



# LABASA TOWN COUNCIL



# ANNUAL REPORT 2009



PARLIAMENT OF FIJI  
PARLIAMENTARY PAPER NO. 109 OF 2020



---

# LABASA TOWN COUNCIL

## Annual Report for the Year 2009

---





# LABASA TOWN COUNCIL

## CIVIC CENTRE BUILDING

P.O.Box 92, LABASA, FIJI

PH: (679) 8811066/8811331

Fax: (679) 8813718



E-mail: lbstc@connect.com.fj

IN REPLY Please Quote:

The Honorable Premila Kumar

Minister for Local Government, Housing & Community Development

Gladstone Road

Suva

Dear Madam

I have much pleasure in submitting the Labasa Town Council Annual Report for year 2009.

The report provides details of activities for the Council throughout the year.

The Annual Report 2009 has been prepared in the accordance with the provisions of section 19 (1) (a), (b) and (c) of the Local Government Act Cap.125

Yours Faithfully

A handwritten signature in black ink, appearing to read 'Sumeet Prasad', is written over a horizontal dashed line.

Mr. Sumeet Prasad

*For* Chief Executive Officer

Labasa Town Council



## **FORWARD**

Labasa Town Council is delighted to present the 2009 Annual Report for Labasa Town Council. The report provides an opportunity to reflect and present details of events that have transpired through the course of the Council' Operation.

For the past years, the Labasa Town Council has sincerely endeavored to pursue its mandate of providing effective and efficient basic services to our people. Labasa Town Council was able to deliver its expected services, despite financial challenges posed to the council in year 2009, through the rates collected from 1408 rate payer, business licenses and taxi, carrier and bus operators and the assistance of the government funding through annual grants.

To conclude, Labasa Town Council with the devoted staffs and the supportive ratepayers and with the much needed support from our ministry continues to work and achieve the desired vision of achieving excellence through dedication.



Mr.Sumeet Prasad

*For* Chief Executive Officer

**Labasa Town Council**

## **INTRODUCTION**

Annual Report is a summary of proceedings and activities of the Council from January 1, 2009 to December 31, 2009 (s19).

## **EXPIRY OF COUNCILLORS TERM IN OFFICE**

The Ministry of Local Government on the 10<sup>th</sup> of December, 2008 informed that Cabinet through Cabinet Decision IGCP (08)439 of 02.12.08 had approved that the term of all Councillors will expire on the 31<sup>st</sup> of January, 2009. Town Clerks in the transition period were to control the affairs of the Council.

Council was told not to conduct any further meetings of the council nor commit to any capital works without the approval of the Minister.

## **APPOINTMENT OF SPECIAL ADMINISTRATOR**

The Ministry of Local Government, Urban Development, Housing and Environment appointed **Mr. Vijay Chand JP** as the Special Administrator of Labasa & Savusavu Town Council's on the 11<sup>th</sup> of February, 2009.

This appointment was as in Section 9A(1) of the Local Government (Amendment) Promulgation 2008 (Promulgation no. 29 of 2008).

The Special Administrator under subsection 1 shall be deemed to be the duly constituted council of the assigned municipality and shall subject to any general or specific directions issued by the Minister, have the power to perform and discharge all rights, privileges, powers, duties and functions vested in or conferred or imposed on the council, and any officer of the council by the Act or any other written Law.

## **SENIOR OFFICERS OF THE COUNCIL**

Town Clerk/Chief Executive Officer	-	Mr Jitendra Prasad
Deputy Town Clerk/Treasurer	-	Mr Chandrika Prasad
Health Inspector/Building Surveyor	-	Mr Mohammed Faiz Ali
Librarian	-	Mrs Subhag L Nadan
Market Master	-	Mr Satya Nand
Town Ranger/Works Supervisor	-	Mr Ram Datt
Parking Meter Supervisor	-	Mr Ashok Kumar



## **POPULATION**

Estimated population for 2009 (census 2007):

Labasa Urban	-	7,700
Labasa Peri Urban	-	20,200

Other Provinces that the council indirectly serves:

Bua	-	14,000
Macuata	-	72,250
Cakaudrove	-	49,250

## **RATES**

Town Rates are the highest income source for the Council Rates are levied on unimproved capital value of all rateable properties within the town.

Rates Levied for the year 2009 were as follows:-

General Rate	-	0.737 cents in the \$ on UV
Lighting Rate	-	0.125 cents in the \$ on UV
Loan Repayment Rate	-	0.200 cents in the \$ on UV

-----  
1.062 cents in the \$ on UV  
=====

Audited Financial Statement is attached as Appendix I
---

## **ACTIONS AGAINST DEFAULTING RATEPAYERS**

The Council is taking the following actions against defaulting ratepayers to enhance rate collection, especially arrears of rates:

- House to house rate collections (most effective)
- Payment of rates by instalments (most effective)
- Reminder notices served to defaulters
- Summons through Small Claims Tribunal
- Lodging of Fiji Charge on property owing huge rates
- Forward to Solicitors for High Court action
- Deductions at source
- Data Bureau registration

### **TOTAL VALUE OF PROPERTIES**

Total value of rateable properties based on year 2000 valuation:  
\$50,440,100 UV

### **COUNCIL AUDITORS**

The Auditor General's Office of Fiji.

### **COUNCIL BANKERS**

Bank of Baroda.  
Westpac Banking Corporation Limited.  
Australia and New Zealand Banking Group Limited.

### **PUBLIC HEALTH, SANITARY SERVICES AND ENVIRONMENT**

Detailed report is attached as Appendix II.

### **CONTRACTING OF GARBAGE SERVICES**

Garbage Collection services was outsourced to Mr. H L B Limited on the 18<sup>th</sup> of May, 2009 for a 3 year contract. The move was in line with cost cutting measures of the Council and also to see that service deliveries to the ratepayers are improved and at a more efficient level.



### **NEW PUBLIC CONVINIENCE**

The Government of Japan via the Embassy of Japan provided grant funds of amount FJ\$85,746.00 on 11<sup>th</sup> November 2008 to Labasa Town Council for construction of a New Public Toilet at the Market area for the people of Labasa.

Commissioner Northern Division Col. Inia Seruiratu officiated the ground breaking ceremony and the construction was undertaken by Jaduram Industries Limited. The new toilet has 17 individual cubicles and also has special provisions for handicapped persons.

This project was officially opened and handed over to the Council by His Excellency Yoshihiro Toyomitsu of the Embassy of Japan.



### **FENCING OF RIVERSIDE MARKET**

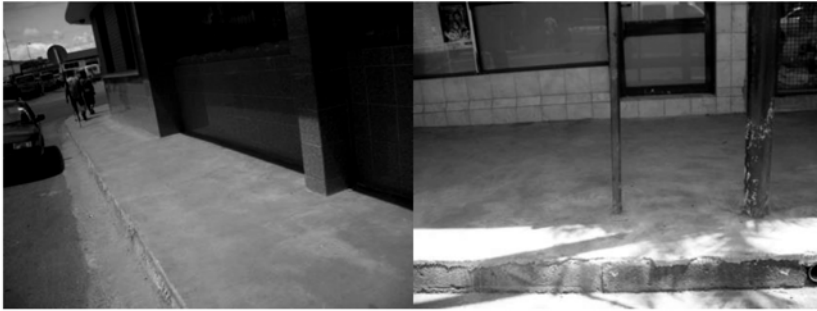
The Government of Japan via the Embassy of Japan provided grant funds of amount FJ\$17,319.52 on 22<sup>nd</sup> July 2009 to Labasa Town Council for construction of fence along the Riverside Market area including the public toilet to avoid illegal trespassing of people into Council premises after hours especially overnight sleeping at the market. The construction was undertaken by Labasa Town Council's Technical department.



### **UPGRADING OF FOOTPATH ALONG NASEAKULA ROAD**

Works commenced on resurfacing of the main town footpaths which was in a pathetic condition. This project was funded by the Challenge Fund from the Ministry of Local Government and the Council on a dollar to dollar basis. The total project is expected to cost \$70,000.00, completing almost half the town only.





### **NEW FOOD PARCEL SHELTER**

In an effort to separate food stall holders from the main market trading area, the Council provided separate stalls for food vendors only at a new site which is closer to the Civic Centre and provides much hygienic presentation and at the same time have access to better scenery and seating facilities.

This project was mostly to help the women especially single mothers, prisoner's wives, widows, etc. to earn a decent living.



### **REFURBISHMENT OF CIVIC CENTRE BUILDING**

The deteriorating condition of the Civic Centre building, which is the main centre of administration of the town, forced the Council to refurbish the exterior paintings as the first phase of works starting in July, 2009 to upgrade the main administration center.

The refurbishment was undertaken by Pyare Industries at a cost of \$29,371.00.



### REPLACEMENT OF STREET LIGHTS

Council had replaced 30 old and uncovered streets lights at various locations with new covered street lights to minimize defects and maintenance costs. This program will continue in future years until all street lights are with proper covers.

### ROAD WORKS

The Prime Minister's Office on the 10/08/09, all Council's were advised to cease major road upgrading works within town area and that rehabilitation & maintenance of all municipal roads are to be implemented by **Central Coordinating Agency (CCA)**, housed in the Ministry of Finance.

However, resealing work at Delailabasa that is part of Macuata Drive was undertaken by the Council in partnership with Department of National Roads after ratepayers could not bear the pathetic condition of the road.



### COUNCIL NURSERY

Under a new venture, the Council has constructed its own nursery at the Works depot in Namara. This small building is to place seeds, cuttings of flowers and initial planting of seedlings and volunteers are being sought for beautification projects in town.



### **PLANTERS IN TOWN**

With new beautification projects in place several new planters were placed in the main town street with compliments of HOPE Group and Festival of the Friendly North Committee. This will continue every year to further beatify Labasa Town.



### **SEXXENIAL VALUATION**

The last revaluation was done in year 1999 and in effect from year 2000. The new unimproved value was to be effective from 01/01/06, however due to the floods and unforeseen elements the Council had deferred revaluation of the Town.

As such, Registered Valuers in the Ministry of Lands and Mineral Resources were appointed as official valuers for Labasa Town on 23rd of June, 2009 to carry out revaluation of all rateable properties in town boundary as per the Scheme Plan of Labasa Town 2007.

The new unimproved value is to be in effect from 01/01/10.



### PARKING METERS

All coined parking meters were configured to suit the new coins introduced by the Reserve Bank of Fiji on the 1<sup>st</sup> of April, 2009 and were certified by the Fair Trading Department.

### COUNCIL NEWSLETTER

Community newsletter of Labasa Town Council known as the "**Babasiga Beat**" was launched with its 1<sup>st</sup> Volume published and distributed in June, 2009 to ratepayers and major stakeholders. The newsletter depicted major activities and events of the Council proceeding every six months.

Volume 1, Issue 2 was later published in December, 2009.

### VODAFONE FESTIVAL OF THE FRIENDLY NORTH

The Council was an active participant in the Vodafone Festival of the Friendly North held in September, 2009. Miss Labasa Town Council (Miss Ezabella Vuniwai) was crowned the Miss Friendly North 2009.

Thereafter, a thanks giving function was organized to thank the Vuniwai Family and the Council employees for their support and contribution.



## **COUNCIL'S VISIT TO PRISONS DEPARTMENT**

### **DONATIONS RECEIVED**

Computer equipment worth \$6,000 was donated to the Council by the Embassy of the Republic of China. It also included a power point projector that will be used for in-house training and creating awareness on Council events & activities.

British High Commission, Commonwealth Local Government Forum, Indian High Commission and Ahmadiya Muslim League contributed some books, pamphlets and magazines to the Council Library.



### **MAJOR GUESTS & VISITATIONS TO THE COUNCIL**

Ratu Epeli Nailatikau - President of Fiji

Col. Samuela Saumatua - Minister for Local Government, Urban Development, Housing & Environment

Col. Iferemi Vasu - RFMF

Iowane Naivalurua - Commissioner of Prisons & Correctional Services

Aric Bickel - HOPE, Labasa

James Batley - Australian High Commissioner

Claire Scott - Australian High Commission Rep.

Joyce Rounds - British High Commission Rep.

Kenny Kwang-ki Kim - Korean Embassy Rep.

Fei Mingxing - Chinese Embassy Rep.

Chen Yuwen - Chinese Embassy Rep.

Shen Xiuxia - Chinese Embassy Rep.

Ms. Niqa Tuvuki - Department of Culture & Heritage

Paul Jaduram - Ex Mayor

Leslie Forrest - Peace Corps

Chief Executive Officer, Home Finance Company

### **APPRECIATION**

The council wishes to convey its appreciation to the ratepayers for paying their rates to meet the running cost of the council administration & operations and sincerely appreciates the assistance received from the Government through the Hon. Minister for Local Government and other departments which we deal with.

Submitted to the Hon. Minister for Local Government, Urban Development, Housing and Environment.

**Mr. Vijay Chand JP**  
**SPECIAL ADMINISTRATOR**







REPUBLIC OF THE FIJI ISLANDS  
OFFICE OF THE AUDITOR GENERAL

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

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



ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

File 735/1

20 December 2010

Mr. Vijay Chand  
Special Administrator  
Labasa Town Council  
PO Box 92  
**Labasa**

Dear Mr. Chand

**Audited Financial Statement for Labasa Town Council for the Year Ended 31 December 2009**

Two copies of the financial statements for the year ending 31 December 2009 together with my audit report on them are enclosed.

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

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

Yours sincerely

Tevita Bolanavanua  
**Auditor General**

Cc: Minister for Local Government, Urban Development, Housing and Environment

Encl.





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

REPUBLIC OF THE FIJI ISLANDS  
OFFICE OF THE AUDITOR GENERAL

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



ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

**LABASA TOWN COUNCIL  
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2009  
INDEPENDENT AUDIT REPORT**

**Scope**

I have audited the financial statements of the Labasa Town Council for the year ended 31 December 2009 in accordance with Section 57(2) of the Local Government Act and Section 13 of the Audit Act. The financial statements consist of the Statement of Financial Position, Statement of Revenue and Expenditure, Statement of Cash Flows and the accompanying notes. The Council is responsible for the preparation and presentation of the financial statements and the information contain therein. My responsibility is to express an opinion on these financial statements.

My audit has been conducted in accordance with the Fiji Standards on Auditing to provide reasonable assurance as to whether the financial statements are free of material misstatement. My procedures included examination on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates.

These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with the Fiji Accounting Standards and statutory requirements, so as to present a view which is consistent with my understanding of the Council's financial position, the results of its operations and its cash flows.

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

**Qualifications**

1. The Statement of Revenue and Expenditure of the Council has been prepared using the cash basis of accounting and does not take into account revenues not received and expenditures not paid at balance date. Similarly, Property Plant & Equipment have not been incorporated in the Statement of Financial Position contrary to Fiji Accounting Standard (FAS) 16 and section 57(1) of the Local Government Act.
2. The Council used the General Fund account for paying Parking Meter expenses from 01 January 2009 to 31 May 2009 without obtaining prior approval from the Minister contrary to section 48 of the Local Government Act.
3. Section 10 of the National Fire Authority Act requires the Council to pay fire rates collected by the Council from 1995 to the National Fire Authority. Fire rates amounting to \$19,429 were still held in the Fire Services account. The Council did not disclose the amount owed to National Fire Authority.

**Qualified Audit Opinion**

In my opinion, because of the effect of matters discussed in the preceding paragraphs, the financial statements do not give a true and fair view of the financial position of the Council as at 31 December 2009 and the results of the Council's operations and its cash flows for the year then ended.

- Without further qualifying the opinion expressed above, attention is drawn to the following matter:
  - Included in the statement of Financial Position is VAT Receivable amounting to \$17,355. From Council's reconciliation it was noted that the above amount relates to prior years. However, I am unable to substantiate this amount as no record or listing was provided to indicate the year for which this receivable relates to.

*T. Bolanavanua*

Tevita Bolanavanua  
**AUDITOR GENERAL**

Suva, Fiji  
20 December 2010



LABASA TOWN COUNCIL  
AUDITED FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2009

---

CONTENTS

	Page No
General Fund Account - Statement of Financial Position.....	2
General Fund Account - Statement of Revenue and Expenditure.....	3 - 5
Lighting Fund Account - Statement of Revenue and Expenditure.....	6
Fire Service Fund Account - Statement of Revenue and Expenditure.....	7
Loan Repayment Fund Account - Statement of Revenue and Expenditure.....	8
Car Park Fund Account - Statement of Revenue and Expenditure.....	9
General Fund Account - Statement of Cash Flows.....	10
Parking Meter Fund Account - Statement of Financial Position.....	11
Parking Meter Fund Account - Statement of Revenue and Expenditure.....	12
Parking Meter Fund Account - Statement of Cash Flows.....	13
Notes to and forming Part of the Financial Statements.....	14 - 18



LABASA TOWN COUNCIL  
GENERAL FUND ACCOUNT  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2009

	NOTES	2009 \$	2008 \$
<b>Current Assets</b>			
Cash at bank	2	77,451	120,003
Imprest Account	2	318	(58)
Advances	4	306,782	302,850
VAT receivable		17,355	-
<b>Total Current Assets</b>		<b>401,906</b>	<b>422,795</b>
<b>Non-Current Assets</b>			
Fixed assets less depreciation	3	94,190	192,707
<b>Total Assets</b>		<b>496,096</b>	<b>615,502</b>
<b>Current Liabilities</b>			
Miscellaneous deposits	5	123,447	117,845
Rates received in advance		7,571	7,571
<b>Total Current Liabilities</b>		<b>131,018</b>	<b>125,416</b>
<b>Non-Current Liabilities</b>			
Loan funds less repayment	6	143,984	235,777
<b>Total Liabilities</b>		<b>275,002</b>	<b>361,193</b>
<b>Net Assets</b>		<b>221,094</b>	<b>254,309</b>
<b>Accumulated Fund</b>	7	<b>221,094</b>	<b>254,309</b>

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 14 to 18.

**COUNCIL'S STATEMENT**

In our opinion, the financial statements have been properly drawn up so as to show a true and fair view of the Labasa Town Council's operations for the year ended 31 December 2009 and of the state of affairs and cash flows as at that date.

.....  
Special Administrator  
Mr. Vijay Chand

.....  
Town Clerk/CEO  
Mr. Jitendra Prasad

**LABASA TOWN COUNCIL  
GENERAL FUND ACCOUNT  
STATEMENT OF REVENUE AND EXPENDITURE  
YEAR ENDED 31 DECEMBER 2009**

	NOTES	2009 \$	2008 \$
<b>The Revenue for the year was derived from :</b>			
Administration cost		17,607	4,313
Bank interest		388	65
Building fees		7,597	3,767
Bus station, car park and taxi base fees		56,939	60,854
Business, trading, professional & other licences		115,282	110,786
Contribution for management expenses	10	4,037	4,037
Garbage fees arrears	9	2,011	267
Gate fees - sports ground/squash courts		12,377	26,934
General rates		342,825	374,601
General rates on state land		21,179	22,524
Interest on overdue account		2,945	2,009
Interest on overdue rates		28,240	4,396
Japanese Government Aid		-	103,718
Market fees		196,703	195,368
Miscellaneous		79,565	30,840
Playing field hire charge		26,280	29,455
Government grant		31,111	-
Rent from council properties		156,702	141,737
Sale of Garbage Truck		3,556	-
Transfer from Parking Meter Fund Account		3,612	-
<b>Total Revenue</b>		<b>1,108,956</b>	<b>1,115,671</b>
Acquisition of land application fees		550	550
Advertising		3,959	3,644
Anti mosquito campaign litter awareness		2,527	4,239
Audit fees		14,444	7,778
Bank Interest		-	1,270
Charity Queen		-	500
Civic reception & entertainment		4,584	5,889
Computer software		5,644	2,667
Cyclone Ami rehabilitation		4,430	5,234
Financial loss allowance		175	12,450
FNPF contribution		42,125	47,530
Garbage services		74,691	68,736
Incidental		12,873	8,711
Insurance		17,571	-
Interest on overdue account		-	14,222

**LABASA TOWN COUNCIL  
GENERAL FUND ACCOUNT  
STATEMENT OF REVENUE AND EXPENDITURE (Cont'd)  
YEAR ENDED 31 DECEMBER 2009**

	2009	2008
	\$	\$
Land rent	36,311	54,864
Legal expenses	13,841	9,345
Maintenance and operation of expense of plants & equipment	58,115	54,667
Maintenance expenses - market, pavillion & public convenience	165,831	153,433
Maintenance of flood lights	-	2,335
Maintenance of roads, footpath, drains and parks	128,714	113,547
Maintenance of swimming pool	-	29
Maintenance services on contract	35,172	47,950
Mayoral allowance	500	2,000
Medical consultation fees	1,237	1,160
Office equipment maintenance	-	394
Personal emoluments	212,436	222,560
Printing, stationery and equipment	11,827	8,922
Staff training development	407	2,114
Subscription	300	1,850
Tea expenses	1,442	1,213
Telephone/water and electrical charges	51,034	61,864
TPAF	9,088	4,528
Access & Reclamation of Garbage Dump	10,378	-
Travelling & subsistence	14,904	21,530
Loan Penalty	-	4,399
Uniform & protective clothing expenses	7,936	5,485
Valuation fees	15,556	-
<b>Total Operating Expenditure</b>	<u>958,602</u>	<u>957,609</u>

LABASA TOWN COUNCIL  
GENERAL FUND ACCOUNT  
STATEMENT OF REVENUE AND EXPENDITURE (Cont'd)  
YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
<b>Capital Expenditure</b>		
Construction of temporary toilet	8,503	-
Construction of bus stand shelter	-	839
Construction of market 3 & 4 enclosure	11,773	-
Construction of toilets	76,765	300
Construction of canteen	-	2,804
Purchase of vehicle	28,000	-
Upgrading of footpath	27,103	-
Purchase of computer	3,622	-
Purchase of Garbage Truck	-	6,000
Purchase of tools and equipment	12,697	3,379
Traffic and street signs	792	643
Upgrading of roads	17,778	125,360
Construction of food shelter	2,298	-
<b>Total Capital Expenditure</b>	<u>189,331</u>	<u>139,325</u>
<b>Total Expenditure</b>	<u>1,147,933</u>	<u>1,096,934</u>
<b>Net (Deficit)/Surplus</b>	<u>(38,977)</u>	<u>18,737</u>
<b>Add Deficit Balance at 1 January of</b>	<u>(34,595)</u>	<u>(53,332)</u>
<b>Deficit Balance at 31 December of</b>	<u>(73,572)</u>	<u>(34,595)</u>

LABASA TOWN COUNCIL  
 LIGHTING FUND ACCOUNT  
 STATEMENT OF REVENUE AND EXPENDITURE  
 YEAR ENDED 31 DECEMBER 2009

	NOTES	2009 \$	2008 \$
<b>The Revenue for the year was derived from</b>			
Lighting rate		60,891	63,669
Lighting rate on state land		3,592	3,820
<b>Total Revenue</b>		<u>64,483</u>	<u>67,489</u>
 <b>The expenditure for the year was incurred on</b>			
Administrative charges to general fund	10	1,011	1,011
Installation of street lights		309	555
Maintenance & installation of festoon lights		-	2,820
Maintenance of street lights		43,806	51,033
<b>Total Expenditure</b>		<u>45,126</u>	<u>55,419</u>
<b>Net Surplus</b>		19,357	12,070
<b>Add Balance at 1st January of</b>		124,664	112,594
<b>Surplus Balance as at 31 December of</b>	7	<u>144,021</u>	<u>124,664</u>

**LABASA TOWN COUNCIL  
 FIRE SERVICE FUND ACCOUNT  
 STATEMENT OF REVENUE AND EXPENDITURE  
 YEAR ENDED 31 DECEMBER 2009**

---

<b>The Revenue for the year was derived from</b>	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Fire service rate - arrears	-	-
<b>Total revenue</b>	<u>-</u>	<u>-</u>
<b>The expenditure for the year was incurred on</b>		
 	-	-
<b>Total Expenditure</b>	<u>-</u>	<u>-</u>
<b>Net Surplus</b>	-	-
<b>Add Surplus balance as at 1 January</b>	<u>19,429</u>	<u>19,429</u>
<b>Surplus balance as at 31 December of</b>	<u><u>19,429</u></u>	<u><u>19,429</u></u>

(The fire service was taken over by National Fire Authority with effect from 1 February 1995)



**LABASA TOWN COUNCIL  
 LOAN REPAYMENT FUND ACCOUNT  
 STATEMENT OF REVENUE AND EXPENDITURE  
 YEAR ENDED 31 DECEMBER 2009**

	2009	2008
<b>The Revenue for the year was derived from</b>	<b>\$</b>	<b>\$</b>
Loan rate	103,788	101,843
Loan rate on state land	5,747	6,112
<b>Total Revenue</b>	<u>109,535</u>	<u>107,955</u>
<b>The expenditure for the year was incurred on</b>		
Interest charges	24,613	18,708
Principal repayment	98,517	54,235
<b>Total Expenditure</b>	<u>123,130</u>	<u>72,943</u>
<b>Net (Deficit)/Surplus</b>	<b>(13,595)</b>	<b>35,012</b>
<b>Add Deficit balance as at 1 January</b>	<u>(114,146)</u>	<u>(149,158)</u>
<b>Deficit balance as at 31 December</b>	<u>(127,741)</u>	<u>(114,146)</u>

**LABASA TOWN COUNCIL  
 CAR PARK FUND ACCOUNT  
 STATEMENT OF REVENUE AND EXPENDITURE  
 YEAR ENDED 31 DECEMBER 2009**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>The Revenue for the year was derived from</b>		
Car park contribution	-	114,878
<b>Total Revenue</b>	<u>-</u>	<u>114,878</u>
<b>The expenditure for the year was incurred on</b>		
<b>Total Expenditure</b>	<u>-</u>	<u>-</u>
<b>Net Surplus</b>	-	114,878
<b>Add Surplus balance as at 1 January</b>	<u>114,878</u>	<u>-</u>
<b>Surplus balance as at 31 December</b>	<u><u>114,878</u></u>	<u><u>114,878</u></u>

**LABASA TOWN COUNCIL  
GENERAL FUND ACCOUNT  
STATEMENT OF CASH FLOWS  
YEAR ENDED 31 DECEMBER 2009**

	NOTES	2009 \$	2008 \$
<b>Cash Flows from Operating Activities</b>			
Cash was provided from:			
Rates and other revenue		1,129,349	1,282,701
Interest		31,185	6,405
		<u>1,160,534</u>	<u>1,289,106</u>
Cash was applied to:			
Payments to Suppliers and employees		(1,011,611)	(1,125,358)
		<u>(1,011,611)</u>	<u>(1,125,358)</u>
Net Cash provided by Operating Activities		<u>148,922</u>	<u>163,748</u>
<b>Cash Flows from Investing Activities</b>			
Advance to Parking Meter		11,828	-
Cash was applied to:			
Acquisition of property, plant and equipment		(189,331)	(139,325)
Net Cash (used in) Investing Activities		<u>(177,503)</u>	<u>(139,325)</u>
<b>Cash Flows from Financing Activities</b>			
Cash was provided from:			
Loan Rate		109,535	107,955
Cash was applied to:			
Interest		(24,613)	(18,708)
Loan Repayment		(98,517)	(54,235)
		<u>(123,130)</u>	<u>(72,943)</u>
Net Cash provided by/(used in) Financing activities		<u>(13,595)</u>	<u>35,012</u>
Net decrease in Cash held		(42,176)	59,435
Balance at the beginning of the year		119,945	60,510
Net cash at the end of the reporting period	12	<u>77,769</u>	<u>119,945</u>

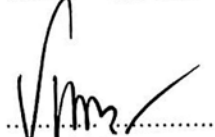
LABASA TOWN COUNCIL  
PARKING METER FUND ACCOUNT  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2009


	NOTES	2009 \$	2008 \$
<b>Current Assets</b>			
Cash at bank		5,803	-
<b>Total Current Assets</b>		<u>5,803</u>	<u>-</u>
<b>Non-Current Assets</b>			
Fixed assets less depreciation		-	3,612
<b>Total Non - Current Assets</b>		<u>-</u>	<u>3,612</u>
<b>Total Assets</b>		<u>5,803</u>	<u>3,612</u>
<b>Current Liabilities</b>			
Advance from General Fund		-	3,612
<b>Total Liabilities</b>		<u>-</u>	<u>3,612</u>
<b>Non Current Liabilities</b>			
Advance from General Fund		289,072	277,245
<b>Total Liabilities</b>		<u>289,072</u>	<u>280,857</u>
<b>Net Asset</b>		<u>(283,269)</u>	<u>(277,245)</u>
<b>Accumulated Fund</b>		<u>(283,269)</u>	<u>(277,245)</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 12 to 15.*

**COUNCIL'S STATEMENT**

In our opinion, the financial statements have been properly drawn up so as to show a true and fair view of the Labasa Town Council's operations for the year ended 31 December 2009 and of the state of affairs and cash flows as at that date.

  
.....  
Special Administrator  
Mr. Vijay Chand  
Date 15/12/10

  
.....  
Town Clerk/CEO  
Mr. Jitendra Prasad  
Date 15/12/10

**LABASA TOWN COUNCIL  
PARKING METER FUND ACCOUNT  
STATEMENT OF REVENUE AND EXPENDITURE  
YEAR ENDED 31 DECEMBER 2009**

---

<b>The Revenue for the Year was Derived from -</b>	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Meter tolls	20,754	13,822
Infringement fine	7,875	6,620
<b>Total revenue</b>	<u>28,629</u>	<u>20,442</u>
<b>The Expenditure for the Year was Incurred on</b>		
Administrative charges to general fund	3,026	3,026
Fiji National Provident Fund contribution	1,879	3,027
TPAF levy	295	227
Maintenance of parking meters including parking bays	3,710	4,498
Miscellaneous	300	46
Office rent	1,200	1,200
Printing & stationery	812	865
Purchase of office uniform	1,137	209
Wages and related payments	18,382	28,027
Insurance	300	-
Advance to General Fund Account	3612	-
<b>Total expenditure</b>	<u>34,653</u>	<u>41,125</u>
<b>Net Deficit</b>	<b>(6,024)</b>	<b>(20,683)</b>
<b>Add Deficit Balance as at 1 January</b>	<b>(277,245)</b>	<b>(256,562)</b>
<b>Deficit balance as at 31 December</b>	<u><b>(283,269)</b></u>	<u><b>(277,245)</b></u>

**LABASA TOWN COUNCIL  
PARKING METER ACCOUNT  
STATEMENT OF CASH FLOWS  
YEAR ENDED 31 DECEMBER 2009**

---

	2009	2008
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Meter tolls	20,754	13,822
Infringement fines	7,875	6,620
Payments to suppliers and employees	(34,653)	(41,125)
Net Cash (used in) Operating Activities	<u>(6,024)</u>	<u>(20,683)</u>

**LABASA TOWN COUNCIL  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
 YEAR ENDED 31 DECEMBER 2009**

---

**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 2009. Unless otherwise stated similar policies were followed in the previous year.

**a) Basis of Accounting**

The cash basis of accounting is adopted for all financial transactions.

**b) Fixed Assets Less Depreciation.**

The Council has adopted the policy of charging to income the full cost of assets at the time of acquisition, except those financed from loan funds. Fixed assets financed from loan funds are written down by the actual amount of annual repayments over the period of the loan.

**c) Going concern**

The Council's General Fund account recorded a net asset of \$77,015 for the financial year ended 31 December 2009. The financial statement have been prepared on a going concern basis.

**d) Arrears of Revenue**

As the Council's accounts are kept on cash basis, the arrears of rates and interest, garbage fees and other revenue at the end of the year not reflected in the accounts were:

	\$	\$
Rates	506,615	458,261
Interest	865,933	918,499
Garbage fees	1,749	1,749
Other revenue	380,712	338,973
<b>Total Arrears</b>	<u>1,755,009</u>	<u>1,717,482</u>

LABASA TOWN COUNCIL  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (Cont'd)  
 YEAR ENDED 31 DECEMBER 2009

2. CASH AT BANK

	2009	2008
	\$	\$
This comprised of:		
Current account	77,451	120,003
Imprest account	318	(58)
	<u>77,769</u>	<u>119,945</u>

3. FIXED ASSETS (FINANCED FROM LOAN FUNDS) AND DEPRECIATION  
 GENERAL FUND

	\$	\$
Book Value 01/01/09	192,707	246,942
Less: Repayment	<u>98,517</u>	<u>54,235</u>
	<u>94,190</u>	<u>192,707</u>

The opening book value in 2008 has been adjusted by \$144,079 to account for the asset capitalization. The Council raised loan of \$400,000 in 1996 for the construction of swimming pool and the roof of Subrail Park. The Council only capitalized \$255,921 in 1996 hence the book value of the asset was understated by \$144,079.

4. ADVANCES

	\$	\$
Public Works Department	-	380
Parking Meter Fund	283,269	280,857
Dishonoured cheques	3,763	1,863
Unspent balance of loan	19,750	19,750
	<u>306,782</u>	<u>302,850</u>

*300,000/loan pavilion*

5. MISCELLANEOUS DEPOSITS

	\$	\$
This comprised of:		
X Rent securities	<del>18,353</del>	17,990
Subrail Park security ✓	<del>9,547</del>	9,447
X Tender deposits	<del>2,600</del>	2,600
Installation of internet ✓	<del>35</del>	-
Drains, streets, roads, footpaths ✓	<del>55,179</del> 55,879	46,479
Library books ✓	<del>480</del> 12,790	12,230
Hire of auditorium ✓	<del>6,929</del>	6,937
Hire of chairs and tables ✓	<del>3,112</del>	3,062
Naodamu Park security ✓	<del>200</del>	200
Installation of banner ✓	<del>1,050</del>	900
	<u>110,495</u>	<u>99,845</u>



**LABASA TOWN COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (Cont'd)**  
**YEAR ENDED 31 DECEMBER 2009**

	2009	2008
	\$	\$
<b>5. MISCELLANEOUS DEPOSITS (continued)</b>		
Balance brought forward	110,495	99,845
✓ Cleaning of market and public toilets	4250 3,000	3,000
Garbage service security ✓	(4,952)	-
✗ Telecom upgrading project	5,000	5,000
Telecom civil works ✓	-	10,000
	<u>123,447</u>	<u>117,845</u>

**6 LOAN FUNDS LESS REPAYMENTS**

Loan raised by the Council bear interest charges ranging from 8.5% to 10.5% per annum and repayable within periods ranging from 5 to 15 years. All loans are secured by the assets of the Council except for a \$400,000 loan raised in 1996 for the construction of the swimming pool and repairs to the roofing of Subrail Park pavilion.

The balance of the loans were as follows:

<b>GENERAL FUND</b>	\$	\$
Balance at 1 January	235,777	285,613
Add Loan raised	-	-
	<u>235,777</u>	<u>285,613</u>
Less Repayment	98,517	54,235
Add Peanly Charged	6,724	4,399
Balance as at 31 December	<u>143,984</u>	<u>235,777</u>

**7. ACCUMULATED FUND - GENERAL FUND**

	\$	\$
This consists of:		
Lighting Fund account	144,021	124,664
Fire Service Fund account	19,429	19,429
Car Park Fund account	114,878	114,878
Asset capitalization	144,079	144,079
	<u>422,407</u>	<u>403,050</u>
Deduct Overdrawn account:		
General Fund account	(73,572)	(34,595)
Loan Repayment Fund account	(127,741)	(114,146)
	<u>(201,313)</u>	<u>(148,741)</u>
Surplus Balance as at 31 December	<u>221,094</u>	<u>254,309</u>

An adjustment of \$144,079 is made to accumulated funds to account for the asset capitalization. The Council raised loan of \$400,000 in 1996 for the construction of swimming pool and the roof of Subrail Park. The Council only capitalized \$255,921 in 1996 hence the book value of the asset was understated by \$144,079.

**LABASA TOWN COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (Cont'd)**  
**YEAR ENDED 31 DECEMBER 2009**

---

**8. DISCOUNTS ON RATES**

The Council resolved to grant discounts on rates as

Rates paid in full by 31st January 2009, received a 10% discount;  
 Rates paid in full by 28th February 2009, received a 7.5% discount;  
 Rates paid in full by 31st March 2009, received a 5% discount.

Account:	2009 \$	2008 \$
General Fund account	13,915	14,778
Lighting Fund account	2,360	2,506
Loan Repayment account	3,776	4,010
	<u>20,051</u>	<u>21,294</u>

**9. GARBAGE FEES**

It was resolved by the Council not to levy Garbage fees with effect from January 1993. Cost of Garbage Services has been incorporated in General Rates. Garbage fees collected in respect of arrears in 2009 was \$2,011 (2008: \$267).

**10. CONTRIBUTION FOR MANAGEMENT EXPENSES**

Amounts representing salaries, accounting and administrative expenses as approved by the Council in conjunction with the management and operation of Lighting and Parking Meter Fund Account have been reimbursed to the General Fund account as follows:

Account	2009 \$	2008 \$
Lighting Fund account	1,011	1,011
Parking Meter Fund account	3,026	3,026
	<u>4,037</u>	<u>4,037</u>

**LABASA TOWN COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (Cont'd)**  
**YEAR ENDED 31 DECEMBER 2009**

---

**11. PRINCIPAL ACTIVITY**

The Labasa Town Council was established under the Local Government Act to provide for the health, welfare and convenience of the inhabitants of the Labasa Town Municipality and to preserve the amenities of credit thereof.

**12. NOTES TO STATEMENT OF CASH FLOWS**

	<b>GENERAL FUND</b>	
	<b>2009</b>	<b>2008</b>
a) Reconciliation of cash	\$	\$
For the purpose of statement of cash flows, cash includes cash at bank and on hand net of outstanding bank overdraft. Cash at end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash on Hand and at Bank	<u>77,769</u>	<u>119,945</u>

