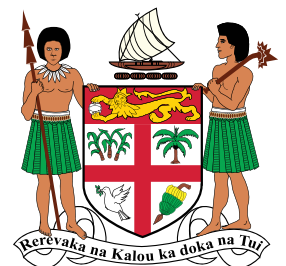




BA TOWN COUNCIL

Annual Report for the Year 2014



PARLIAMENT OF FIJI
PARLIAMENTARY PAPER NO.225

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 2014

I am pleased to present the Annual Report for Ba Town Council for the financial year ending 31st December, 2014.

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. Praveen K. Bala 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 faced difficulty in paying its loan repayments for the year 2014 and the outstanding loan at the end of 2014 was \$2,681,321.00

Ba Town Council celebrated its 75th Anniversary. The Official Launching of the Anniversary Celebration was done by the Honourable Prime Minister Rear Admiral Voreqe Bainimarama on 11th of April, 2014.

This also coincided with the Inauguration of the Ba Civic Museum.

The Official Launching of the Ba Riverside Platinum Jubilee Carnival was done on 11th June, 2014.

All the former Mayors were presented with Plaque of Distinction and 75th Anniversary Medal and all the senior citizens, former and current Staff and Workers were presented with the 75th Anniversary Medals.

On the 15th of August, 2014, the Special Administrator, Mr. Praveen Bala resigned from the post of the Special Administrator to prepare for General Elections and in his absence the Chief Executive Officer, Mr. Dip Narayan was in charge of the Council affairs.

General Election was held on 17th September, 2014.

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. Praveen Bala continued to serve as the Special Administrator for Ba and Tavua Town Councils till 15th August, 2014.

The Council provided services to the five wards namely:-

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

1.1 APPOINTMENT OF STANDING COMMITTEES AND FULL BOARD MEMBERS

a] Building Health Works & Street Lights Committee:

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

b] Market Parks Library & Traffic Committee:

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

c] Finance Capital Development & Planning Committee:

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

d] Staff & Tender Committee:

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

e] Full Board Members:

| | | |
|-----------------------|---|---|
| Mr. Praveen Bala | - | Special Administrator |
| Mr. Dip Narayan | - | Chief Executive Officer/HIBS – Chairman |
| Mr. Bala Achari | - | Accountant |
| Ms. Sushil Kumar | - | Secretary/HR |
| Ms. Manjula Sahay | - | Credit Controller/Accounts Officer |
| Mr. Binesh Naidu | - | Town Ranger/Prosecutor |
| Mr. Rakesh Verma | - | Assistant Market Master |
| Mr. Mohammed Shafiq | - | Market Manager – 10/11/2014 |
| Mr. Ramesh Kumar | - | Works Supervisor |
| Mr. Hirendra Kumaran | - | Landscaper/Gardener |
| Mr. Ravindra Kumar | - | Parking Meter Technician |
| Mr. Unayz Asum Usama | - | Assistant Building Surveyor |
| Mrs. Maria Vulavou | - | Assistant Health Inspector |
| Mr. Ashwindra Narayan | - | Market Assistant |
| Mr. Hirendra Kumaran | - | Gardener/Landscaper |
| Mr. Sanjnesh Nadan | - | Electrician |
| Mr. Afazil Ifraz | - | Electrician |

1.2 COUNCIL AND COMMITTEE MEETINGS

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

| | | | |
|--|---|-----|---|
| Ordinary Council Meetings | - | 7 | |
| Annual Meeting | - | Nil | |
| Market/Parks/Library and Traffic Committee Meetings | - | 8 | |
| Building/ Health/ Works and Street Lights Committee Meetings | - | 8 | - |
| Finance Capital Development and Planning Committee Meetings | - | 8 | |
| Staff and Tender Committee Meetings | - | 14 | |
| Special Committee Meetings | - | 2 | |
| Emergency and Extra Ordinary Council Meetings | - | 1 | |

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. Users/Readers 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.

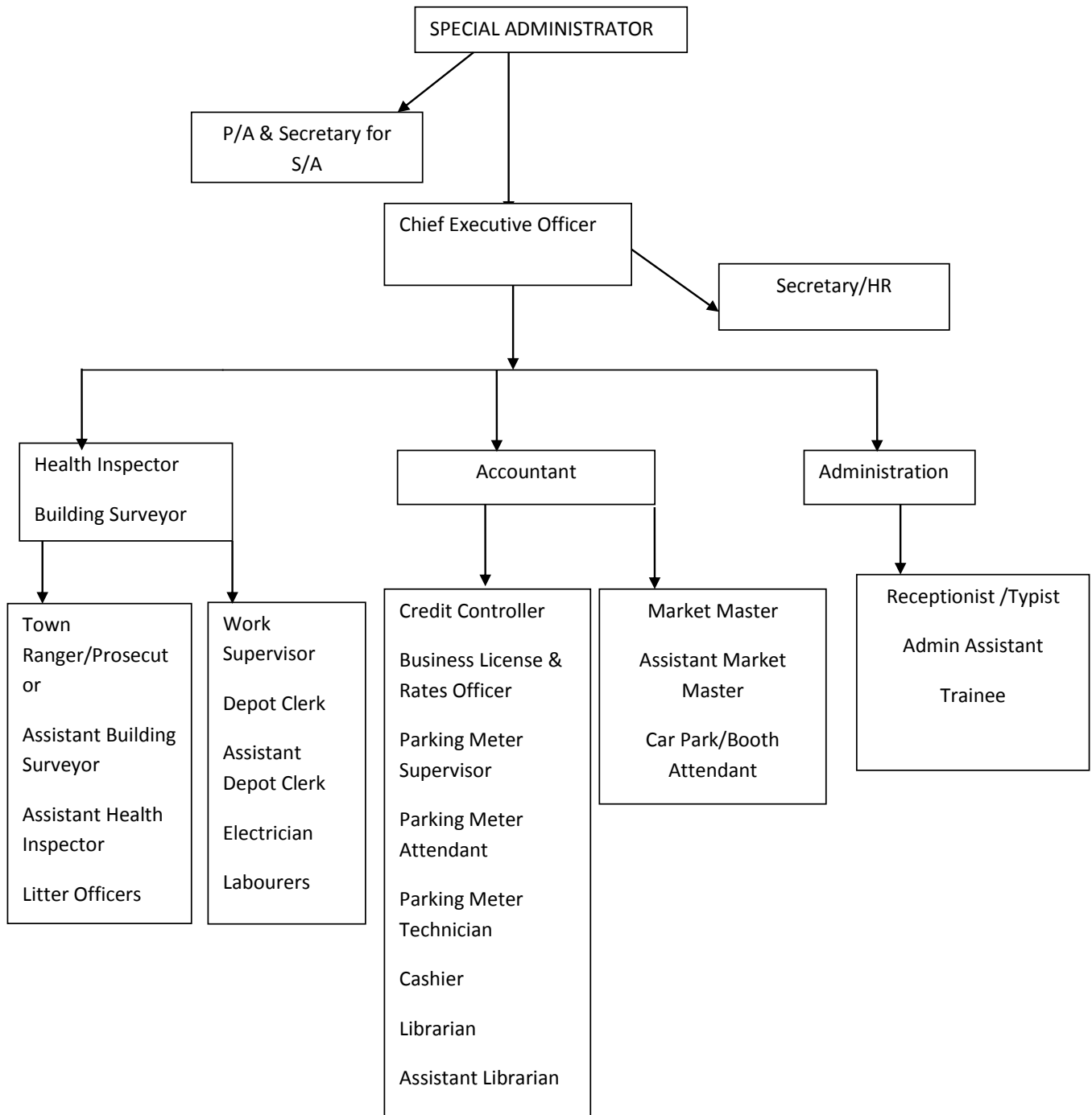
The operating hours are:

- 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 2014



3.0 OFFICIAL VISITORS TO THE COUNCIL - 2014

| | | | | |
|-----------|---|---|---|---|
| 29/5/2014 | - | Mr. Kavinda D Alosa | - | Deputy High Commissioner Australian High Commission |
| 5/8/2014 | - | Mr. Ben Groenewald | - | Commissioner F.P.F. |
| 8/8/2014 | - | Mr. Tulsi Ram | - | Former CEO – 2000-2011 |
| 8/8/2014 | - | Mr. Vinod S. Patel | - | Former Mayor of Ba |
| 8/8/2014 | - | Mr. Azmat Khan | - | Former CEO |
| 8/8/2014 | - | Mrs. Vijaya Ranga Rao Naidu | | |
| 8/8/2014 | - | Mrs. Jogindar Dayal And Mr. Brij Dayal | - | Former Deputy Mayor & Councillor Directors, Dayals Quarries Limited |
| 8/8/2014 | - | Mr. Kishore Govind And Mrs. Govind | - | Former Mayor |
| 8/8/2014 | - | Mr. Ahmed Bhamji | - | Former Mayor |
| 8/8/2014 | - | Mrs. Anita Narayan And Mr. Adish Narayan | - | Former Deputy Mayor Barrister & Solicitor A K Lawyers – Ba & Port Denarau |

4.0 URBAN SANITARY DISTRICT OF BA

4.1 ANNUAL REPORT OF HEALTH INSPECTOR FOR THE YEAR 2014

Council carried out 2 clean up campaigns in February and September 2014. Dog Trapping Exercise was carried out from November till December whereby 18 dogs were trapped. Mosquito Spraying was carried out once in January 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. A new set of Computer with printer was Installed in Building & Health department by Department of Town and Country Planning. JOCV team visited the council. Market Composting & CSP re-started after new Assistant Health Inspector (Ronika Mishra) joined Ba Town Council.

Ba Town Council market Fight against Domestic Violence on December 6th with a March to Market Ground. Agreement to Lease was distributed for Clopcott Subdivision by Attorney General, Mr. Aiyaz Sayed-Kaiyum and Minister for Local Government, Housing and Environment – Mr. Praveen Bala on 23rd December 2014.

| | | | |
|---------------------------------------|-------------------|------------------|--------------|
| <u>Summary of Inspections:</u> | | | |
| TYPE OF PREMISES | INSPECTION | REINSPECT | TOTAL |
| Public Health Complaints and Nuisance | 686 | 308 | 994 |

Written Notices, Etc. Issued:

| | |
|-------------------|----|
| intimation notice | 27 |
| Overgrowth notice | 48 |

Total of 167 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 192 Complaints received, investigated and notices issued for the year 2014.

Food Premises such as 127 Restaurants & Refreshment Bars, Butcher, 20 Supermarkets, 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. School visits were carried out 103 times. Total of 994 premises were inspected.

Building Applications Received FOR YEAR 2014

| Application in respect of Developments:- | <u>No.</u> | <u>Approved</u> | <u>Value</u> |
|--|-------------------|------------------------|------------------------|
| New Buildings | 17 | 17 | \$ 1,358,000.00 |
| Alterations and Repairs (Extension) | 19 | 19 | \$ 990,200.00 |
| Miscellaneous Works (Fencing) | 15 | 15 | \$ 3,078,500.00 |
| Outline Application | 1 | 1 | \$ - |
| TOTAL | 52 | 52 | \$ 5,426,700.00 |

| <u>Completion Certificates Issued in Respect of:-</u> | <u>No.</u> | <u>Value</u> |
|--|-------------------|----------------------|
| New Commercial Buildings | 0 | \$ - |
| New Dwellings | 5 | \$ 320,000.00 |
| Alterations and Repairs/ Extension | 1 | \$ 80,000.00 |
| Miscellaneous Works | 0 | \$ - |
| TOTAL | 6 | \$ 400,000.00 |

There were total of 52 building applications received for the year 2014 out of which 17 applications were for construction of New Buildings, 19 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 1 Outline application with the total building value of **\$5,426,700.00**. All applications were approved.

In year 2014 there were 5 New Dwelling Houses and 1 Alteration, Repair/ Extension buildings that were completed and final inspections were carried out with the total building value of **\$400,000.00**.

Rezoning & Subdivision

There was only 1 Rezoning application received for the year 2014 and it is still pending due to the ownership issue.

2 Subdivision applications were received for the year 2014 and both applications were 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 2014

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.

7.1 AUDITORS OF THE COUNCIL

| Fund | Revenue | Expenditure | Surplus/Deficit |
|---------------------|----------------|----------------|-----------------|
| General Revenue A/c | \$2,273,469.00 | \$2,045.689.00 | \$ 227,780.00 |
| Loan Repayment A/c | \$ 149,742.00 | \$ 331,345.00 | \$ (181,603.00) |
| Parking Meter A/c | \$ 29,766.00 | \$ 34,446 | \$ (4680) |

Council Insurance

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

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

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- 2014

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 | - | \$3.45 per day |
| | Sweet Cart per week | - | \$9.20 |
| | Fancy Cart per week | - | \$10.95 |
| | Sale of raw grog per stall per day (inside market) | - | \$2.15 |
| | Sale of mixed grog at grog market per stall | - | \$2.05 |
| | Market vendors vehicle monthly parking fees | - | \$20.30 |
| | Ladies accommodation at bure at night | - | \$2.00 |

5. Market Revenue:

| | | | |
|-----|--------------------------|---|--------------|
| (1) | Market Stall Fees | - | \$323,897.00 |
| (2) | Fish Market Fees | - | \$ 5859.00 |
| | Taxi Park Fees | - | \$ 33,485.00 |
| | Commercial Vehicles Fees | - | \$ 80,956.00 |
| | Car Park Booth | - | \$ 69,408.00 |

GRAND TOTAL **\$513,605.00**
 =====

7.5 Conclusion:

In 2014 there was increase in market revenue and in Car Park Revenue.

7.6. **Capital Development**

Grant from Ministry of Local Government was for development of Clopcott subdivision amounted to \$267,631.00

8.0 **PARKING METER REPORT - 2014**

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

2. The Council had 120 metered spaces in Town which were as follows:-

| | | | |
|-----|--------------------|---|----|
| (a) | Ganga Singh Street | - | 28 |
| (b) | Bank Street | - | 12 |
| (c) | Main Street | - | 80 |

120

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

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

Council will comply with the IFRS for SMES

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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Website: <http://www.oag.gov.fj>



BA TOWN COUNCIL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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 2014, 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 notes 1 to 15.

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 misstatements, 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 conducting the audit in accordance with International Standards on Auditing. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, I was not able to obtain sufficient appropriate evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

According to Section 57 of the Local Government Act, Ba Town Council is required to prepare its financial statements in accordance with accounting standards approved by the Fiji Institute of Accountants. The Council is yet to comply with International Financial Reporting Standards for Small and Medium sized Entities (IFRS for SMEs).

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.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for disclaimer of opinion paragraph, 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 2014 and the results of its operations for the year then ended.



Atunaisa Nadakuitavuki
for AUDITOR GENERAL

Suva, Fiji

25 September 2015



BA TOWN COUNCIL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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BA TOWN COUNCIL
STATEMENT OF FINANCIAL POSITION - GENERAL FUND
AS AT 31 DECEMBER 2014

| | Notes | 2014 \$ | 2013 \$ |
|-----------------------------------|-------|-------------------|-------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 2 | 129,800 | 90,822 |
| Receivables | 3 | 847,373 | 569,637 |
| Advance | 4 | 155,636 | 156,616 |
| Deferred interest | | - | 14,587 |
| Prepayments | | - | 4,518 |
| Total current assets | | <u>1,132,809</u> | <u>836,180</u> |
| NON CURRENT ASSETS | | | |
| Property, plant and equipment | 5 | <u>16,734,198</u> | <u>16,971,775</u> |
| Total non current assets | | <u>16,734,198</u> | <u>16,971,775</u> |
| TOTAL ASSETS | | <u>17,867,007</u> | <u>17,807,955</u> |
| CURRENT LIABILITIES | | | |
| Bank overdraft | 2 | 73,958 | 18,092 |
| Creditors | 6 | 163,218 | 251,402 |
| Sundry deposits | | 1,513 | 47,298 |
| Term loans | 7 | 317,520 | 582,773 |
| Provisions | 8 | 25,081 | 19,595 |
| Fiji Roads Authority | | - | 41,458 |
| Vat Payable | | 138,084 | 110,383 |
| Unutilised grant | 17 | <u>50,854</u> | <u>-</u> |
| Total current liabilities | | <u>770,228</u> | <u>1,071,001</u> |
| NON CURRENT LIABILITIES | | | |
| Term loans | 7 | <u>2,363,801</u> | <u>2,050,153</u> |
| TOTAL LIABILITIES | | <u>3,134,029</u> | <u>3,121,154</u> |
| NET ASSETS | | <u>14,732,978</u> | <u>14,686,801</u> |
| MUNICIPAL FUNDS | | | |
| Accumulated general fund (Page 3) | | 4,948,887 | 4,902,710 |
| Reserves | 9 | <u>9,784,091</u> | <u>9,784,091</u> |
| TOTAL MUNICIPAL FUNDS | | <u>14,732,978</u> | <u>14,686,801</u> |

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 21

In our 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 2014 and of the state of affairs as at that date.



Dip Narayan
 CEO / Health Inspector / Bldg. Surveyor

**BA TOWN COUNCIL - GENERAL FUND
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
AS AT 31 DECEMBER 2014**

| | Notes | 2014 \$ | 2013 \$ |
|---|-------|-------------------------|-------------------------|
| General Fund | | | |
| Balance at the beginning of the year | | 4,331,694 | 4,374,735 |
| Net Profit (Loss) for the year - General Fund (page 4) | | 227,780 | (33,792) |
| Prior Year Adj | | - | (9,249) |
| Balance at the end of the year | | <u>4,559,474</u> | <u>4,331,694</u> |
| Loan Fund | | | |
| Balance at the beginning of the year | | 571,016 | 457,116 |
| Net Surplus (Loss) for the year - Loan Rate Fund (page 5) | | <u>(181,603)</u> | <u>113,900</u> |
| | | <u>389,413</u> | <u>571,016</u> |
| Total Accumulated Funds | | <u><u>4,948,887</u></u> | <u><u>4,902,710</u></u> |

The Statement of Change 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 21

BA TOWN COUNCIL**STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2014**

| | 2014 | 2013 |
|---|------------------|------------------|
| | \$ | \$ |
| INCOME | | |
| Advertising | - | - |
| Building and subdivision | 31,275 | 22,072 |
| Bus station | 30,171 | 29,522 |
| Business, trading and other licenses | 151,412 | 150,157 |
| Digger Hire | - | - |
| Government grant | 316,777 | 65,000 |
| Garbage dump | 7,174 | 17,384 |
| General rate | 355,969 | 346,567 |
| Hire auditorium fees | 37,420 | 29,744 |
| Insurance Recovery | - | 50,648 |
| Interest - overdue rates | 162,586 | 51,913 |
| Library Fees | - | - |
| LICI Commission | 467 | - |
| Market | 329,756 | 301,083 |
| Municipal car park | 183,849 | 177,567 |
| Rent from council properties | 584,043 | 536,755 |
| Sports grounds | 20,366 | 20,217 |
| Deposit | - | - |
| Sundries | 62,204 | 39,584 |
| Total income | 2,273,469 | 1,838,213 |
| EXPENDITURE | | |
| Administration | 283,659 | 221,347 |
| Ba market complex | 180,983 | 39,582 |
| Bank fees and charges | - | - |
| Bus station, civic building, depot & staff quarters | 3,543 | 1,981 |
| Capital development expense | 307,629 | 800 |
| Council expenses | 40,025 | 38,824 |
| Depreciation | 249,549 | 245,928 |
| Doubtful Debts | - | - |
| Fiji Roads Authority | 243,500 | 41,458 |
| Health and building | 144,281 | 261,081 |
| Interest on loan | - | 214,337 |
| Interest on Motor Vehicle Finance | 14,587 | 17,888 |
| Legal Fees | - | - |
| Library services | 8,101 | 9,767 |
| Market | 120,460 | 100,933 |
| Municipal car park | 69,197 | 64,464 |
| Municipal hall | 28,739 | 9,971 |
| Property expense | 44,475 | 73,222 |
| Parks and gardens | 92,162 | 86,112 |
| Public works | 181,187 | 371,380 |
| Sick, accident and holiday pay | - | - |
| Streetlights | 33,612 | 72,930 |
| Total expenditure | 2,045,689 | 1,872,005 |
| Net surplus (deficit) for the year | 227,780 | (33,792) |

The Statement of Income & Expenditure is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 13 to 21

BA TOWN COUNCIL**STATEMENT OF INCOME AND EXPENDITURE - LOAN RATE FUND
FOR THE YEAR ENDED 31 DECEMBER 2014**

| | Notes | 2014 \$ | 2013 \$ |
|------------------------------------|-------|----------------|----------------|
| INCOME | | | |
| Loan rate | | 149,742 | 139,930 |
| Total income | | <u>149,742</u> | <u>139,930</u> |
| EXPENDITURE | | | |
| Interest | | 331,345 | 26,030 |
| | | <u>331,345</u> | <u>26,030</u> |
| Net surplus/(deficit) for the year | | (181,603) | 113,900 |

The Statement of Income & Expenditure is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 13 to 21

BA TOWN COUNCIL
STATEMENT OF FINANCIAL POSITION - PARKING METER FUND
AS AT 31 DECEMBER 2014

| | Notes | 2014 \$ | 2013 \$ |
|----------------------------------|-------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash at bank and on hand | 2 | 3,566 | 8,394 |
| Receivables | 3 | - | - |
| Total current assets | | <u>3,566</u> | <u>8,394</u> |
| NON CURRENT ASSETS | | | |
| Property, plant and equipment | 5 | 123 | 184 |
| Total non current assets | | <u>123</u> | <u>184</u> |
| TOTAL ASSETS | | <u>3,689</u> | <u>8,578</u> |
| CURRENT LIABILITIES | | | |
| Creditors | 6 | 158,785 | 159,668 |
| Vat payable | | 49 | 146 |
| Provisions | 8 | 1,410 | 639 |
| Total current liabilities | | <u>160,244</u> | <u>160,453</u> |
| TOTAL LIABILITIES | | <u>160,244</u> | <u>160,453</u> |
| NET DEFICIENCY IN ASSETS | | <u>(156,555)</u> | <u>(151,875)</u> |
| Capital employed | | | |
| ACCUMULATED FUNDS (Page 7) | | (186,536) | (181,856) |
| Asset revaluation reserve | 9 | 29,981 | 29,981 |
| | | <u>(156,555)</u> | <u>(151,875)</u> |

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 21

In our 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 2014 and of the state of affairs as at that date.



Dip Narayan
 CEO / Health Inspector / Bldg Surveyor

BA TOWN COUNCIL - PARKING METER FUND
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
AS AT 31 DECEMBER 2014

| | Notes | 2014 \$ | 2013 \$ |
|--|-------|------------------|------------------|
| PARKING METER FUND | | | |
| Balance at the beginning of the year | | (181,856) | (182,533) |
| Net Profit (Loss) for the year - Parking Meter (page 8) | | (4,680) | 677 |
| Balance at the end of the year | | <u>(186,536)</u> | <u>(181,856)</u> |

The Statement of Change in Accumulated Fund is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 13 to 21

BA TOWN COUNCIL**STATEMENT OF INCOME AND EXPENDITURE - PARKING METER FUND****FOR THE YEAR ENDED 31 DECEMBER 2014**

| | Notes | 2014 \$ | 2013 \$ |
|---|-------|----------------|---------------|
| INCOME | | | |
| Traffic offence | | 2,181 | 3,400 |
| Infringement fines | | 10,788 | 4,843 |
| Meter tolls | | 14,929 | 15,973 |
| Parking Permits | | 1,840 | 1,252 |
| Miscellaneous Income | | 28 | 475 |
| Total income | | <u>29,766</u> | <u>25,943</u> |
| EXPENDITURE | | | |
| Bank Fees | | 123 | 41 |
| Depreciation | | 61 | 2,962 |
| Legal and search fees | | 2,947 | 1,030 |
| Meter maintenance | | 3,022 | 3,102 |
| Miscellaneous | | 280 | 143 |
| Motor Vehicle Expenses | | 6,589 | 6,153 |
| Postage | | - | - |
| Printing & stationery | | 1,584 | 693 |
| Provision for Annual Leave | | 1,410 | - |
| Salaries, wages and related payments | | 16,707 | 11,142 |
| Telephone | | - | - |
| Training & Development | | - | - |
| Uniforms & Boots | | 323 | - |
| Verification and license | | 1,400 | - |
| Total expenditure | | <u>34,446</u> | <u>25,266</u> |
| Net surplus (deficit) for the year | | <u>(4,680)</u> | <u>677</u> |

The Statement of Income & Expenditure is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 13 to 21

BA TOWN COUNCIL
STATEMENT OF CASH FLOWS - GENERAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2014

| | Notes | 2014 Inflows/ (Outflows) | 2013 Inflows/ (Outflows) |
|--|-------------|--------------------------------|--------------------------------|
| Cash flows from operating activities | | | |
| Receipts from customers | | 1,833,235 | 2,226,015 |
| Payments to trade creditors, other creditors and employees | | (2,470,299) | (1,567,574) |
| Interest paid | | - | (258,255) |
| Net cash (used)/ provided by Operating Activities | 14 (a) (i) | <u>(637,064)</u> | <u>400,186</u> |
| Cash flows from investing activities | | | |
| Acquisition of property, plant & equipment | | <u>(11,972)</u> | <u>(328,751)</u> |
| Net cash used in Investing Activities | | <u>(11,972)</u> | <u>(328,751)</u> |
| Cash flows from financing activities | | | |
| (Repayment)/proceeds of borrowings | | 631,168 | (55,050) |
| Receipt/(advance) to Parking Meter | | 980 | - |
| Net cash provided by Financing Activities | | <u>632,148</u> | <u>(55,050)</u> |
| Net decrease in cash and cash equivalents | | (16,888) | 16,385 |
| Cash and cash equivalent at the beginning of the year | | <u>72,730</u> | <u>56,345</u> |
| Cash and cash equivalent at the end of the year | 14 (a) (ii) | <u>55,842</u> | <u>72,730</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 21

BA TOWN COUNCIL
STATEMENT OF CASH FLOWS - PARKING METER FUND
FOR THE YEAR ENDED 31 DECEMBER 2014

| | Notes | 2014 Inflows/ (Outflows) | 2013 Inflows/ (Outflows) |
|--|-------------|--------------------------------|--------------------------------|
| Cash flows from operating activities | | | |
| Receipts from customers (meter tolls and other revenues) | | 29,766 | 24,668 |
| Payments to suppliers and employees | | (34,594) | (24,459) |
| Net cash (used)/provided by Operating Activities | 14 (b) (i) | <u>(4,828)</u> | <u>209</u> |
| Cash flows from investing activities | | | |
| (Decrease)/Increase in advance from general fund | | - | - |
| Net cash used in Investing Activities | | <u>-</u> | <u>-</u> |
| Net (decrease)/increase in cash and cash equivalents | | (4,828) | 209 |
| Cash and cash equivalent at the beginning of the year | | <u>8,394</u> | <u>8,185</u> |
| Cash and cash equivalent at the end of the year | 14 (b) (ii) | <u>3,566</u> | <u>8,394</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 21

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

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 2014 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 :-

| | <u>Rate</u> |
|------------------------|--------------------|
| 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% |

(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 2006. Roads, Drains and Footpaths has been transferred to Fiji Roads Authority in 2012.

(f) Revenue Recognition

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

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014

(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.

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 is 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 2014

| NOTE 2. CASH AT BANK AND ON HAND | | 2014 | 2013 |
|---|------------------------|-----------------|-----------------|
| | | \$ | \$ |
| Petty Cash | | 200 | 200 |
| Cash on hand | | 499 | 698 |
| | Westpac account | 1,656 | - |
| | Civic Building Account | 39,474 | 610 |
| | Ba Market Complex Acc | - | 15,984 |
| | Reserve Account | 32,041 | 14,064 |
| | Capital Works Account | 51,095 | 59,266 |
| | City Wide | 4,835 | - |
| | | <u>129,800</u> | <u>90,822</u> |
| Bank overdraft | Westpac overdraft | | (18,092) |
| | Bsp overdraft | (73,958) | - |
| | | <u>(73,958)</u> | <u>(18,092)</u> |
| Parking Meter Fund | | \$ | \$ |
| Cash at bank | | 3,566 | 8,394 |
| Cash on hand | | (33) | - |
| | | <u>3,533</u> | <u>16,788</u> |
| NOTE 3. RECEIVABLES | | \$ | \$ |
| General Fund | | | |
| Rate debtors | | 756,436 | 637,102 |
| Provision for Doubtful Debts | | (95,015) | (70,064) |
| Other sundry debtors | | 185,952 | 2,599 |
| | | <u>847,373</u> | <u>569,637</u> |
| Parking Meter Fund | | | |
| Other sundry debtors | | - | - |
| | | <u>-</u> | <u>-</u> |
| NOTE 4. ADVANCE | | \$ | \$ |
| Advance to parking meter | | 155,636 | 156,616 |
| | | <u>155,636</u> | <u>156,616</u> |

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014

| | 2014 | 2013 |
|--|------------|------------|
| NOTE 5. PROPERTY, PLANT AND EQUIPMENT | \$ | \$ |
| General fund | | |
| Leasehold land - at valuation | 3,729,206 | 3,770,174 |
| Building - at valuation | 12,499,095 | 12,633,861 |
| Plant and equipment - at valuation | 181,506 | 164,864 |
| Roads and drainage - at valuation | - | - |
| Motor vehicles - at valuation | 77,162 | 112,134 |
| Work in Progress | 247,229 | 290,742 |
| Total property, plant and equipment, net - General Fund | 16,734,198 | 16,971,775 |
| <u>Parking Meter account</u> | | |
| Office equipment and fixtures - at valuation | 123 | 184 |
| Plant, machinery and tools - at valuation | - | - |
| Total property, plant and equipment, net - Parking meter | 123 | 184 |

Property, plant and equipment were revalued as at 31 December 2007 by Fairview Valuations, Suva.

(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 | 2014 | 2013 |
| <u>Leasehold land - valuation</u> | | |
| Carrying amount at beginning | 4,056,950 | 4,056,950 |
| Accumulated Amortisation | (286,776) | (245,808) |
| Amortisation | (40,968) | (40,968) |
| | 3,729,206 | 3,770,174 |
| <u>Building - valuation</u> | | |
| Carrying amount at beginning | 13,506,214 | 13,483,132 |
| Accumulated Depreciation | (873,394) | (742,972) |
| Disposals | - | - |
| Addition | - | 24,123 |
| Depreciation | (133,725) | (130,422) |
| | 12,499,095 | 12,633,861 |
| <u>Plant and equipment - at valuation</u> | | |
| Carrying amount at beginning | 342,038 | 233,766 |
| Accumulated Depreciation | (145,004) | (117,914) |
| Disposals | - | - |
| Addition | 22,136 | 83,041 |
| Depreciation | (37,664) | (34,030) |
| | 181,506 | 164,863 |

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014

| | 2014 \$ | 2013 \$ |
|--|-------------------|-------------------|
| <u>Roads and drainage - at valuation</u> | | |
| Carrying amount at beginning | - | 2,793,035 |
| Accumulated Depreciation | - | (2,793,035) |
| Depreciation | - | - |
| | <u>-</u> | <u>-</u> |
| <u>Motor Vehicles - at valuation</u> | | |
| Carrying amount at beginning | 347,311 | 335,105 |
| Additions | 5,220 | 12,206 |
| Accumulated Depreciation | (238,177) | (187,058) |
| Depreciation | (37,192) | (48,119) |
| | <u>77,162</u> | <u>112,134</u> |
| <u>Work in Progress</u> | | |
| Carrying amount at beginning | - | - |
| Additions | 247,229 | 463,761 |
| Accumulated Depreciation | - | 290,742 |
| Depreciation | - | (463,761) |
| | <u>247,229</u> | <u>290,742</u> |
| Total balance as at 31 December 2014 | <u>16,734,198</u> | <u>16,971,774</u> |
| (a) Movements in Carrying Amounts - Parking Meter | | |
| <u>Parking Meter</u> | | |
| <u>Office equipment and fixtures - at valuation</u> | | |
| Carrying amount at beginning | 1,141 | 184 |
| Accumulated Depreciation | (957) | - |
| Depreciation | (61) | - |
| | <u>123</u> | <u>184</u> |
| <u>Plant, machinery and tools - at valuation</u> | | |
| Carrying amount at beginning | 28,787 | - |
| Accumulated Depreciation | - | - |
| Depreciation | (28,787) | - |
| | <u>-</u> | <u>-</u> |
| Total balance as at 31 December 2014 | <u>123</u> | <u>184</u> |
| NOTE 6. CREDITORS | \$ | \$ |
| <u>General Fund</u> | | |
| (i) Sundry creditors and accruals | <u>163,218</u> | <u>251,402</u> |
| <u>Parking Meter Fund</u> | \$ | \$ |
| Advance from general fund | 155,636 | 156,616 |
| Other creditors | 3,149 | 3,052 |
| | <u>158,785</u> | <u>159,668</u> |
| Vat Payable | 49 | |

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014

| NOTE 7. | TERM LOANS | 2014 | 2013 |
|---------|--|------------------|------------------|
| | | \$ | \$ |
| | <u>General Fund</u> | | |
| | Westpac Banking Corporation | - | 262,183 |
| | Merchant Finance - M/V Refinance | - | 67,888 |
| | FNPF | - | 2,302,855 |
| | Bank of the South Pacific | 121,727 | - |
| | Bank of the South Pacific | 2,559,594 | - |
| | | <u>2,681,321</u> | <u>2,632,926</u> |
| | Loan principal commitment at balance date: | | |
| | Payable within one year | 317,520 | 582,773 |
| | Payable later than one year, not later than two years | 277,841 | 519,097 |
| | Payable later than two years, not later than five years | 704,160 | 1,371,621 |
| | Payable later than five years | 2,271,051 | 960,175 |
| | | <u>3,570,572</u> | <u>3,433,666</u> |
| | Less: future finance charges not provided for | <u>(889,251)</u> | <u>(800,740)</u> |
| | | <u>2,681,321</u> | <u>2,632,926</u> |
| | Represented in the balance sheet as: | | |
| | Current | 317,520 | 582,773 |
| | Non-current | 2,363,801 | 2,050,153 |
| | | <u>2,681,321</u> | <u>2,632,926</u> |
| | Loans raised by the Council bear interest ranging from 4.25% to 6% per annum. All loans are raised under the provisions of the Local Government Act, and are secured by: | | |
| | first registered fixed and floating charge over Ba Town Council Assets and income (current and future) and stamped to cover advances upto \$3,250,000.00 | | |
| | first registered mortgage (stamped collateral to security item 1) over commercial property compromised in crown lease number 15776 being lot 1 on SO plan number 4981, situated in the town of Ba | | |
| | First registered mortgage (stamped collateral to security item 1) over commercial property compromised in certificate of title number 12347 situated in the town of Ba being: Lot 2 on deposit plan number 3003; lot 6 on deposit plan number 1838 and lots 1 & 2 on BA plan number 2118 | | |
| | assignment of rental proceeds over commercial property compromised in Crown Lease Number 15776 being lot 1 on SO Plan Number 4981. | | |
| NOTE 8. | PROVISIONS | | |
| | <u>General Fund</u> | | |
| | Annual leave | <u>25,081</u> | <u>19,595</u> |
| | <u>Parking Meter Fund</u> | | |
| | Annual leave | <u>1,410</u> | <u>639</u> |

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014

| | | 2014 | 2013 |
|--|--|-----------|-----------|
| | | \$ | \$ |
| NOTE 9. RESERVES | | | |
| | <u>Current account</u> | | |
| | Asset revaluation reserve | 9,784,091 | 9,784,091 |
| | | | |
| | <u>Asset Revaluation Reserve comprise of :</u> | | |
| | Revaluation increment on assets | 9,784,091 | 9,784,091 |
| | | 9,784,091 | 9,784,091 |
| | | | |
| | <u>Parking meter account</u> | | |
| | Asset revaluation reserve | 29,981 | 29,981 |
| | | | |
| | <u>Asset Revaluation Reserve comprise of :</u> | | |
| | Revaluation increment on assets | 29,981 | 29,981 |
| | | 29,981 | 29,981 |
| | | | |
| | <u>PRIOR YEAR</u> | | |
| | Waiver of interest | - | 9,249 |
| | | - | 9,249 |
| | | | |
| NOTE 10. CAPITAL COMMITMENTS | | | |
| | Capital commitment at balance date is NIL (2014 - NIL) | | |
| NOTE 11. CONTINGENT LIABILITIES | | | |
| | An amount of \$69,818 is held at BSP as a guarantee in respect of FEA for Civic building and Ba market Complex Building. | | |
| NOTE 12. 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 13. 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. | | |

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 14. NOTES TO THE STATEMENT OF CASH FLOWS

| (a) | (i) Reconciliation of Net Cash provided by Operating Activities to Net Surplus | 2014 | 2013 |
|------------|---|------------------|----------------|
| | | \$ | \$ |
| | Net surplus/(deficit) for the year - General fund | 227,780 | (33,792) |
| | Net surplus/(deficit) for the year - Loan rate fund | (181,603) | 113,900 |
| | Depreciation | 249,549 | (245,928) |
| | Rent Written Off | - | (9,249) |
| | Provisions | 24,951 | |
| | Net cash provided by operating activities before changes in assets and liabilities | 320,677 | (175,069) |
| | Change in assets and liabilities: | | |
| | Increase in other assets | (288,100) | (43,995) |
| | Increase in provisions | 29,599 | 1,235,492 |
| | Increase in creditors and borrowings | (699,240) | (616,242) |
| | Net cash inflows from operating activities | (637,064) | 400,186 |

(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 and Cash Equivalents (continued)

| | | |
|--------------------------|---------------|---------------|
| Cash on hand and at bank | 129,800 | 90,822 |
| Bank overdraft | (73,958) | (18,092) |
| | <u>55,842</u> | <u>72,730</u> |

(b) Parking Meter Fund

| (i) Reconciliation of Net Cash provided by Operating Activities to Net Surplus | \$ | \$ |
|---|----------------|------------|
| Net (deficit)/surplus for the year | (4,742) | 677 |
| Provisions | 771 | |
| Depreciation | 123 | 2,962 |
| Net cash provided by operating activities before changes in assets and liabilities | (3,848) | 3,639 |
| Decrease/(increase) in sundry Debtors | - | 10 |
| (Decrease)/increase in sundry creditors | (980) | (2,911) |
| Increase/(decrease) in provisions | - | (529) |
| Net cash inflows from operating activities | (4,828) | 209 |

(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 | (33) | - |
| Cash at bank | 3,566 | 8,394 |
| | <u>3,533</u> | <u>8,394</u> |

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014

| | 2014 | 2013 |
|---|---------------|----------|
| | \$ | \$ |
| NOTE 15. <u>Unutilised grant</u> | | |
| This amount represents the unutilised grant received from the Ministry of Local Government of \$267,632 for development of Clopcott subdivision | | |
| Grant received | 267,631 | - |
| Less: Amount utilised | (216,777) | - |
| Unutilised | <u>50,854</u> | <u>-</u> |