
The operating hours are:

- | | | |
|---------------------|---|--------------------|
| • Monday - Thursday | - | 8.00 am – 4.30 pm |
| • Friday | - | 8.00 am – 4.00 pm |
| • Saturday | - | 9.00 am – 12.00 pm |

The Library Books and other Educational Material were donated by the Council, Embassies and the General Public.

Awareness and activities were organized to mark World Book Day, Library Week, Drug Abuse, Environment Week and Violence Against Women.

2.0 ORGANISATION CHART 2013



3.0 OFFICIAL VISITORS TO THE COUNCIL – 2013

30/1/2013	-	Ambassador Chandra Salim	-	Indonesian Embassy in Fiji
30/1/2013	-	Dr. K.K. Mishra	-	Director, ICC, High Commission of India
30/1/2013	-	Mr. K.L. Kanojia	-	Director, ICC, High Commission of India
11/4/2013	-	Hon. Aiyaz Saiyad Khaiyum	-	Attorney General of Fiji
31/5/2013	-	Dr. Basuki	-	Director General of Spatial Planning Development – Rep. of Indonesia
29/11/2013	-	Ambassador Chandra Salim	-	Embassy of the Republic of Indonesia

4.0 URBAN SANITARY DISTRICT OF BA

4.1 ANNUAL REPORT OF HEALTH INSPECTOR FOR THE YEAR 2013

Council carried out 2 clean up campaigns in March and August 2013. Dog Trapping Exercise was carried out in June and July whereby 16 dogs were trapped. Mosquito Spraying was carried out 2 times in January and April to prevent Vector-borne diseases.

Number of meetings, trainings and workshops were attended by the Building and Health department officers which was organized by other Government departments and NGO's. Council Health Department visit Navala Village on 24/4/13 to give talk on health issues. Child Labour National Day celebration at the shopping complex. Food handlers training was held at Council Hall on 28/11/13. Minister for Local Government visited BTC on 7/3/2013 for launching of climate resilient project - Namosau River Diversion.

Building inspections were carried out on regular basis. 3R waste management training for 30 Market vendors were carried out by Taiwan technical experts from Sigatoka.

Summary of Inspections:			
TYPE OF PREMISES	INSPECTION	REINSPECT	TOTAL
Public Health Complaints and Nuisance	1301	599	1900

Written Notices, Etc. Issued:

Intimation notice	29
Overgrowth notice	46

Summary of Sanitary Improvements. Etc

ITEMS	<u>ORDERED</u>	<u>COMPLETED</u>
Sanitation works	379	249

Total of 496 house to house inspections were carried out for investigation of complaints and public health nuisance such as mosquito larval survey, waste water and Garbage Bin monitoring, etc. There were 281 Complaints received, investigated and notices issued for the year 2013.

Food Premises such as 249 Restaurants & Refreshment Bars, Butcher, Supermarkets and Bake house were inspected and notices were served for improvements. Other premises were inspected such as Public Drains, Market Area, Public convenience Bus Stand, Vacant Lots, Parks and Gardens. Total of 1900 premises were inspected.

The above Sanitation works were ordered for cleaning such as drains, removal of refuse, provision of garbage bins, abatement of mosquito larval, abatement of animals, cleaning of kitchens, clearing of overgrown grass on Vacant lots and noise nuisance. Total of 379 orders were given for respective works to be carried out.

Building Applications Received FOR YEAR 2013

Application in respect of Developments:-	<u>No.</u>	<u>Approved</u>	<u>Value</u>
New Buildings	18	18	\$ 6,595,000.00
Alterations and Repairs (Extension)	28	28	\$ 4,495,000.00
Miscellaneous Works (Fencing)	15	15	\$ 328,000.00
Outline Application	4	4	\$ -
TOTAL	65	65	\$ 11,418,000.00

<u>Completion Certificates Issued in Respect of:-</u>	<u>No.</u>	<u>Value</u>
New Commercial Buildings	0	\$ -
New Dwellings	6	\$ 3,44,000.00
Alterations and Repairs/ Extension	1	\$ 120,000.00
Miscellaneous Works	0	\$ -
TOTAL	7	\$ 464,000.00

There were total of 65 building applications received for the year 2013 out of which 18 applications were for construction of New Buildings, 28 applications were for Alteration, Repair or Extension to existing buildings and 15 applications were for Miscellaneous works which includes Fencing, Retaining Walls, car port, etc and 4 Outline applications with the total building value of \$11,418,000.00. All applications were approved.

In year 2013 there were 6 New Dwelling Houses and 1 Alteration, Repair/ Extension buildings that were completed and final inspections were carried out with the total building value of **\$464,000.00**.

Rezoning & Subdivision

There were only 3 Rezoning application received for the year 2013 and all 3 were approved.

4 Subdivision applications were received for the year 2013 and all 4 applications were approved. 1 application was for Amalgamation to regularize which was also approved.

5.0 Environment Report

Anti-Litter Works: The Three Parking Meter Attendants who are also Litter Prevention Officers were involved in Anti – Litter works. Offenders when sighted were warned and made to comply with litter laws via verbal warning and also being served with litter notices.

6.0 Works Supervisors Annual Report for Year 2013

General duties carried out on daily basis such as market cleaning, street sweeping, and public convenience cleaning and drain cleaning.

Thorough Market cleaning and washing carried out once every week on Sundays. Maintenance of all council properties were carried out when required.

Regular maintenance works on most Council roads, mostly patching of pot holes were carried out. Two major roads namely Natuyabia & Rarawai road were resealed by the PWD.

Street light maintenance was carried out on regular basis and 20 extra lights were provided by council at places required.

Beautification works were carried out throughout the year, whereby some new plants were planted and some seats and benches installed at the Parks.

Special Projects - The construction of Multi-Purpose Bure has commenced in the year 2010. The project is carried out by council workers and machineries to save 50% cost and to save the time frame for completion of the project.

Workshops & Trainings

First Aid training and Fire Fighting training were organized for all HOD's and employees. These are ongoing projects for safety of the council workers and the public at large.

Safety and Security in Town - Ba Town Council in conjunction with the Police Department has joined a Crime Free Committee. Council has given 6 bicycles to the police department for patrolling in town.

Preparation for Natural Disasters - Council joined the District officer and the National DISMAC team to take natural actions during times of natural disasters.

7.0 ANNUAL ACCOUNTS AUDIT

7.1 AUDITORS OF THE COUNCIL

The Auditor-General of Fiji was the Council's Auditor.

The Rates Levy for 2013 and Rates Income were estimated as follows:-

Rate	Levy Struck in the \$
General	0.0072
Special	0.0029333
Agriculture	10% of General & Special

Garbage Bin \$24.00 per extra bin per year (1 bin per lot is free)

During the year the Council collected 52% of all rates due.

Arrears of Revenue

As at 31 December, 2013, the Council's arrears of rates was **\$637,102.00**

The details of arrears were as follows:-

Namosau Ward	-	\$ 179,099.00
Varadoli Ward	-	\$ 261,186.74
Varoka Ward	-	\$ 66,608.42
Yalalevu Ward	-	\$ 82,794.33
Extended town boundary	-	\$ 47,413.51

TOTAL = **\$637,102.00**
=====

Loans

The Council defaulted on the loan repayments to Fiji National Provident Fund Loan repayment in arrears as at 31/12/2013 was \$324,822.00. The outstanding loans to lending institutions by end of 2013 were as follows:-

a]	Merchant Finance - FS498	-	\$ 67,888.00
b]	Westpac Banking Corporation	-	\$ 262,183.00
c]	Ba Market Complex A/c – FNPF	-	\$ 2,302,855.00

			\$ 2,632,926.00

Fund Balances

A summary of the results [audited] of each fund operations for 2013 were as follows:-

Fund	Revenue	Expenditure	Surplus/Deficit
General Revenue A/c	\$1,838,213.00	\$1,872,005.00	\$ (33,792.00)
Loan Repayment A/c	\$ 139,930.00	\$ 26,030.00	\$ 113,900
Parking Meter A/c	\$ 25,943.00	\$ 25,266.00	\$ 677.00

Council Insurance

A Comprehensive Insurance Cover was held with New India Assurance on all Council's properties and assets with effect from 4.00pm 14/02/12, which was renewed on 14/02/13.

The Policies covered the consequential losses, fire, burglaries, plate glass, personal accidents and professional indemnity.

7.2 PUBLIC PARKS

The Council maintained all its parks, gardens and recreational reserves to the highest level, giving the people of Ba opportunity to make best use of it.

7.3 WORKS

General works were carried out to keep the town neat and tidy all the times. Grass cutting and drain cleaning was carried out in all the wards. Garbage collection was done three days in week at Yalalevu, Namosau, Varoka, Varadoli and Extended Town Boundary. Dump cleared on regular basis with the Council Excavator and Truck.

7.4 MARKET REPORT- 2013

1. Ba Municipal Market is located towards the South of the Town, close to the new Complex area beside the Bus Station.

The Market is divided into two sections:-

Main Market
Open Market.

2. Main Market consist of following Stalls:-

Permanent Stalls
Temporary Stalls
Lock-Up Stalls
Lock-Up Canteens
Fish Stalls
Seafood Stalls.

Open Market has temporary Stalls with Sale of Produce, Live Chicken and Live Stock (Goat).

- 3.(a) Total Number of Stalls in Main Market:

411 Table Stalls
56 Temporary Floor Stalls
42 Seafood Stalls
6 Lock-Up Stalls
2 Lock-Up Canteens.

- 3.(b) Total Number of Stalls in Open Market:

The Open Market had a total of 348 temporary Stalls.
Outside Market also had 9 Sweet Carts and 2 Fancy Goods Cart.

4.	Market Charges:		
	Sale of vegetable per stall per day	-	\$1-15
	Sale of groceries per stall per day	-	\$1-70
	Sale of crabs and other shell fish per bundle	-	\$1-15
	Sale of mussels and kai per stall per day	-	\$1-15
	Lock Up Stall per month	-	\$224.90
	Lock Up Canteen per month	-	\$490.70
	Fish	-	\$0-25 per kg
	Sale of Live Chicken	-	\$0-58 per head per day
	Sale of Live Stock (goat) per day	-	\$2-30 per head
	Sale of Tobacco per stall per day	-	\$1-70
	Sale of handicraft per stall per day	-	\$1-70
	Vegetable wholesale per day	-	\$1-15
	Groceries wholesale per 3 ton truck	-	\$2.30 per day
	General wholesale per big trucks	-	\$3.50 per day
	Sweet Cart per week	-	\$9.20
	Fancy Cart per week	-	\$10.95
	Sale of new grog per stall per day (inside market)	-	\$2.15
	Sale of mixed grog at grog market per stall	-	\$2.05
	Market Vendors vehicle monthly	-	\$20.30
	Ladies accommodation at bure per night	-	\$2.00

5. Market Revenue:

(1)	Market Stall Fees	-	\$294,168.00
(2)	Fish Market Fees	-	\$ 6,915.00
	Taxi Park Fees	-	\$30,030.00
	Commercial Vehicles Fees	-	\$64,938.00
	Car Park Booth	-	\$82,599.00

GRAND TOTAL **\$478,650.00**

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7.5 Conclusion:

In 2013 there was increase in market revenue and in Car Park Revenue.

7.6 **Capital Development**

Grant from Ministry of Local Government was for the purpose of straightening the Namosau Creek in BA amounting to \$50,000.00. Grant from UN Women was for empowerment of women in developing a model market vendor's accommodation amounting to \$15,000.00

8.0 PARKING METER REPORT - 2013

1. The Department of Parking Meter consisted of two (2) Authorised Enforcement Officers.

2. The Council had 156 metered spaces in Town which were as follows:-

(a)	Ganga Singh Street	-	35
(b)	Bank Street	-	21
(c)	Main Street	-	100

156

3. Regulations: The Parking Meter Department's prime function was to enforce Sections 85(1)(a) and 87 of Land Transport (Traffic) Regulations 2000 and act on related circumstances of Parking Meter Bookings.

Also the delegation of Enforcement Authority to Council Officers enabled us to enforce parts of LTA Acts and Regulations for the purpose of controlling and regulating traffic flow in Ba Town, which included:-

Parking Meter Offence

Regulations 20 and 87 of LTA Act

Illegal Parking and Stopping

Illegal Operation of Taxi, Carrier, Bus and Mini Bus Stands.

Carried out operations against illegal operators i.e. Mini Vans and

Private Cars applying for hire.

4. Meter Maintenance: Parking Meters on the streets were repaired and maintained on daily basis by the Parking Meter Technician. These works included:-

Clearing Blocked Meters

Replacing Damaged Parts

Adjusting Improper Readings

Servicing Parking Meter Mechanism and Stripes and

Reassembling Multiple Parts

Winding of all Parking Meters twice a week

5. Toll Collection:

Parking Meter toll collections were carried out twice a week that is on Tuesdays and Fridays by the Technician and any one Officer from the Department.

6. Free Parking: There were many areas of free parking within Town. Some of the vehicles were parked in these areas the whole day. To solve this problem the Council had put up 'No Parking Signs' around Town to boost the Department's revenue.

7. Anti-Litter Works: The three Parking Meter Attendants were also involved in Anti-Litter works. Offenders when sighted were warned and made to comply with litter laws via verbal warning and also being served with litter notices.

9.0 COUNCIL'S COMMENTS ON AUDITOR GENERAL'S OPINION

All the reconciliation will be carried out.

10.0 ACKNOWLEDGEMENT

The Council wishes to show its appreciation and gratitude to the Business Houses, Ratepayers and other Stakeholders for paying their Business License Fee, Rates and other dues to meet the running cost of the town's administration.

The Council also wishes to acknowledge the dedicated services rendered by its Special Administrator, Management, Staff and Workers

Ba Town Council also wishes to record with appreciation the assistance and support given by the Minister for Local Government, Housing, Squatter Settlement and Environment, the Permanent Secretary, the Director, Local Government and Staff, including the Director, Town and Country Planning for their assistance and guidance which greatly facilitated the effective administration of the Council.

We would also like to thank various Government Departments, Donor Agencies, Non-Government Organizations, Private Institutions and the Public for their support during the year.

DIP NARAYAN
CHIEF EXECUTIVE OFFICER

OFFICE OF THE AUDITOR GENERAL

Excellence in Public Sector Auditing



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BA TOWN COUNCIL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

INDEPENDENT AUDIT REPORT

I have audited the accompanying financial statements of Ba Town Council, which comprise the statement of financial position as at 31 December 2013, the statement of income and expenditure, statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information as set out on pages 13 to 19.

Management's Responsibility for the Financial Statements

The Special Administrator and management are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium Sized Entities and the requirements of Section 57 (2) of the Local Government Act. These responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material mis-statements, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I have conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis for Disclaimer of Opinion

1. Ba Town Council is a Municipal Council and the Financial Statements are required to be prepared in accordance with the International Financial Reporting Standards for Small and Medium Entities

("IFRS for SMEs"). The Council is yet to comply with IFRS for SMEs as required for general purpose financial statements.

Accordingly, I am unable to determine the impact on the financial statements of the Council if any, adjustment which may be necessary if the financial statements were prepared under IFRS for SMEs.

2. Included in the Statement of Financial Position for General Fund and Parking Meter Fund are VAT payable amount totaling \$110,529. However, there is an un-reconciled variance between the General Ledger and VAT reconciliation of Statement of VAT account amounting to \$100,388. Due to the variance I am not able to satisfy myself if the VAT payable amount is correctly stated.
3. Included in the Statement of Financial Position is Term loan of \$2,632,926. As per the Fiji Roads Authority (FRA) Decree 2012, all loans taken by the Council for road purposes should be transferred to the FRA. Included in the term loan balance is loan amount of \$236,310 which the Council took specifically for construction and maintenance of roads in Ba. As at 31 December 2013, the Council has not transferred this loan balance to FRA. Consequently, term loan balance of \$2,632,926 is not fairly stated in the financial statements.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for disclaimer of opinion paragraphs, I am unable to and do not express an opinion as to whether the financial statements present fairly in accordance with International Financial Reporting Standards for Small and Medium Sized Entities the financial position of Ba Town Council as at 31 December 2013 and the results of its operations for the year then ended.

Emphasis of Matter

As stated in note 8 of the financial statements, the Council has loan with Fiji National Provident Fund of \$2,302,855 as at 31 December 2013. The Council defaulted on the loan repayments to FNPF. Loan repayment in arrears as at 31 December 2013 was \$324,822.



Tevita Bolanavanua
AUDITOR GENERAL

Suva, Fiji

4 November 2014



**BA TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

Contents

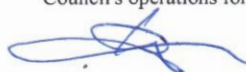
Table of contents.....	1
Independent audit report.....	2 -3
Statement of financial position - General Fund.....	4
Statement of changes in accumulated funds - General Fund.....	5
Statement of income and expenditure - General Fund.....	6
Statement of income and expenditure - Loan Rate Fund.....	7
Statement of financial position - Parking Meter	8
Statement of change in accumulated funds - Parking Meter Fund.....	9
Statement of income and expenditure - Parking Meter Fund.....	10
Statement of cash flows - General Fund.....	11
Statement of cash flows - Parking Meter Fund.....	12
Notes to the financial statements.....	13-19

BA TOWN COUNCIL
STATEMENT OF FINANCIAL POSITION - GENERAL FUND
AS AT 31 DECEMBER 2013

	Notes	2013 \$	2012 \$
CURRENT ASSETS			
Cash and cash equivalents	2	90,822	70,505
Receivables	3	569,637	563,692
Advance	4	156,616	157,188
Prepayments		4,518	-
Deferred Interest		14,587	32,088
Total current assets		836,180	823,473
NON CURRENT ASSETS			
Property, plant and equipment	5	16,971,775	18,116,704
Total non current assets		16,971,775	18,116,704
TOTAL ASSETS		17,807,955	18,940,177
CURRENT LIABILITIES			
Bank overdraft	6	18,092	14,160
Creditors and accruals	7	251,402	357,043
Sundry deposits		47,298	67,680
Term loans	8	582,773	570,175
Provisions	9	19,595	16,630
Vat payable		110,383	40,431
Fiji Roads Authority		41,458	-
Total current liabilities		1,071,001	1,066,119
NON CURRENT LIABILITIES			
Term loans	8	2,050,153	2,025,569
Total non current liabilities		2,050,153	2,025,569
TOTAL LIABILITIES		3,121,154	3,091,708
NET ASSETS		14,686,801	15,848,469
MUNICIPAL FUNDS			
Accumulated fund (Page 5)		4,902,710	4,831,851
Reserves	11	9,784,091	11,016,618
TOTAL MUNICIPAL FUNDS		14,686,801	15,848,469

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 13 to 19

In my opinion the Financial Statements have been properly drawn up so as to show a true and fair view of the Ba Town Council's operations for the year ended 31 December 2013 and of the state of affairs as at that date.



.....
DIP NARAYAN
CHIEF EXECUTIVE OFFICER
DATE:

BA TOWN COUNCIL**STATEMENT OF CHANGES IN ACCUMULATED FUNDS - GENERAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Notes	2013 \$	2012 \$
General Fund			
Balance at the beginning of the year		4,374,735	4,752,306
Net (Loss) for the year - General Fund (page 6)		(33,792)	(377,571)
Prior Year Adj	12	(9,249)	-
Balance at the end of the year		<u>4,331,694</u>	<u>4,374,735</u>
Loan Fund			
Balance at the beginning of the year		457,116	315,086
Net Surplus (Loss) for the year - Loan Rate Fund (page 7)		<u>113,900</u>	<u>142,030</u>
		<u>571,016</u>	<u>457,116</u>
Total Accumulated Funds		<u><u>4,902,710</u></u>	<u><u>4,831,851</u></u>

The Statement of Changes in Accumulated Funds is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 13 to 19

BA TOWN COUNCIL
STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 \$	2012 \$
INCOME			
Building and subdivision		22,072	10,533
Bus station		29,522	28,023
Business, trading and other licenses		150,157	157,160
Government grant	10	65,000	185,678
Garbage dump		17,384	19,027
General rate		346,567	391,689
Hire auditorium fees		29,744	33,906
Insurance recovery		50,648	-
Interest - overdue rates		51,913	11,982
Market fees		301,083	268,824
Municipal car park		177,567	170,382
Rent from council properties		536,755	617,965
Lease and hire of sports grounds		20,217	20,000
Sundries		39,584	82,319
Total income		1,838,213	1,997,488
EXPENDITURE			
Administration		221,347	291,900
Ba market complex		39,582	21,031
Bus station, civic building, depot & staff quarters		1,981	12,698
Capital development expense		800	-
Council expenses		38,824	87,696
Depreciation		245,928	515,192
Doubtful debts		-	-
Fiji Roads Authority		41,458	-
Health and building		261,081	221,405
Interest on loan		214,337	183,303
Interest on motor vehicle finance		17,888	17,501
Library services		9,767	16,599
Market		100,933	94,693
Municipal car park		64,464	58,732
Municipal hall		9,971	1,769
Property expense		73,222	89,386
Parks and gardens		86,112	81,590
Public works		371,380	526,069
Streetlights		72,930	155,495
Total expenditure		1,872,005	2,375,059
Net deficit for the year		(33,792)	(377,571)

BA TOWN COUNCIL
STATEMENT OF INCOME AND EXPENDITURE - LOAN RATE FUND
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
INCOME		
Loan rate	139,930	170,687
Total income	<u>139,930</u>	<u>170,687</u>
EXPENDITURE		
Interest	26,030	28,657
Total expenditure	<u>26,030</u>	<u>28,657</u>
Net surplus/(deficit) for the year	<u>113,900</u>	<u>142,030</u>

BA TOWN COUNCIL
STATEMENT OF FINANCIAL POSITION - PARKING METER FUND
AS AT 31 DECEMBER 2013

	Notes	2013 \$	2012 \$
CURRENT ASSETS			
Cash on hand	2	-	537
Cash at bank	2	8,394	7,648
Other asset		-	10
Total current assets		<u>8,394</u>	<u>8,195</u>
NON CURRENT ASSETS			
Property, plant and equipment	5	<u>184</u>	<u>3,146</u>
Total non current assets		<u>184</u>	<u>3,146</u>
TOTAL ASSETS		<u>8,578</u>	<u>11,341</u>
CURRENT LIABILITIES			
Creditors and accruals	7	159,668	161,833
Vat payable		146	892
Provisions	9	<u>639</u>	<u>1,168</u>
Total current liabilities		<u>160,453</u>	<u>163,893</u>
TOTAL LIABILITIES		<u>160,453</u>	<u>163,893</u>
NET DEFICIENCY IN ASSETS		<u>(151,875)</u>	<u>(152,552)</u>
CAPITAL EMPLOYED			
Accumulated fund (page 9)		(181,856)	(182,533)
Asset revaluation reserve	11	<u>29,981</u>	<u>29,981</u>
TOTAL CAPITAL EMPLOYED		<u>(151,875)</u>	<u>(152,552)</u>

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the Financial Statement set out on pages 13 to 19

In my opinion the Financial Statements have been properly drawn up so as to show a true and fair view of the Ba Town Council's operations for the year ended 31 December 2013 and of the state of affairs as at that date.



.....
DIP NARAYAN
CHIEF EXECUTIVE OFFICER
DATE:

BA TOWN COUNCIL

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS - PARKING METER FUND
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013	2012
	\$	\$
PARKING METER FUND		
Balance at the beginning of the year	(182,533)	(183,784)
Net Profit (Loss) for the year - Parking Meter (page 10)	677	1,251
Balance at the end of the year	<u>(181,856)</u>	<u>(182,533)</u>

BA TOWN COUNCIL**STATEMENT OF INCOME AND EXPENDITURE - PARKING METER FUND
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013	2012
	\$	\$
INCOME		
Traffic offence	3,400	3,851
Infringement fines	4,843	8,321
Meter tolls	15,973	21,682
Parking Permits	1,252	1,757
Miscellaneous Income	475	3,331
Total income	<u>25,943</u>	<u>38,942</u>
EXPENDITURE		
Bank Fees	41	42
Depreciation	2,962	4,415
Legal and search fees	1,030	4,162
Meter maintenance	3,102	-
Miscellaneous	143	206
Motor Vehicle Expenses	6,153	4,535
Printing & stationery	693	1,403
Salaries, wages and related payments	11,142	22,576
Training & Development	-	30
Uniforms & Boots	-	-
Verification and license	-	322
Total expenditure	<u>25,266</u>	<u>37,691</u>
Net surplus (deficit) for the year	<u><u>677</u></u>	<u><u>1,251</u></u>

BA TOWN COUNCIL
STATEMENT OF CASH FLOWS - GENERAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 \$ Inflows/ (Outflows)	2012 \$ Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from customers		2,226,015	2,143,689
Payments to trade creditors, other creditors and employees		(1,567,574)	(1,717,509)
Interest paid		(258,255)	(212,785)
Net cash provided by operating activities	17 (a) (i)	<u>400,186</u>	<u>213,395</u>
Cash flows from investing activities			
Acquisition of property, plant & equipment		<u>(328,751)</u>	<u>(72,121)</u>
Net cash used in investing activities		<u>(328,751)</u>	<u>(72,121)</u>
Cash flows from financing activities			
(Repayment)/proceeds of borrowings		(55,050)	(66,435)
Receipt/(advance) to Parking Meter		-	-
Net cash used in financing activities		<u>(55,050)</u>	<u>(66,435)</u>
Net increase/(decrease) in cash and cash equivalents		16,385	74,839
Cash and cash equivalent at the beginning of the year		<u>56,345</u>	<u>(18,494)</u>
Cash and cash equivalent at the end of the year	17 (a) (ii)	<u>72,730</u>	<u>56,345</u>

The Statement of cashflow is to be read in conjunction with the notes to and forming part of the Financial Statement set out on pages 13 to 19

BA TOWN COUNCIL
STATEMENT OF CASH FLOWS - PARKING METER FUND
FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 \$ Inflows/ (Outflows)	2012 \$ Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from customers (meter tolls and other revenues)		24,668	39,571
Payments to suppliers and employees		(24,459)	(30,612)
Net Vat Paid		-	(892)
Net cash provided by operating activities	17 (b) (i)	<u>209</u>	<u>8,067</u>
Cash flows from investing activities			
(Decrease)/Increase in advance from general fund		-	-
Net cash used in investing activities		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		209	8,067
Cash and cash equivalent at the beginning of the year		<u>8,185</u>	<u>118</u>
Cash and cash equivalent at the end of the year	17 (b) (ii)	<u>8,394</u>	<u>8,185</u>

The Statement of cashflow is to be read in conjunction with the notes to and forming part of the Financial Statement set out on pages 13 to 19

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Set out hereunder are the significant accounting policies adopted by the Council in the preparation of the Accounts for the year ended 31 December 2013 unless otherwise stated similar policies were followed in the previous year. All amounts are stated in Fijian currency.

(a) Basis of Accounting

The accrual basis of accounting is adopted for all financial transactions with the exception of 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.

(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

The Councils' fixed Assets are depreciated using the diminishing value method at the following rates:

	Rate
Leasehold land	over life of lease
Buildings	1% to 5%
Furniture and fittings	10% to 20%
Plant and equipment	10% to 20%
Motor vehicles	15% to 20%
Road, footpath and drains	10%

(d) Trade & Other 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.

(e) Expenditure relating to Roads, Footpaths and Drains

The valuation of the above items was carried out by Fairview Valuation of Suva, Fiji in 1996.

(f) Revenue Recognition

Revenue is recognised in the Statement of Income and Expenditure when charged to the ratepayers by the Council. The major sources of revenue are collections in the form of General rates, Loan rates and rental income from the Council's properties.

(g) Fund Accounting

The Council has adopted a fund accounting system as required by the Local Government Act. According to the Act it is necessary to establish separate fund to recover the amounts received, expenditure incurred and the net balance of funds available to be carried forward into the next financial period.

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2013

(g) Fund Accounting (cont'd)

The identification of fund 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 received.

Details of Special Purpose Fund 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 Meter in designated area of road within the municipality.

(h) Income Tax

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

(i) Comparatives

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

(j) Leave Entitlement

The Council provides for long service leave entitlement for all salaried staff who have served the Council continuously for 15 years or more at the rate of 10 days per year of service. For labourers 5 days after completion of 15 years of service plus another 10 days after 20 years of service.

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 2. CASH AT BANK	2013	2012
	\$	\$
General Fund		
Cash on Hand	898	200
Civic Building Account	610	13,510
Ba Market Complex Acc	15,984	19,893
Reserve Account	14,064	36,064
Capital Works Account	59,266	838
	<u>90,822</u>	<u>70,505</u>
Parking Meter Fund		
Cash on Hand	-	537
Cash at bank	8,394	7,648
	<u>8,394</u>	<u>8,185</u>
NOTE 3. RECEIVABLES		
General Fund		
Rate debtors	637,102	631,471
Provision for Doubtful Debts	(70,064)	(70,064)
Other sundry debtors	2,599	2,285
	<u>569,637</u>	<u>563,692</u>
NOTE 4. ADVANCE		
Advance to parking meter	<u>156,616</u>	<u>157,188</u>
NOTE 5. PROPERTY, PLANT AND EQUIPMENT		
(a) General Fund		
Leasehold land	3,770,174	3,811,142
Building	12,633,861	12,296,054
Plant and equipment	164,864	155,969
Roads and drains	-	1,232,526
Motor vehicle	112,134	157,252
WIP	290,742	463,761
Total property, plant and equipment	<u>16,971,775</u>	<u>18,116,704</u>
Leasehold Land		
Cost / valuation	4,056,950	4,056,950
Accumulated depreciation	(286,776)	(245,808)
Carrying amount	<u>3,770,174</u>	<u>3,811,142</u>
Building		
Cost / valuation	13,502,787	13,483,132
Additions	290,742	19,655
Transferred to WIP	(290,742)	(463,761)
Accumulated depreciation	(868,926)	(742,972)
Carrying amount	<u>12,633,861</u>	<u>12,296,054</u>

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	2013 \$	2012 \$
Plant and Equipment		
Cost / valuation	274,026	233,766
Addition	42,782	40,260
Disposal	-	-
Accumulated depreciation	(151,944)	(118,057)
Carrying amount	<u>164,864</u>	<u>155,969</u>
Roads and Drains		
Cost / valuation	2,793,035	2,793,035
Disposal	(2,793,035)	-
Accumulated depreciation	-	(1,560,509)
Carrying amount	<u>-</u>	<u>1,232,526</u>
Motor Vehicle		
Cost / valuation	347,311	335,105
Additions	-	12,206
Accumulated depreciation	(235,177)	(190,059)
Carrying amount	<u>112,134</u>	<u>157,252</u>
Work in Progress		
Cost / valuation	463,761	-
Additions	290,742	463,761
Disposals	(463,761)	-
Carrying amount	<u>290,742</u>	<u>463,761</u>
Total property, plant and equipment	<u><u>16,971,775</u></u>	<u><u>18,116,704</u></u>
(b) Parking Meter Account		
Office equipment and fixtures	184	265
Plant, machinery and tools	-	2,881
Total plant and equipment	<u><u>184</u></u>	<u><u>3,146</u></u>
Office Equipment and Fixtures		
Cost / valuation	1,141	1,141
Accumulated depreciation	(957)	(876)
Carrying amount	<u>184</u>	<u>265</u>
Plant, Machinery and Tools		
Cost / valuation	-	28,787
Accumulated depreciation	-	(25,906)
Carrying amount	<u>-</u>	<u>2,881</u>
Total plant and equipment	<u><u>184</u></u>	<u><u>3,146</u></u>
NOTE 6. BANK OVERDRAFT		
General Fund	18,092	14,160
	<u><u>18,092</u></u>	<u><u>14,160</u></u>

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 7. CREDITORS AND BORROWINGS	2013	2012
	\$	\$
<u>General Fund</u>		
Creditors and accruals	<u>251,402</u>	<u>357,043</u>
<u>Parking Meter Fund</u>		
Advance from general fund	156,616	157,188
Other creditors	<u>3,052</u>	<u>4,645</u>
	<u>159,668</u>	<u>161,833</u>

NOTE 8. TERM LOANS

<u>General Fund</u>		
Westpac Banking Corporation	25,873	-
Westpac Banking Corporation	236,310	288,503
Merchant Finance - M/V Refinance	67,888	123,753
Fiji National Provident fund (2)	<u>2,302,855</u>	<u>2,183,508</u>
	<u>2,632,926</u>	<u>2,595,764</u>
Loan principal commitment at balance date:		
Payable within one year	582,773	570,175
Payable later than one year, not later than two years	711,779	769,117
Payable later than two years, not later than five years	1,029,340	1,139,499
Payable later than five years	<u>309,034</u>	<u>116,973</u>
	<u>2,632,926</u>	<u>2,595,764</u>
 Represented in the balance sheet as:		
Current	582,773	570,175
Non-current	<u>2,050,153</u>	<u>2,025,569</u>
	<u>2,632,926</u>	<u>2,595,764</u>

Loans raised by the Council bear interest charges ranging from 6.80% to 10.49% per annum. All loans are secured by Pari Passu Debenture Deeds, Registered First Mortgage Lease No.100584, Registered Mortgage Certificate Title No 13158 and 12347 covering the present and future assets of the Council.

NOTE 9. PROVISIONS

<u>General Fund</u>		
Annual leave	<u>19,595</u>	<u>16,630</u>
<u>Parking Meter</u>		
Annual leave	<u>639</u>	<u>1,168</u>

NOTE 10. GOVERNMENT GRANT

Ministry of Local Government	50,000	-
UN Women	<u>15,000</u>	<u>185,678</u>
	<u>65,000</u>	<u>185,678</u>

Grant from Ministry of Local Government was for the purpose of straightening the Namosau Creek in Ba. Grant from UN Women was for empowerment of women in developing a model women market vendors accommodation.

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 \$	2012 \$
NOTE 11. RESERVES		
<u>General Fund</u>		
Asset revaluation reserve	<u>9,784,091</u>	<u>11,016,618</u>
<u>Asset Revaluation Reserve comprise of :</u>		
Revaluation increment on assets	<u>9,784,091</u>	<u>11,016,618</u>
	<u>9,784,091</u>	<u>11,016,618</u>
<u>Parking Meter</u>		
Asset revaluation reserve	<u>29,981</u>	<u>29,981</u>
<u>Asset Revaluation Reserve comprise of :</u>		
Revaluation increment on assets	<u>29,981</u>	<u>29,981</u>
	<u>29,981</u>	<u>29,981</u>
NOTE 12. PRIOR YEAR ADJUSTMENT		
Rate Debtors adjustments	9,249	-
	<u>9,249</u>	<u>-</u>
NOTE 13. CAPITAL COMMITMENTS		
Capital commitment	<u>-</u>	<u>2,237,750</u>
NOTE 14. CONTINGENT LIABILITIES		
An amount of \$69,818 is held at WBC as a guarantee in respect of FEA for Civic building and Ba Market Complex Building.		
NOTE 15. PRINCIPAL ACTIVITY		
The Ba Town Council was established under the Local Government Act to provide for the health, welfare and convenience of the inhabitants of the Ba Town Municipality and to preserve the amenities or credit thereof.		
NOTE 16. SUBSEQUENT EVENTS		
(a) On 23 May 2014 the Council refinanced its loan with Bank of the South Pacific. Total facilities for loan and overdraft totalled \$3,250,000.		

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 17. NOTES TO THE STATEMENT OF CASH FLOWS

	2013 \$	2012 \$
(a) General Account		
(i) Reconciliation of net cash provided by operating activities to net surplus/deficit		
Net surplus/(deficit) for the year - General fund	(33,792)	(377,571)
Net surplus/(deficit) for the year - Loan rate fund	113,900	142,030
Depreciation	(245,928)	515,192
Prior Year Adjustment	(9,249)	-
Net cash provided by operating activities before changes in assets and liabilities	(175,069)	279,651
Change in assets and liabilities:		
Disposal of roads to FRA	1,232,527	-
Increase in other assets	(43,995)	-
Increase in provisions	2,965	-
Increase/(decrease) in accounts payable and borrowings	(616,242)	81,968
Net cash inflows from operating activities	400,186	361,619

(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

Cash on hand and at bank	90,822	70,505
Bank overdraft	(18,092)	(14,160)
	<u>72,730</u>	<u>56,345</u>

(b) Parking Meter Fund

(i) Reconciliation of Net Cash provided by Operating Activities to Net Surplus

Net surplus for the year	677	1,251
Depreciation	2,962	4,415
Net cash provided by operating activities before changes in assets and liabilities	3,639	5,666
Increase in other assets	10	-
(Decrease)/increase in Vat payable	(2,911)	6,179
(Decrease) in provisions	(529)	-
	<u>209</u>	<u>11,845</u>

(ii) Cash and Cash Equivalents

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

Cash on hand	-	537
Cash at bank	8,394	7,648
	<u>8,394</u>	<u>8,185</u>