



LAMI TOWN COUNCIL

Annual Report for the Year 2013



LAMI TOWN COUNCIL



ANNUAL REPORT

(Section 19 – Local Government Act, Cap 125)

**FOR THE YEAR ENDED
31 DECEMBER, 2013**



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, 2013.

Yours faithfully,

Azam Khan
Chief Executive Officer (Acting)

LAMI TOWN COUNCIL

ANNUAL REPORT 2013

CONTENTS	PAGES
ADMINISTRATION	3 - 5
FINANCE	5
ROLE OF COUNCIL & COMMUNITY	6
CAPITAL PROJECTS	6-7
PARKS/GARDENS/OPEN SPACES	7
PUBLIC HEALTH/ENVIRONMENT	7 – 8
TRAFFIC & ENFORCEMENT	8
TOWN PLANNING - BUILDINGS	9
TOWN PLANNING - BUILDINGS	10
INDUSTRIAL RELATIONS	10
ACKNOWLEDGEMENT	10

ADMINISTRATION

ADMINISTRATORS OF THE COUNCIL

The Council had Mr. Jasper Singh as Special Administrator. Mr. Sela Nanovo was appointed as the Chief Executive Officer.

CO-OPTED MEMBERS

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

District Officer - Suva

Station Officer, Lami Police Station for Traffic, Sports & Community Projects Committee

TOWN OF LAMI

Statistics in Brief

Declared Town on 1 March, 1977

Population 20,223 including peri-urban (2007 census)

Area 680 Hectares

UCV of Rateable Land \$64,675,290.00

Number of Assessments 1,219

COUNCIL MEETING

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

Ordinary 12

Special 2

Total 14

STANDING COMMITTEES

TOWN PLANNING BUILDING & DEVELOPMENT	9
HEALTH AND ENVIRONMENT & MARKET	9
WORKS, PROPERTIES & TENDER	9
PARKS, GARDENS & TOWN BEAUTIFICATION	9
TRAFFIC, SPORTS AND COMMUNITY PROJECTS	9
FINANCE AND GENERAL PURPOSES	9
STAFFING AND CONFIDENTIAL	3

OFFICERS OF THE COUNCIL

The Principal Officer of the Council as at the end of 2013 was:

Chief Executive Officer	Mr. Sela Nanovo
-------------------------	-----------------

Other Support Staff were as follows:

Building Inspector	Ashwant Prasad
Health Inspector	Selaima Maitoga
Ass Health & Building Inspector	Sonam Sandeya
Personal Assistant/Secretary	Nerolyn L Nofaga
Senior Accounts/Revenue Officer	Laisani Raikoti
Enforcement Officer	Jonetani Suguturaga
Town Ranger/Market Master	Petaia Vuli
Administrative Assistant	Saiyad Kutty
Works Supervisor	Raneel Dutt
Assistant Works Supervisor	Tueta Senileba
IT Officer	Naleem Raj
Accounts Officer	Yadhna Sharma
Cashier	Ana Vono
Ass Revenue Officer	David Tuitoga
Tea Lady/Office Assistant	Psalms Hosana

In addition, the Council employed 25 other unestablished employees engaged in field works.

AUDITOR FOR THE YEAR

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

FINANCE

DISCOUNT ON RATES

In 2013 a discount of 10% in January and 7% in February was being levied to the ratepayers. Total discount shown as a note in the accounts amounted to \$37,997.

During the year the combined general and loan services rates were budgeted to earn \$673,404 out of which the Council was able to collect 81.0% of its current rates, which amounted to \$547,911 out of the total revenue of \$1,482,934 collected during the year.

GARBAGE RATES

The Council levied Garbage Rates of \$80.00 per annum effective from 1st August 2008. The arrears of Garbage Rates at the end of 2013 were \$162,682.

ARREARS OF REVENUE

The Council's arrears of rates inclusive of interest charges at the end of 2013 were \$1,237,668. 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 etc.

ROLE OF COUNCIL & COMMUNITY ACTIVITIES

The Council continued to work under the statutory powers vested under various Acts including the Local Government Act.

PROJECTS

1. Upgrading of Kalekana settlement Sanitation Project



2. Consultation of the High Tech Youth Network

Consultation was between the New Zealand High Commissioner, Lami Town Council and the Lami Villagers.



PARKS/GARDENS/OPEN SPACES

Routine maintenance work was 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 an 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

The Council continue to provide Public Health/Environment, Building and Subdivision services.

HEALTH

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

1. Public Health/Environment Services

Clean up campaign for Green waste and White goods collection. People tend to start piling them on the roadside. This has become a potential breeding grounds for vermin and eyesore. The Green waste is collected quarterly as per council’s schedule.

2. House to House Inspections

This is conducted monthly by the Health Team for Larval Sampling whereby 100 households are being surveyed each month. In addition, inspection of Restaurants/ Shops/ Supermarkets and Market are also carried out in a monthly basis.

3. Anti-Mosquito

With recent parts, vehicles and tyres importation, harboring grounds for mosquitoes has increased resulting in Dengue Fever outbreak. Mosquito spraying is being conducted throughout the two wards.

House to house inspection and issuing notice to remove/abate breeding grounds is the only solution. Mosquito spraying is being conducted for the two wards for the year 2013.

COMMUNICABLE DISEASE

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

TOWN BEAUTIFICATION PROJECT

In maintaining the hygiene and cleanliness of the Central Business District (CBD) pesticide control spraying was also done to control vermin's and insects within the facilities especially with eateries.

All business houses were advised to adhere to the requirements for renewal of business license for the year 2013 such as Waste Permit from department of Environment, OHS Certificate, National Fire Authority Certificate and Floor plan (only for new business).

TRAFFIC & ENFORCEMENT

The Council continues to book illegal taxis that are operating in Lami through issuing of TINS to the offenders.

Seven day notices are being issued for illegal parking or obstruction of footpath by private vehicles owners and companies.

PARKING METER

The new Pay & Display Parking Meters has been installed by the Council. This helps the Council in combating the illegal parking and traffic congestion in Lami Town area.

TOWN PLANNING – BUILDINGS

a) Summary of Building Applications

Building applications dealt with during the year:

Type of Application	Number
Residential	39
Subdivision	4
Rezoning	3
New Residential Buildings	3
Additional/Alterations/Repairs to Industrial Buildings	3
Additional/Alterations/Repairs to Residential Buildings	9
<u>Miscellaneous</u>	3
Retaining Wall/Fence	
Sewer Connection/Underground Cabling	
School Building etc.	0

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

The Council appreciates the support and contribution of the Management and Community of Lami individually and collectively in the successful management and operation of the Council during the year, 2013.

OFFICE OF THE AUDITOR GENERAL

Excellence in Public Sector Auditing



6-8th Floor, Ratu Sukuna House
2-10 McArthur St
P.O.Box 2214, Government Buildings
Suva, Fiji



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



File: 1295

11 June 2015

Mr. Jasper Singh
Special Administrator
Lami Town Council
LAMI

Handwritten signature and date 17/6

Dear Sir

FINANCIAL STATEMENTS

LAMI TOWN COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2013

Audited financial statements for Lami Town Council for the year ended 31 December 2013 together with my audit report on them are enclosed.

Particulars of the errors and omissions arising from the audit have been forwarded to the management of the Council for their actions.

Yours sincerely

Atunaisa Nadakuitavuki
for **AUDITOR GENERAL**

Encl.

LAM' TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

TABLE OF CONTENTS	Page
Independent Audit Report	2-3
General Fund - Statement of Financial Position	4
General Fund - Statement of Revenue and Expenditure	5
Special Loan Service Account - Statement of Revenue and Expenditure	6
Parking Meter Fund Account - Statement of Financial Position	7
Parking Meter Fund Account - Statement of Revenue and Expenditure	8
Statement of Cash Flows	9-10
Notes to and forming part of the Accounts	11-17

OFFICE OF THE AUDITOR GENERAL

Excellence in Public Sector Auditing



6-8TH Floor, Ratu Sukuna House
2-10 McArthur St
P.O.Box 2214, Government Buildings
Suva, Fiji



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



LAMI TOWN COUNCIL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

INDEPENDENT AUDIT REPORT

I have audited the accompanying financial statements of Lami Town Council, which comprise the statement of financial position as at 31 December 2013, the statement of income and expenditure, statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information as set out on notes 1 to 14.

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, Lami 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 (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 Lami Town Council as at 31 December 2013 and the results of its operations for the year then ended.



Atunaisa Nadakuitavuki
for AUDITOR GENERAL

Suva, Fiji

11 June 2015



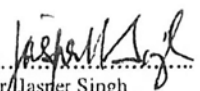
LAMI TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

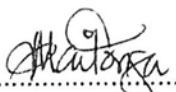
	Note	2013 S	restated 2012 S
<u>CURRENT ASSETS</u>			
Cash on Hand		200	100
Receivables	2(i)	1,432,233	1,310,290
VAT Receivable		(1,298)	6,208
Security Deposit		3,174	3,174
Sundry Advance		2,874	2,874
TOTAL CURRENT ASSETS		1,437,183	1,322,646
<u>NON CURRENT ASSETS</u>			
Property, Plant and Equipment	3	15,116,235	15,317,949
TOTAL NON CURRENT ASSETS		15,116,235	15,317,949
TOTAL ASSETS		16,553,418	16,640,595
<u>CURRENT LIABILITIES</u>			
Bank Overdraft	10 a (ii)	26,455	42,028
Creditors	4	211,344	199,633
Provision for Employee Entitlement		5,143	15,219
Sundry Deposits	5	55,120	51,589
Income in Advance	6	8,916	7,738
Loan Funds less Repayments	7	87,696	87,696
Unutilised grant	8	16,237	69,911
Total Current Liabilities		410,911	473,814
<u>NON CURRENT LIABILITIES</u>			
Loan Funds less Repayments	7	151,735	224,471
Deferred Grant	8	57,986	68,530
Total Non Current Liabilities		209,721	293,001
TOTAL LIABILITIES		620,632	766,815
NET ASSETS		15,932,786	15,873,780
Represented By :			
<u>RESERVES AND EQUITY</u>			
Asset Revaluation Reserve		16,322,779	16,322,779
Accumulated Losses	9	(389,993)	(448,999)
TOTAL RESERVES AND EQUITY		15,932,786	15,873,780

The Financial Statements are to read in conjunction with the accompanying notes on Pages 11 to 17.

Council's Statement

In our opinion, the financial statements have been drawn up so 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, 2013.


Mr. Jasper Singh
Special Administrator
Date: 04/06/2015


Ms. Selaima Maitoga
Acting Chief Executive Officer
Date: 4/06/15

LAMI TOWN COUNCIL
GENERAL FUND ACCOUNT

STATEMENT OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2013

		2013	restated
		\$	2012
		\$	\$
REVENUE DERIVED FROM :			
General Rates		356,106	355,166
Collection of Arrears of Rates		158,711	120,646
Rates in Arrears		129,709	127,415
Interest on Overdue rates		40,478	40,993
License and Permit Fees		74,239	69,111
Market Fees		26,369	19,739
Hire& Rental of Council Properties		107,675	87,774
Contractual Receipts	1 d)	3,975	43,021
Miscellaneous		27,013	32,564
Garbage Fees	1 e)	221,100	138,575
Stand Fees		39,979	34,130
Photocopy		43	17
Advertising		18,057	9,132
Grant	8	53,674	-
Court Fee/Recovery Cost		-	28,124
Fiji Roads Authority Claim Received		23,457	-
Amortisation of Deferred Income	8	10,544	10,544
TOTAL REVENUE		1,291,129	1,116,951
EXPENDITURE INCURRED ON :			
Recurrent Expenditure			
Depreciation		227,165	233,939
Council Expenses		9,071	15,336
General Administration		287,474	393,680
Parks,Gardens and Recreation areas		28,018	23,626
Health Services		250,616	167,195
Enforcement Services		111,617	98,851
Public Works and Services		488,300	453,563
Bad Debts		-	115,156
Discount on Rates	2 (ii)	-	28,382
Total Expenditure		1,402,261	1,529,728
Net Deficit for the year		(111,132)	(412,777)
Add Deficit Balance as at 1 January		(2,178,564)	(1,765,787)
Leaving a Deficit Balance at 31 December		(2,289,696)	(2,178,564)

LAMI TOWN COUNCIL
SPECIAL LOAN SERVICE FUND ACCOUNT
STATEMENT OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 \$	2012 \$
Revenue Derived From:		
Special Loan Rates	<u>191,805</u>	<u>188,332</u>
Total Revenue	<u>191,805</u>	<u>188,332</u>
Expenditure Incurred On:		
Interest On Loan	<u>21,667</u>	<u>28,728</u>
Total Expenditure	<u>21,667</u>	<u>28,728</u>
Net Surplus for the year	170,138	159,604
<i>Add: Surplus Balance as at 1 January</i>	<i>1,729,565</i>	<i>1,569,961</i>
Surplus balance at 31 December of	<u>1,899,703</u>	<u>1,729,565</u>

LAMI TOWN COUNCIL
PARKING METER FUND ACCOUNT
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	Note	2013 S	2012 S
<u>NON CURRENT ASSETS</u>			
Property, Plant and Equipment	3(ii)	33,234	36,808
TOTAL ASSETS		33,234	36,808
<u>CURRENT LIABILITIES</u>			
Bank Overdraft		7,239	29,767
Creditors		930	-
Provision for Employee Entitlement		16,323	1,731
Total Current Liabilities		24,492	31,498
TOTAL LIABILITIES		24,492	31,498
NET ASSETS		8,742	5,310
Accumulated Funds		8,742	5,310

The Financial Statements are to be read in conjunction with the accompanying notes on Pages 11 to 17.

Council's Statement

In our opinion, the financial statements have been drawn up so 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, 2013.

.....
Mr. Jasper Singh
Special Administrator
Date: 04/06/2015

.....
Ms. Selaima Maitoga
Acting Chief Executive Officer
Date: 4/06/15

LAMI TOWN COUNCIL
PARKING METER FUND ACCOUNT
STATEMENT OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 \$	2012 \$
Revenue Derived From:			
Parking Meter Tolls		6,901	741
Infringement Fines		2,601	7,259
Amortisation of Deferred Income	1 (f)	-	7,408
Total Revenue		<u>9,502</u>	<u>15,408</u>
Expenditure Incurred On:			
Recurrent Expenditure			
Depreciation		3,573	3,522
Parking Meter Expense		2,497	7,879
Total Expenditure		<u>6,070</u>	<u>11,401</u>
Net Surplus for the year		3,432	4,007
Add Surplus Balance as at 1 January		5,310	1,303
Leaving a Surplus Balance at 31 December		<u>8,742</u>	<u>5,310</u>

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

	Note	2013 \$	2012 \$
Cash Flows from Operating Activities			
Receipts from customers		1,377,727	1,261,120
Payments to suppliers and employees		(1,189,705)	(1,090,778)
Interest on loan		(21,667)	(28,728)
Rates received in advance		1,178	-
Net cash provided by Operating Activities	10(a)(i)	<u>167,533</u>	<u>141,614</u>
Cash flows from Investing Activities			
Acquisition of property, plant & equipment		<u>(25,451)</u>	<u>(49,587)</u>
Net cash used in Investing Activities		<u>(25,451)</u>	<u>(49,587)</u>
Cash flows from Financing Activities			
Repayment of borrowings		<u>(126,409)</u>	<u>(58,318)</u>
Net cash used in Financing Activities		<u>(126,409)</u>	<u>(58,318)</u>
Net Increase in Cash & Cash Equivalents		15,673	33,709
Cash and Cash Equivalent at the Beginning of the Year		(41,928)	(75,637)
Overdraft at the End of the Year	10(a)(ii)	<u>(26,255)</u>	<u>(41,928)</u>

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

	Note	2013 \$	2012 \$
Cash Flows from Operating Activities			
Receipts from customers		9,502	8,000
Payments to suppliers and employees		13,026	(11,538)
Net cash provided by Operating Activities	10(b)(i)	<u>22,528</u>	<u>(3,538)</u>
Cash flows from Investing Activities			
Acquisition of property, plant & equipment		-	(1,731)
Net cash used in Investing Activities		<u>-</u>	<u>(1,731)</u>
Cash flows from Financing Activities			
Repayment of borrowings		-	-
Net cash provided by Financing Activities		<u>-</u>	<u>-</u>
Net Increase/(Decrease) in Cash & Cash Equivalents		22,528	(5,269)
Cash and Cash Equivalent at the Beginning of the Year		(29,767)	(24,498)
Cash and Cash Equivalent at the End of the Year	10(b)(ii)	<u>(7,239)</u>	<u>(29,767)</u>

LAKEVIEW TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Note 1 Summary of Significant Accounting Policies

Set out hereunder are the significant accounting policies adopted by the Council in the preparation of the accounts for the year ended 31 December 2013. Unless otherwise stated, similar policies were adopted in the previous year.

a) **Basis of Accounting**

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

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	10-15% 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 recognised in the Statement of Revenue and Expenditure when charged to the ratepayers by the Council. The major sources of revenues are collections from income from the Council properties, General rates, Loan rates, and rental.

d) **Contractual Receipts**

The amount represents recoveries from Public Works Department for expenditure contractually incurred by the Council on the maintenance of Marine Drive and Nasevou Street.

e) **Garbage Fees**

The Council levied Garbage Fees of \$80 per annum with effect from 1 August 2008.

f) **Parking Meter Deferred Income**

In January 2010, the Council received \$22,222 (VEP) from Rajendra Prasad Ltd t/a Shop and Save Supermarket as parking meter tolls for a car park for 3 consecutive years.

	2013	2012
	\$	\$
Balance at beginning	-	7,408
Less: Toll earned during the year	-	(7,408)
Balance at year end	-	-

g) **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 (CONT'D),
FOR THE YEAR ENDED 31 DECEMBER 2013

Note 2	2013 S	2012 S
(i) <u>Debtors</u>		
Rates Debtors	1,237,668	1,164,944
Garbage Fee Debtors	162,682	88,391
Other Debtors	31,883	56,955
	<u>1,432,233</u>	<u>1,310,290</u>
(ii) <u>Discount on Rates</u>		
In accordance with Council resolution of December, 2012 discount of 7% was allowed on current rates paid in full up to 28 February, 2013. Discount allowed during the year were as follows:		
General Fund	37,997	28,382
Total	<u>37,997</u>	<u>28,382</u>
Note 3 <u>Property, Plant & Equipment - General Fund</u>		
Land	962,931	962,931
Less: provision for depreciation	-	-
	<u>962,931</u>	<u>962,931</u>
Office Equipment	77,361	69,426
Less: provision for depreciation	(56,359)	(50,909)
	<u>21,002</u>	<u>18,517</u>
Furniture & Fittings	16,657	10,272
Less: provision for Depreciation	(9,863)	(8,917)
	<u>6,794</u>	<u>1,355</u>
Motor Vehicles	408,480	408,480
Less: provision for depreciation	(364,167)	(350,539)
	<u>44,313</u>	<u>57,941</u>
Building & Properties	619,998	608,867
Less: provision for depreciation	(81,210)	(73,530)
	<u>538,788</u>	<u>535,337</u>
Roads & Streetlights	15,778,477	15,778,477
Less: provosion for depreciation	(2,237,449)	(2,041,070)
	<u>13,541,028</u>	<u>13,737,407</u>
Plant & Equipment	128,160	128,160
Less: provision for depreciation	(126,781)	(123,699)
	<u>1,379</u>	<u>4,461</u>
Net Written Down Value	<u>15,116,235</u>	<u>15,317,949</u>

LAMI TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 S	2012 S
<u>Property, Plant & Equipment - Parking Meter Fund</u>		
Plant & Equipment	44,677	44,677
Less: provision for depreciation	(11,443)	(7,869)
	<u>33,234</u>	<u>36,808</u>
 Net Written Down Value	 <u>33,234</u>	 <u>36,808</u>
 (i) <u>Movement in Carrying Amounts</u>		
Movement in carrying amounts for each class of property, plant and equipment are as follows:		
<u>Office Equipment</u>		
Carrying amount at beginning	18,517	15,888
Additions	7,935	7,571
Depreciation Expense	(5,450)	(4,942)
Balance as at 31 December	<u>21,002</u>	<u>18,517</u>
 <u>Furniture & Fittings</u>		
Carrying amount at beginning	1,355	2,134
Additions	6,385	248
Depreciation Expense	(946)	(1,027)
Balance as at 31 December	<u>6,794</u>	<u>1,355</u>
 <u>Motor Vehicles</u>		
Carrying amount at beginning	57,941	77,987
Additions	-	-
Depreciation Expense	(13,628)	(20,046)
Balance as at 31 December	<u>44,313</u>	<u>57,941</u>
 <u>Buildings & Properties</u>		
Carrying amount at beginning	535,337	506,174
Additions	11,131	36,774
Depreciation Expense	(7,610)	(7,611)
Balance as at 31 December	<u>538,858</u>	<u>535,337</u>
 <u>Roads & Streetlights</u>		
Carrying amount at beginning	13,737,407	13,931,207
Additions	-	3,431
Depreciation Expense	(196,379)	(197,231)
Balance as at 31 December	<u>13,541,028</u>	<u>13,737,407</u>
 <u>Plant & Equipment</u>		
Carrying amount at beginning	4,461	5,980
Additions	-	1,563
Depreciation Expense	(3,152)	(3,082)
Balance as at 31 December	<u>1,309</u>	<u>4,461</u>
 <u>Land</u>		
Carrying amount at beginning	962,931	962,931
 Net Written Down Value	 <u>15,116,235</u>	 <u>15,317,949</u>

LAMI TOWN COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013

(ii)	<u>Parking Meter Fund</u>	2013	2012
		\$	\$
	<u>Plant & Equipment</u>		
	Carrying amount at beginning	36,808	38,599
	Additions	-	1,731
	Depreciation Expense	(3,574)	(3,522)
	Balance as at 31 December	<u>33,234</u>	<u>36,808</u>
	Net Written Down Value	<u>33,234</u>	<u>36,808</u>
Note 4	<u>Sundry Creditors</u>		
	General Fund	211,344	199,633
	Parking Meter	930	-
		<u>212,274</u>	<u>199,633</u>
The Sundry creditors represents the portion of the unpaid supplier invoices at balance date.			
Note 5	<u>Sundry Deposit</u>	<u>55,120</u>	<u>51,589</u>
Note 6	<u>Rates, Business Licence, and Taxi Base fees received in advance</u>		
	Rates Received in Advance	8,916	6,184
	Garbage Rates in Advance	-	1,321
	Business Licence Prepayments	-	30
	Taxi Base Fees Received in Advance	-	203
		<u>8,916</u>	<u>7,738</u>
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 rateable over a period of 10 years. All loans are raised under the provisions of the Local Government Act, and are secured by:			
- Registered Pari Passu Debenture for \$385,000 over all its assets and undertakings without any preference of priority of existing debenture over another.			
- Registered first mortgage No. 510554 by Lami Town Council.			
- Registered first mortgage No. 510552 by Lami Town Council.			
- Registered Pari Passu Debenture for \$450,000 over all its assets and undertakings without any preference of priority of existing debenture over another.			
	Balance as at 1 January	312,167	370,485
	Add: Bank Fee	600	650
	Less: Loans Repaid	(73,336)	(58,968)
	Balance as at 31 December	<u>239,431</u>	<u>312,167</u>
Analysed as:			
	Current	87,696	87,696
	Non Current	151,735	224,471
		<u>239,431</u>	<u>312,167</u>

LAMI TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2013

Note 8 Deferred Grant - New Garbage Compactor Truck

The amount represents a garbage truck donated by Japanese Embassy in February 2007, which is treated in accordance to FAS 20 as follows:

	2013 S	2012 S
Carrying Amount at beginning	68,530	79,074
Less: Depreciation Charge	(10,544)	(10,544)
Written Down Value at 31 December	<u>57,986</u>	<u>68,530</u>

Un-utilized Grant - Capital Project

This amount represents a grant of \$69,911 VEP received from Asian Coalition for Community Action for the purpose of building a sanitary facility for the residents of Kalekana. \$53,674 was utilized as at 31.12.13 and the remaining was classified as un-utilized grant.

Carrying Amount at beginning	69,911	69,911
Less: Amount utilized	(53,674)	-
Written Down Value at 31 December	<u>16,237</u>	<u>69,911</u>

Note 9 Accumulated Losses

General Fund	(2,289,696)	(2,178,564)
Loan Service	1,899,703	1,729,565
Balance as at 31 December	<u>(389,993)</u>	<u>(448,999)</u>

Note 10 Notes to the Statement of Cash Flows

(a) General Fund

(i) Reconciliation of Net Cash Provided by

Operating Activities of Net Surplus

Net (deficit)/surplus for the year	21,008	(183,262)
Depreciation	227,165	233,939
Net cash provided by operating activities before changes in Assets and Liabilities	<u>248,173</u>	<u>50,677</u>
Change in assets and liabilities:		
Increase in Provision for employee entitlement	-	8,644
Increase in receivables	(83,946)	40,008
Increase in creditors and borrowings	1,635	56,983
Increase/(Decrease) in sundry deposits	3,531	5,998
Increase/(Decrease) in Value Added Tax	7,506	(4,765)
Increase in rates received in advance	1,178	(2,213)
(Increase)/decrease in deposits and prepayments	-	(3,174)
Increase/(decrease) in deferred income	(10,544)	(10,544)
Net cash Inflows from Operating Activities	<u>167,533</u>	<u>141,614</u>

(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 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:

LAMI TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 \$	2012 \$
Cash on Hand	200	100
Bank Overdraft - ANZ	-	(3,954)
Bank Overdraft - WBC	(26,455)	(38,074)
	<u>(26,255)</u>	<u>(41,928)</u>
(b) <u>Parking Meter Fund Account</u>		
(i) <u>Reconciliation of Net Cash Provided by Operating Activities of Net Surplus</u>		
Net (deficit)/surplus for the year	3,434	4,007
Depreciation	3,574	3,522
Provision for employee entitlement	14,592	1,731
Net cash provided by operating activities before changes in Assets and Liabilities		
Increase/(decrease) in creditors and accruals	928	(10,241)
(Increase)/decrease in vat receivable	-	(2,557)
Net cash Inflows from Operating Activities	<u>22,528</u>	<u>-3,538</u>
(ii) <u>Cash & Cash Equivalents</u>		

For the purpose of the statement of cash flows, cash comprises of cash on hand and at bank. Cash as at the 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:

Bank Overdraft	<u>(7,239)</u>	<u>(29,767)</u>
----------------	----------------	-----------------

Note 11 Fundamental Error

Due to incorrect calculation property plant and equipment were over depreciated in 2011. As a result the following amounts were restated in 2012.

		Furniture & Fittings \$
Provision for Depreciation	-	8,478
To correct over Depreciation in 2011	-	(588)
Provision for Depreciation Restated	<u>-</u>	<u>7,890</u>
Depreciation expense	-	1,002
To correct over Depreciation in 2011	-	(588)
Depreciation expense Restated	<u>-</u>	<u>414</u>

Note 12 Principal Activities

The Lami Town Council was established under the Local Government Act (Cap 125 Rev 2007) 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 1,217 ratepayers and rateable properties in the town. Apart from these services and others as required by the Local Government Act, the Council also provides other services.

LAMI TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2013

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 these operations or state of affairs of the Council in subsequent years

Note 14 Council Details

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