



LAMI TOWN COUNCIL

Annual Report for the Year 2007



LAMI TOWN COUNCIL



ANNUAL REPORT

(Section 19 – Local Government Act, Cap 125)

**FOR THE YEAR ENDED
31 DECEMBER, 2007**



25th September, 2020

The Honorable Minister
for Local Government, Housing & Environment
FFA House
Gladstone Road
SUVA

Dear Madam,

In accordance with the requirements of Section 19 of the Local Government Act 1972, I have pleasure in presenting, on behalf of the Lami Town Council, the Annual Report and Statement of Accounts for the year ended 31st December, 2007.

Yours faithfully,

A handwritten signature in blue ink, appearing to be 'Azam Khan', is written above the printed name.

Azam Khan
Chief Executive Officer (Acting)

LAMI TOWN COUNCIL

ANNUAL REPORT 2007

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ADMINISTRATION

MEMBERS OF THE COUNCIL

The members of the Council for the year were:

EASTERN WARD

Cr Tevita Veleadroka Vuatalevu (His Worship the Mayor)
Cr Maciu Vasu
Cr Sitiveni Namerua
Cr Emosi Tawake
Cr Tevita Karawale Qaranivalu
Cr Rupeti Pelfao Mua

The Council before the closing of the year 2007 had 6 of its members from the Eastern Ward.

WESTERN WARD

Cr Jimi Savu (Deputy Mayor)
Cr Susana Evening
Cr Jasper Singh
Cr Josaia Moce
Cr Kesaia Vulimeke Makita
Cr Inosi Biusavu Veikauyaki

The Council before the closing of the year 2007 had 6 of its members from the Western Ward.

CO-OPTED MEMBERS

The Council under the provisions of Section 27(2) appointed the following Co-opted Members into various Committees as follows:

TRAFFIC, SPORTS & COMMUNITY PROJECTS COMMITTEE

Station Officer, Lami Police Station

TOWN OF LAMI

Statistics in Brief - Declared Town on 1 March, 1977

Population	20,223 including peri-urban (2007 census)
Area	680 Hectares
Length of Public Roads	31.59Km
UCV of Rateable Land	\$41,658,370
Number of Assessments	1,179

MAYORAL ELECTION

At the Annual General Meeting held on 5th November 2007, Councillor Tevita Veledroka Vuatalevu was elected as the Mayor and Councillor Alipate Jimi Savu as the Deputy Mayor for the ensuring year 2007/2008.

COUNCIL MEETING

Meeting of the Council and Standing Committees were held during the year as follows:

Ordinary	12
Annual	1
Special	<u>1</u>
Total	<u>14</u>

STANDING COMMITTEES

TOWN PLANNING BUILDING & DEVELOPMENT	8
HEALTH AND ENVIRONMENT & MARKET	8
WORKS, PROPERTIES & TENDER	9
PARKS, GARDENS & TOWN BEAUTIFICATION	8
TRAFFIC, SPORTS AND COMMUNITY PROJECTS	8
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OFFICERS OF THE COUNCIL

The Principal Officer of the Council as at the end of 2007 was:

Acting Town Clerk/CEO Ms Preeya Ieli

Other Support Staff were as follows:

Building Inspector Ashwant Prasad

Health Inspector Eseta Leawere from 12th February 2007

Personal Assistant/Secretary Nerolyn L Nofaga

Revenue Officer Laisani Raikoti

Enforcement Officer Jonetani Suguturaga

Town Ranger Petaia Vuli

Administrative Assistant Saiyad Kutty

Assistant Works Supervisor Tajim Khan

Computer Operator Naleem Raj

Accounts Officer Yadhna Sharma

Tea Lady/Office Assistant Atelini Lewasau

With 18 other unestablished employees engaged in field works

SOLICITORS FOR THE COUNCIL

Messrs Muaror & Co and M A Khan, Mua Law, Komai Law were appointed as the Councils Solicitors for the year.

AUDITOR FOR THE YEAR

Auditor-General of Fiji by virtue of Section 51 of the Local Government Act.

FINANCE

FUND BALANCES

A summary of the results of each fund for the year were as follows:

FUND	2007 REVENUE	2007 EXPENDITURE	SURPLUS/ (DEFICIT) 2007	ACCUMULATED SURPLUS/(DEFICIT) AS AT 31 DECEMBER
GENERAL	1,190,486	976,288	214,198	2,966,088
LOAN	128,110	64,424	63,686	1,120,134
	1,318,596	1,040,712	277,884	4,086,222

RATES

The rates for the year were struck on a total Unimproved Capital Valuation of \$41,658,370 of which land exempted from General Rates amounted to \$4,982,100.

Vat inclusive rate levy was:

General rates	-	0.75689 cents in the \$ on the UCV
Special Loan rates	-	0.40756 cents in the \$ on the UCV

DISCOUNT ON RATES

In 2007 a discount of 7% on the rates struck for the year was allowed in respect of rates paid on or before 28th February 2007. Total discount shown as a note in the accounts amounted to \$25,626. During the year the combined general and loan services rates were budgeted to earn \$594,482 out of which the Council was able to collect 62.91% of its current rates, which amounted to \$373,961 out of the total revenue of \$1,318,596 collected during the year.

ARREARS OF REVENUE

The Council's arrears of rates inclusive of interest charges at the end of 2007 was \$4,989,658. The Council had looked at all the avenues of rate collection currently in place and had opted for various methods in the Court, deduction at source, recovery from mortgage sale, attornment of leases, arrangement to pay on installments and offering discount.

LOAN FUND

During the year loan repayments inclusive of interest charges totaling \$56,398 were made reducing the principal balance at the end of 2007 to \$551,260. The opening balance at the beginning of the year was \$605,833.

Finance Lease Repayments

The loan repayment for council's administration vehicle inclusive of interest charges totaling \$14,630 were made reducing the principal balance at the end of 2007 to \$39,732. The opening balance at the beginning of the year was \$54,362.

New Garbage Compactor Truck

The Council proposed for provision of a garbage collection compactor truck to the Government of Japan. They donated a new Garbage Compactor Truck, worth (approx. F\$132,794) under its Grant Assistance for Grassroots Human Security Projects (GGP) Programme to the Council.

The Council is using the new Garbage Compactor Truck for the sanitary and safe cartage of household refuse from Lami area to the new Naboro Landfill site.

CASH FLOW

The Council had a closing balance of (\$113,198).

ROLE OF COUNCIL

The Council continued to carry out its role and responsibilities as required under the Local Government Act (1972). The Council discharged its duties and responsibilities delegated through several other legislations such as Public Health Act (Cap III), Town Planning Act (Cap 139), Business Licensing Act (Cap 204), Fair Rents Act (Cap 269), Advertisements Regulations Cinematography Films Act (Cap 195), Petroleum Act (Cap 157), Pound Act (Cap 165), Pure Food Act (Cap 116), Shop (regulation of hours and employment) Act (Cap 100), Subdivision of Lands Act (Cap 140), Land Transport Act and Litter Decree/Amendment Act.

CAPITAL PROJECTS

Capital Expenditure totaling \$156,923 was used for the following works:

1. \$12,140 for Buildings & Property;
2. \$6,889 was for Office Equipment;
3. \$6,100 was for Roads & Streetlights; and
4. \$131,794 was for new vehicle registration no. FF215 garbage compactor truck.

WORKS SERVICES

ROADS & DRAINS

The Council continued with routine maintenance of Roads repairs and maintenance works in within its Budget. Normal routine services and maintenance such as garbage/refuse collection, grass cutting desilting and cleaning of public road/drains, clean-up campaigns, mowing of road verges, parks and upkeep of gardens were carried out throughout the year.

PARKS/GARDENS/OPEN SPACES

Routine maintenance work were carried out during the year to keep the parks and reserves in a good environmental condition.

Planting of trees and flowers was also undertaken in residential, commercial and industrial areas as part Of ongoing beautification of the town and to keep up with the image of Lami being a “Garden Town”.

PUBLIC HEALTH/ENVIRONMENT, BUILDING AND SUBDIVISION

INTRODUCTION

In this area, the Council performed its responsibilities under the guidance of the following legislation:

- a) Public health Act and its Regulations
- b) Pure Food Act and its Regulations
- c) Anti-Litter Decree/Amendment Act
- d) Town Planning Act
- e) Local Government Act and its Regulation
- f) Lami Town By-Laws
- g) Lami Town Planning Scheme and its General Provision
- h) Subdivision of Land Act
- i) Business Licensing Act
- j) Liquor Act

The Council was able to maintain the public health and development standard at a reasonably level.

SERVICES

In addition to the duties under the Public Health Act the Council provided the residents of Lami with the following sanitary services:

1. Public Health/Environment Services

Refuse Collection: demand for frequent refuse (Green waste) collection. People tend to start heaping them on the roadside. This becomes potential breeding grounds for vermin and eyesore.

2. Anti-Mosquito

House to house inspection and issuing notice to remove/abate breeding grounds is the only solution.

3. Litter Decree

The Council had employed an Enforcement Officer who went around issuing notices etc. in order to curb the nuisance.

SQUATTERS

Squatter settlement details at Lami showed:

Area	No. of Houses	No of Occupants
Delainavesi	15	40
Marine Drive (Opposite Kalekena	15	70
Uduya Point	10	40
Wailekutu	15	67
Marine Drive	12	49
Qoya	<u>33</u>	<u>230</u>
Total	<u>100</u>	<u>496</u>

Not all squatters have services such as electricity, water and access available and live without proper sanitation.

COMMUNICABLE DISEASE

Lami Town Council has not received any report during this year of the incidence of communicable Disease in Lami Town.

a) Summary of Inspection

Types of Inspections	Inspections	Re-inspection	Total
House to House inspection	565	400	965
Investigations of Complaints	120	100	220
New Building site			
Before approval	60	55	115
New Building work in progress	70	60	130
Hotels	50	40	90
Restaurants/Ref/Bar	80	50	130
Schools	10	8	18
Bake house	45	40	85
Butcher Shops	25	20	45
Drainage	90	70	160
Illegal disposal of Refuse	100	70	170
Overgrowth abatement	50	34	84
Barber Shop	8	7	15
Food Shop	<u>90</u>	<u>80</u>	<u>170</u>
Total	<u>1,363</u>	<u>1,034</u>	<u>2,397</u>

b) Summary of Sanitary Improvements

Items	Ordered	Completed
Repairs/Cleaning of Kitchen	35	30
Repairs/Cleaning of existing drains	85	70
Removing of accumulated Refuse	110	70
Cleaning of overgrowth of grass	85	60
Provision of garbage bin	55	40
Cleaning of food premises	110	80
Repairing of sewer pipes	<u>50</u>	<u>30</u>
Total	<u>530</u>	<u>380</u>

BUILDING

a) Summary of Building Applications

Building applications dealt with during the year:

Type of Application	Number	Value(\$)
Commercial	4	257,887.00
New Dwelling	3	120,437.50
Additional/Alterations/Repairs to Residential Buildings	15	430,640.50
<u>Miscellaneous</u> Retaining Wall/Fence Sewer Connection/Underground Cabling	5	84,136.06
Industrial Building/School	<u>3</u>	<u>116,082.00</u>
Total	<u>30</u>	<u>\$1,009,183.06</u>

b) Registration of Food Premises

Refreshment Bar	4
Bake House	7
Hotels	1
Kava Pounding	2
Restaurants without Liquor	5
Restaurants with Liquor	3
Food Processing Factories	9
Butcher Shops	1
Meat Canning	2
Supermarket	4

Exporting of Fish	2
Food Shop	22
Food Exporter	3
Hawkers	10
Ice Factory	1
Takeaways	<u>3</u>
Total	79

INDUSTRIAL RELATIONS

The Council maintained good relationship with its management, employees and no disputes were registered with the Trade Unions.

PUBLIC RELATIONS AND PARTICIPANTS

Public relations with ratepayers and the general public were of paramount importance to the Council and as such it dealt with matters of general concern and interest as expeditiously as possible.

ACKNOWLEDGEMENT

Council's would like to thank the Management, Staff and General Workers for their outstanding work they have carried out.



**WATER: A REQUIREMENT FOR GROWING & SUSTAINING
THE BUSINESS OF THE FUTURE**

Encl.

LAMI TOWN COUNCIL

2007 ACCOUNTS

LAMI TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

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ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

LAMI TOWN COUNCIL

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007

INDEPENDENT AUDIT REPORT

Scope

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

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

My audit was conducted in accordance with the Fiji Standard on Auditing to provide reasonable assurance as to whether the financial statements are free of material misstatements. My audit 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. 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 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 Council has not provided a provision for doubtful debts for its Rates debtors totaling \$4,989,658 as at 31 December 2007.
2. The Council did not provide a Fixed Assets Register for audit; therefore the depreciation expense figure totaling \$250,637 and fixed asset figure of \$16,289,409 could not be substantiated.

Qualified Audit Opinion

In my opinion, because of the effect of the matter discussed in the qualification paragraph, the financial statements do not present fairly the financial position of the Lami Town Council as at 31 December 2007 and the result of its operation for the year then ended.



Tevita Bolanavanua
ACTING AUDITOR GENERAL



Suva, Fiji

29 April 2010

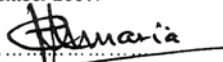
**LAMI TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2007**

	Notes	31 December 2007 \$	31 December 2006 \$
<u>CURRENT ASSETS</u>			
Cash on Hand		100	100
Cash at Bank		46	-
Receivables	2	5,011,583	4,722,810
VAT Receivable		12,735	10,656
Sundry Advance		2,874	2,874
TOTAL CURRENT ASSETS		5,027,338	4,736,440
<u>NON CURRENT ASSETS</u>			
Property, Plant and Equipment	6	16,289,409	16,383,123
TOTAL NON CURRENT ASSETS		16,289,409	16,383,123
TOTAL ASSETS		21,316,747	21,119,563
<u>CURRENT LIABILITIES</u>			
Bank Overdraft	13	36,829	113,298
Creditors	3	113,682	164,376
Provision for Employee Entitlement	3	4,192	14,628
Sundry Deposits	4	31,177	29,995
Rates & Business Licenses received in advance	5	9,624	5,954
Loan funds less repayments (current year)	7	56,398	105,527
Finance Lease	8	39,732	54,362
		291,634	488,140
<u>NON CURRENT LIABILITIES</u>			
Loan funds less repayments	7	494,862	500,306
Deferred Income	12	121,250	
TOTAL LIABILITIES		907,746	988,446
NET ASSETS		20,409,001	20,131,117
Represented By :			
RESERVES AND EQUITY			
Asset Revaluation Reserve		16,322,779	16,322,779
Accumulated Funds	9	4,086,222	3,808,338
		20,409,001	20,131,117

(The accompanying notes are to be read in conjunction with the Financial Statements)

Councils Statement

In our opinion, the financial statements have been drawn up as to give a true and a fair view of the state of affairs, operations and cash flows of the Lami Town Council for the year ended 31 December 2007.


Mr. Chandra Kant Umaria
Special Administrator

Date: 29/4/10


Mrs. Preeya Ieli
Chief Executive Officer

Date: 29/4/2010

LAMI TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF REVENUE & EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	31 December 2007	31 December 2006
REVENUE DERIVED FROM :		\$	\$
General Rates	10	245,851	258,696
Rates in Arrears		501,793	510,248
Interest on Overdue rates		79,612	76,302
License and Permit Fees		45,012	48,049
Market Fees		19,846	17,052
Hire& Rental of Council Properties		62,504	50,248
Contractual Receipts	11	137,182	24,761
Miscellaneous		9,650	11,205
Garbage Fees		5,044	2,067
Stand Fees		12,681	13,653
Photocopy		118	408
Advertising		4,889	8,444
Challenge Fund E Library		55,760	-
Amortisation of deferred income	12	10,544	-
TOTAL REVENUE		1,190,486	1,021,133
EXPENDITURE INCURRED ON :			
Recurrent Expenditure			
Depreciation		250,637	239,177
Council Expenses		50,871	52,438
General Administration		219,888	268,986
Parks,Gardens and Recreation areas		11,921	8,084
Health Services		129,752	164,697
Public Works and Services		313,219	270,679
Total Expenditure		976,288	1,004,061
Net Surplus for the year		214,198	17,072
Add Surplus Balance as at 1 January		2,751,890	2,716,729
		2,966,088	2,733,801
Add: Fire Fund Surplus		-	18,089
Leaving a Surplus Balance at 31 December		2,966,088	2,751,890

**LAMI TOWN COUNCIL
SPECIAL LOAN SERVICE ACCOUNT
STATEMENT OF REVENUE & EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2007**

	Notes	31 December 2007 \$	31 December 2006 \$
THE REVENUE FOR THE YEAR WAS DERIVED FROM:			
Special Loan Rates		128,110	131,692
TOTAL REVENUE		128,110	131,692
THE EXPENDITURE FOR THE YEAR WAS INCURRED ON:			
Interest On Loan		64,424	51,131
TOTAL EXPENDITURE		64,424	51,131
NET SURPLUS FOR THE YEAR WAS		63,686	80,561
BALANCE AS AT 1 JANUARY WAS		1,056,448	975,887
LEAVING A SURPLUS BALANCE AT 31 DECEMBER OF		1,120,134	1,056,448

**LAMI TOWN COUNCIL
STATEMENT OF CASH FLOWS - GENERAL FUND
FOR THE YEAR ENDING 31 DECEMBER 2007**

	Notes	31 December 2007 \$	31 December 2006 \$
Cash Flows from Operating Activities			
Receipts from customers		986,940	739,844
Payments to suppliers and employees		(778,807)	(691,714)
Rates received in advance		3,670	948
Net Vat paid		-	(32,971)
Sundry Deposits		(40,957)	-
Net cash provided by Operating Activities	13(a)(i)	<u>170,846</u>	<u>16,107</u>
Cash flows from Investing Activities			
Acquisition of property, plant & equipment		<u>(25,129)</u>	<u>(79,472)</u>
Net cash used in Investing Activities		<u>(25,129)</u>	<u>(79,472)</u>
Cash flows from Financing Activities			
Loan repayments		<u>(69,202)</u>	<u>(3,002)</u>
Net cash provided by Financing Activities		<u>(69,202)</u>	<u>(3,002)</u>
Net Decrease in Cash & Cash Equivalents		76,515	(66,367)
Cash and Cash Equivalent at the Beginning of the Year		<u>(113,198)</u>	<u>(46,831)</u>
Cash and Cash Equivalent at the End of the Year	13(a)(ii)	<u><u>(36,683)</u></u>	<u><u>(113,198)</u></u>

LAMI TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR
THE YEAR ENDING 31 DECEMBER 2007

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 2007. Unless otherwise stated, similar policies were adopted in the previous year.

a) Basis of Accounting

The accounts have been prepared using the accrual basis of accounting since 2003.

b) Fixed Assets and Depreciation

Acquisition

Items of property, plant and equipment are stated at cost less accumulated depreciation as at balance date. The cost of self constructed assets includes the cost of materials, direct labour and an appropriate proportion of overheads.

Depreciation

Depreciation has been provided using straight line method to write off the assets over their useful lives.

The principal rates adopted are:

Office Equipment	10% per annum
Furniture & Fittings	10% per annum
Plant and Machinery	8% per annum
Motor Vehicle	8% per annum
Buildings, Roads & Bridges	1.25% per annum

c) Revenue

Revenue is recognized in the Statement of Income and Expenditure when charged to the ratepayers by the Council. The major sources of revenues are collections from General rates, loan rates, and rental income from the Council properties.

d) Income Tax

The Council is exempted from income tax in accordance with the provisions of section 17(4) of the Income Tax Act (Cap 201).

LAMI TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR
THE YEAR ENDING 31 DECEMBER 2007 (Continued...)

	31 December 2007 \$	31 December 2006 \$
Note 2 <u>Debtors</u>		
Rates Debtors	4,989,658	4,590,851
Other Debtors	21,925	131,959
	<u>5,011,583</u>	<u>4,722,810</u>
Of the total Rates arrears the sum of \$3,771,723 or 76% inclusive of interest, is due on unalienated native land.		
Note 3 <u>Creditors and Accruals</u>		
Sundry Creditors	131,682	97,116
Provision for Employee Entitlement	4,192	1,293
	<u>135,874</u>	<u>98,409</u>
Note 4 <u>Sundry Deposits</u>		
Security Deposits	31,177	29,995
	<u>31,177</u>	<u>29,995</u>
Note 5 <u>Rates, Business Licence, and Taxi Base fees received in advance</u>		
Rates Received in Advance	9,174	5,110
Business Licence Prepayments	45	293
Taxi Base Fees Received in Advance	405	551
	<u>9,624</u>	<u>5,954</u>

LAMI TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR
THE YEAR ENDING 31 DECEMBER 2007 (Continued...)

	31 December 2007 \$	31 December 2006 \$
Note 6 <u>Property, Plant & Equipment</u>		
Land	962,931	962,931
	<u>962,931</u>	<u>962,931</u>
Office Equipment	53,037	46,148
Less: provision for depreciation	(22,233)	(16,929)
	<u>30,804</u>	<u>29,219</u>
Furniture & Fittings	8,899	8,899
Less: provision for depreciation	(4,524)	(3,634)
	<u>4,375</u>	<u>5,265</u>
Motor Vehicles	408,480	282,230
Less: provision for depreciation	(201,841)	(169,606)
	<u>206,639</u>	<u>112,624</u>
Building & Properties	544,888	532,748
Less: provision for depreciation	(37,827)	(31,016)
	<u>507,061</u>	<u>501,732</u>
Roads & Streetlights	15,611,452	15,605,352
Less: provision for depreciation	(1,059,246)	(864,103)
	<u>14,552,206</u>	<u>14,741,249</u>
Plant & Equipment	122,636	122,636
Less: provision for depreciation	(97,243)	(87,432)
	<u>25,393</u>	<u>35,204</u>
Net Written Down Value	<u>16,289,409</u>	<u>16,388,224</u>

LAMI TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR
THE YEAR ENDING 31 DECEMBER 2007 (Continued...)

	31 December 2007 \$	31 December 2006 \$
Note 6 (i) <u>Movement in Carrying Amounts</u>		
Movement in carrying amounts for each class of property, plant and equipment		
<u>Office Equipment</u>		
Carrying amount at beginning	29,219	29,239
Additions	6,889	4,595
Depreciation Expense	(5,304)	(4,615)
Balance as at 31 December	<u>30,804</u>	<u>29,219</u>
<u>Furnitures & Fittings</u>		
Carrying amount at beginning	5,265	4,451
Additions	-	1,703
Depreciation Expense	(890)	(890)
Balance as at 31 December	<u>4,375</u>	<u>5,264</u>
<u>Motor Vehicles</u>		
Carrying amount at beginning	107,523	65,332
Additions	131,794	64,327
Depreciation Expense	(32,678)	(22,135)
Balance as at 31 December	<u>206,639</u>	<u>107,524</u>
<u>Buildings & Properties</u>		
Carrying amount at beginning	501,732	501,351
Additions	12,140	7,040
Depreciation Expense	(6,811)	(6,659)
Balance as at 31 December	<u>507,061</u>	<u>501,732</u>
<u>Roads and Streetlights</u>		
Carrying amount at beginning	14,741,249	14,934,509
Additions	6,100	1,807
Depreciation Expense	(195,143)	(195,067)
Balance as at 31 December	<u>14,552,206</u>	<u>14,741,249</u>
<u>Plant & Equipment</u>		
Carrying amount at beginning	35,204	45,015
Depreciation Expense	(9,811)	(9,811)
Balance as at 31 December	<u>25,393</u>	<u>35,204</u>
<u>Land</u>		
Carrying amount at beginning	962,931	962,931
Net Written Down Value	<u><u>16,289,409</u></u>	<u><u>16,383,123</u></u>

LAMI TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR
THE YEAR ENDING 31 DECEMBER 2007 (Continued...)

	31 December 2007 \$	31 December 2006 \$
Note 7 <u>Loan Funds Less Repayments</u>		
Loans raised by the Council bear interest ranging from 8.5% to 11.75% per annum and are repayable over a period of 10 years. All loans are raised under the provisions of the Local Government Act, and are secured by debentures covering the present and future assets of the Council.		
Balance as at 1 January	605,833	663,197
Add: Adjustment to Opening Balance	-	5,209
Less: Adjustment of Opening Balance	-	(8,176)
Add: Bank Fee capitalized	1,825	-
Less: Loans Repaid	(56,398)	(54,397)
Balance as at 31 December	<u>551,260</u>	<u>605,833</u>
Analysed as:		
Current	56,398	105,527
Non Current	494,862	500,306
	<u>551,260</u>	<u>605,833</u>
Note 8 <u>Finance Lease Repayments</u>		
Opening Balance	54,362	8,176
Add: New Finance Lease	-	61,127
Add: PDI Charges Capitalised	-	10
	54,362	69,313
Less: Repayments	(14,630)	(14,951)
	<u>39,732</u>	<u>54,362</u>
Note 9 <u>Accumulated Funds</u>		
General Fund	2,966,088	2,751,890
Loan Service	1,120,134	1,056,448
Balance as at 31 December	<u>4,086,222</u>	<u>3,808,338</u>

LAMI TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR
THE YEAR ENDING 31 DECEMBER 2007 (Continued...)

	31 December 2007 \$	31 December 2006 \$
Note 10 <u>Discount on Rates</u>		
In accordance with Council resolution of December, 2006 discount of 10% was allowed on current rates paid in full up to 28 February, 2007. Discount allowed during the year were as follows:		
General Fund	19,377	26,939
Loan Service Fund	6,249	9,729
Total	25,626	36,668
Note 11 <u>Contractual Receipts</u>		
The amount represents recoveries from Public Works Department for expenditure contractually incurred by the Council on the maintenance of Marine Drive and Nasevou Street.		
Note 12 <u>New Garbage Compactor Truck</u>		
The amount represents a garbage truck which was donated by the Japanese Embassy in February 2007 which is treated in accordance to FAS 20 as follows:		
Cost of truck	131,794	
Depreciation charge (8%)	10,544	
Written Down Value	121,250	
Note 13 <u>Notes to the Statement of Cash Flows</u>		
(a) <u>General Fund</u>		
(i) Reconciliation of Net Cash Provided by Operating Activities of Net Surplus		
Net (deficit)/surplus for the year	267,339	97,633
Depreciation	250,637	239,177
Net cash provided by operating activities before changes in Assets and Liabilities	517,976	336,810
Change in assets and liabilities:		
Decrease in receivables	(288,773)	(407,100)
Increase in creditors and borrowings	(61,130)	80,595
(Increase)/Decrease in sundry deposits	1,182	1,530
(Increase)/Decrease in Value Added Tax	(2,079)	3,324
Decrease in rates received in advance	3,670	948
Net cash Inflows from Operating Activities	170,846	16,107
(ii) Cash & Cash Equivalents		
For the purpose of the statement of cash flows, cash comprises of cash on hand and at bank. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash on Hand	100	100
Cash at Bank	46	-
Bank Overdraft	(36,829)	(113,298)
	(36,683)	(113,198)

LAMI TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR
THE YEAR ENDING 31 DECEMBER 2007 (Continued...)

Note 14 Principal Activities

The Lami Town Council was established under the Local Government Act (Cap 125 Rev 1985) and Section 5 of the Subsidiary Legislation. The Council was established after being declared a town in 1977. Currently it has a total of over 1,150 ratepayers and rateable properties in the town and from which the ratepayers elect a total of twelve councilors from two awards.

The Council is responsible for the provision and maintenance of a wide range of services for the benefit of the ratepayers within the defined town boundaries. Such services are financed through rates, fees and service charges. All capital projects and financed via external loans, which are repaid by the Council using a special loan rate levied to the ratepayers.

Apart from these services and others as required by the Local Government Act, the Council also provides other services such as collection of garbage refuse, free clean up services, advice on matters relating to health, environment and landscaping, provision for small projects (bus shelters and mini markets), and liaising with relevant ministries and departments or non government organisation to assist ratepayers concerns in terms of town beautification, small projects or even information gathering.

Note 15 Council Details

(i) *Registered Office and Principle Place of Operation*

The registered office and principal place of operation of the Council is located at:

59 Marine Drive
GPO Box 3160
Lami

(ii) *Staff Establishment*

As at balance date, total of 39 employees were employed by the Council.

