



LEVUKA TOWN COUNCIL

Annual Report for the Year 2005





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Levuka Town Council

P.O. Box 70

Levuka, Fiji

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Phone: 3440014

Fax: 3440288

The Honorable Premila Kumar
Minister for Local Government, Housing & Community Development
Gladstone Road
SUVA

Dear Madam

I have much pleasure in submitting the Levuka Town Council Annual Report for 2005.

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

The Annual Report 2005 has been prepared in accordance with the provisions of Section 19(1) (a),(b) and (c) of the Local Government Act Cap. 125

Yours sincerely


Josese Rakuita
Chief Executive Officer
LEVUKA TOWN COUNCIL

FOREWARD

I am pleased to present the 2005 Annual Report for Levuka Town Council. As we draw the curtains of another year, it provides an opportunity to reflect on the highlights and events that have transpired through the course of the Council's operation. This edition offers a glimpse of that reflection and hope that will reinforce and motivate our vision for a solid foundation as we progress into the future.

2005 had its shares of setbacks and highlights, however, the Council has been successful in maintaining and advancing the reputation of its service delivery. Every year we have placed on record one of the many pressing needs for the Council is funding. With only 152 ratepayers, the rates and other business revenue is limited.

The Levuka Town Council is optimistic that with assistance by Government funding through annual grants we will be able to carry out some infrastructure upgrading.

To conclude, the many highlights of the year did not happen by accident, but is the result of vision, hardwork and dedication of the Council, the staff and support of the ratepayers all working cohesively towards a common goal of achieving excellence.



Josese Rakuita
Chief Executive Officer

LEVUKA TOWN COUNCIL

ANNUAL REPORT FOR THE YEAR 2005



COUNCIL DIRECTORY

LOCATION: Council Office
Bowling Road, Levuka

POSTAL ADDRESS: P.O. Box 70, Levuka

PHONE: 3440014

FAX: 3440288

E-MAIL: lrc@connect.com.fj

BANK: Westpac Banking Corporation

AUDITOR: Auditor General

LEVUKA TOWN COUNCIL

Prior to Cession there was no actual Local Government Authority formed to control the affairs of Levuka and the residents themselves had little or no say in the management of the town. This was a period when the town was being planned by the British engineers and this included the construction of roads, seawall, etc.

Three years after Cession the Town Ordinance of 1877 was passed giving residents of Levuka the right to govern the town. A Council was appointed with the first Warden of Levuka, the Hon. J.G. Smith. Various Wardens were appointed during the following years up till 1900. In the same year another ordinance was passed enabling the residents of Levuka to elect their own Councillors and Mayor. The first Mayor was Cr. D.J. Solomon, a well known member in those days.

It is important to note some events that led to a gradual decline in Levuka were: -

- ❖ The shift of the capital from Levuka to Suva in 1881 which led to a decline in the export trade.
- ❖ The hounding of German businesses during World War.
- ❖ The economic depression of the mid 1930's as already mentioned.
- ❖ The final blow was in the loss of the copra trade.

In 1935 the previous ordinance was rescinded and replaced by the township ordinance of the same year. The reason was due to the depressed state of the economy of Fiji in the mid 1930's.

It was during this period that Government took over the reigns and appointed a Township Board under the leadership of a chairman who was the Commissioner Eastern.

The government also gave a small grant to help the Board to function. As the economy improved the grant was decreased and was later withdrawn.

After independence the Local Government Act 4 of 1972 was passed giving all townships in Fiji municipality status and the power to elect their own Town Council and Councillors and its Mayor.

AREA OF LEVUKA

The area of Levuka is approximately 165 acres. The eastern boundary of the town is the sea, whilst the western boundary is the hills which surround the town. The northern boundary continues to Levuka creek and the southern boundary is towards Nasova.

VISION

Through team work initiative and a dedication to excellence the Levuka Town Council will endeavour to facilitate employment opportunities and to provide a good environment, adequate infrastructure and high levels of customer service ensuring a quality lifestyle for the people of Levuka.

MISSION STATEMENT

The Levuka Town Council will provide effective local government and deliver within available resources quality services which respond to consumer needs of a growing community.

GOALS

- i. Generate sufficient income to meet the towns needs.
- ii. Plan for and manage upgrading restoration and upgrading of heritage buildings and infrastructure to provide a desirable working and living environment.
- iii. Protect and enhance the environment of the town of Levuka.
- iv. Further improve ways of communicating between Council and the community as a whole providing services and encouraging active participation in local affairs and Council activities.
- v. Manage the towns assets, facilities and infrastructure.
- vi. Address community needs to promote a healthy and caring community.
- vii. Manage and develop the towns leisure and cultural facilities consistent with community needs.
- viii. Develop skills and opportunities for staff and councillors to meet the towns needs.

1. COUNCILLORS FOR THE YEAR 2005

- | | | | |
|-------|--------------------------|---|--------------|
| i. | Cr. George Gibson | - | Mayor |
| ii. | Cr. Rev. Tomasi Bola | - | Deputy Mayor |
| iii. | Cr. Taniela Bulivou | | |
| iv. | Cr. Eseta Vakatale | | |
| v. | Cr. Saimoni Vakaliwaliwa | | |
| vi. | Cr. Seru Racaca | | |
| vii. | Cr. Rusiate Rokodulu | | |
| viii. | Cr. Koroi Navuku | | |
| ix. | Cr. Vaciseva Waqa | | |

Levuka has only 1 ward

STAFF

- | | | | |
|------|----------------------|---|----------------|
| i. | Mrs. Anne Murgan | - | Town Clerk/CEO |
| ii. | Mr. Apenisa Tawake | - | Accounts Clerk |
| iii. | Mrs. Senimili Tamani | - | Cashier |
| iv. | Mrs. Leba Aloia | - | Clerk/Typist |

MEETINGS

Following are the number of meetings held during the year: -

- | | | | |
|---|---------------------------------------|---|-----------|
| • | Regular Monthly Meetings | - | 10 |
| • | Works, Town Planning, Traffic & Bldg. | - | 11 |
| • | Finance, Staff, Market | - | 11 |
| • | Health, Environment, Park & Sports | - | 10 |
| • | Special | - | 1 |
| | TOTAL | | 43 |

2. VISITORS & HIGHLIGHTS FOR THE YEAR

- Hon. Pio Wong, Minister for Local Government, Urban Development, Housing & Environment visited Levuka Town Council during the year.
- Farewell of JICA volunteer, Mr. Etsu Nozaki by Council as his term has ended.
- Mayoral Election – mayoral election was done annually to elect the Mayor for another year.
- Opening of market with cubicles – Levuka market was renovated and 5 cubicles were installed within the market and rented out to interested applicants to generate revenue for Council.

3. HEALTH SERVICES

a. Building Applications

Total Application Received - 26

Total Application Approved - 20

Type of Development	Value
Residential	\$11,200.00
Commercial	\$550.00
Civic	\$277,587
Others	\$245,000.00
TOTAL	\$534,337.00

b. Land Developments

Subdivision - Nil

Rezoning - 2

1. Rezone from Residential to Special Use - Rosie and Trevor Patterson at Beach Street, Levuka
2. Rezone from Industrial to Commercial – Pacific Fishing Company at Beach Street, Levuka.

Nuisance Notices Served: 3

Complaints Received: -

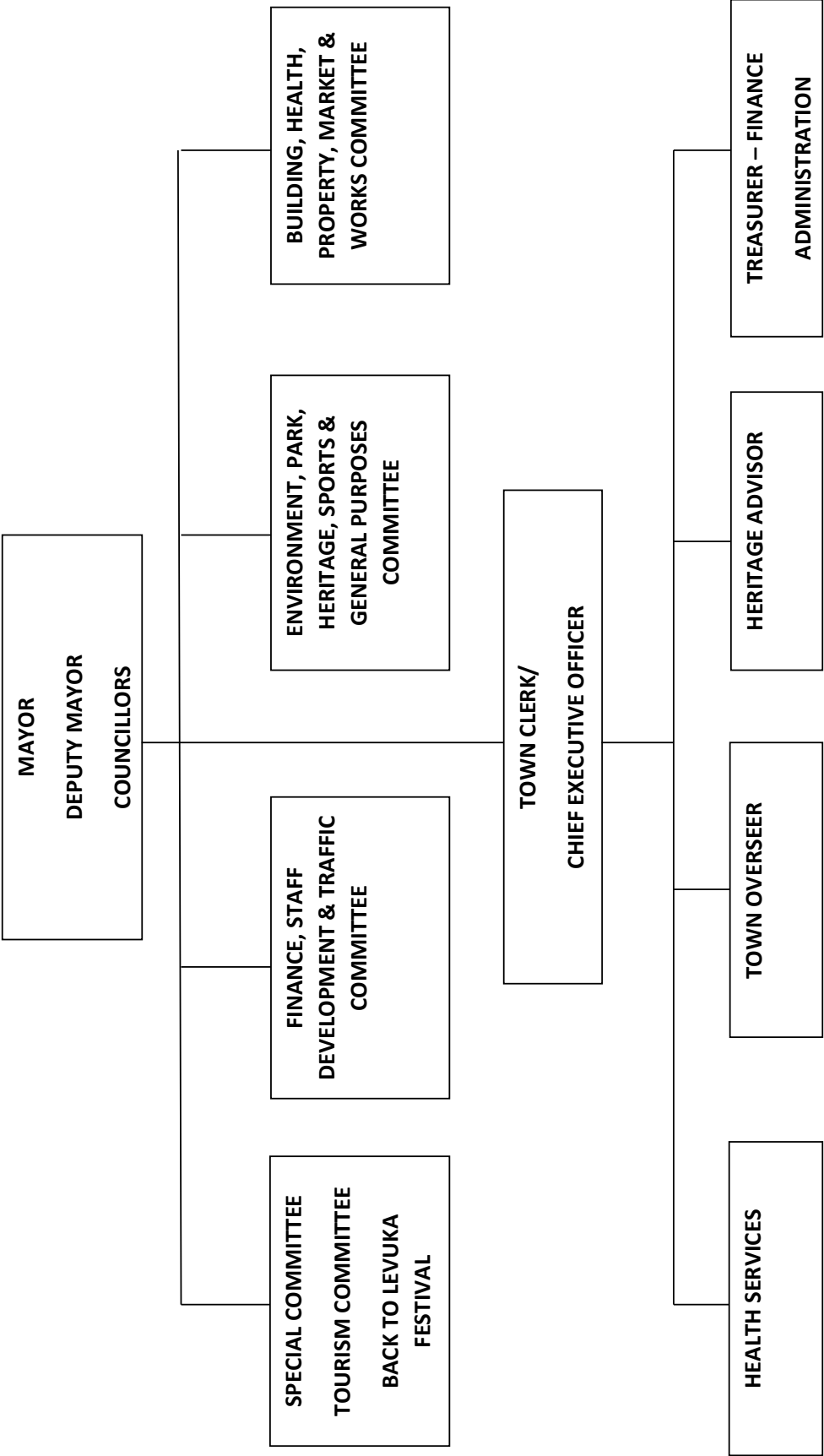
In the year 2005, a total of 6 complaints were registered with the Health Office.

3 were food related.

3 were nuisance related whereby notices were served accordingly.

LEVUKA TOWN COUNCIL

ORGANISATION STRUCTURE



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REPUBLIC OF THE FIJI ISLANDS
OFFICE OF THE AUDITOR GENERAL



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



Winner: Achievement in Business Excellence
Fiji Business Excellence Awards 2008

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ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

File: 769

16 April 2009

Mr. Napolioni Masirewa
The Administrator
Levuka Town Council
P. O. Box 70
Levuka

Dear Mr. Masirewa

**AUDIT OF THE ACCOUNTS OF THE LEVUKA TOWN COUNCIL
FOR THE YEAR ENDED 31 DECEMBER 2005**

Two copies of the audited financial statements of the Levuka Town Council for the year ended 31 December 2005 together with an audit report on them are enclosed.

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

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

Yours sincerely

Tevita Bolanavanua
ACTING AUDITOR-GENERAL

cc: Interim Minister for Local Government, Urban Development and Housing

Encl.

LEVUKA TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

LEVUKA TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

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REPUBLIC OF THE FIJI ISLANDS
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ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

LEVUKA TOWN COUNCIL
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2005
INDEPENDENT AUDIT REPORT

Scope

I have audited the financial statements of the Levuka Town Council for the year ended 31 December 2005 in accordance with Section 57(2) of the Local Government Act and Section 13 of the Audit Act. The Levuka 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 Standards 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.

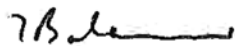
The audit opinion expressed in this report has been formed on the above basis.

Qualifications

- The Statement of Revenue and Expenditure of the Council at 31 December 2005 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, the Statement of Financial Position does not incorporate debtors, prepayments, creditors and accruals and is therefore a limited statement of financial position. This basis of accounting is not in accordance with Section 57(1) of the Local Government Act.
- Records to substantiate the bank balance for Canteen Account, Sanitation Account, and Signage Account and Back to Levuka Account were not made available during the audit.
- Records to substantiate the Vat Payable amount were also not made available during the audit.

Qualified Audit Opinion

In my opinion, because of the effects of the matters discussed in the qualification paragraph, the financial statements do not present fairly the financial position of the Levuka Town Council as at 31 December 2005 and the result of its operations for the year then ended.



Tevita Bolanavanua
ACTING AUDITOR GENERAL

Suva, Fiji

16 April 2009



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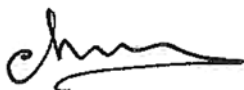
LEVUKA TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2005

	NOTES	2005 \$	2004 \$
Current assets			
Cash at Bank	2	2,449	2,434
Total current assets		<u>2,449</u>	<u>2,434</u>
TOTAL ASSETS		<u>2,449</u>	<u>2,434</u>
Current liabilities			
VAT payable		15,552	22,662
Non current liabilities			
Term Loan	3	5,071	13,743
Conservation Committee Loan	4	6,975	1,975
TOTAL LIABILITIES		<u>27,598</u>	<u>38,380</u>
NET ASSETS/(DEFICIT)		<u>(25,149)</u>	<u>(35,946)</u>
ACCUMULATED FUNDS IN DEFICIT	5	<u>(25,149)</u>	<u>(35,946)</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 9 to 11.

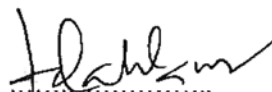
COUNCIL'S STATEMENT

In our opinion, the financial statements have been properly drawn up so as to show a true and fair view of the Levuka Town Council's operations for the year ended 31 December 2005 and of the state of affairs and cash flows as at that date.



Mr. Napoloni Masirewa
Administrator

Date: 13/3/09



Mr. Sailosi Qalilawa
Chief Executive Officer

Date: 13/3/09

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**LEVUKA TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF REVENUE & EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2005**

	NOTES	2005	2004
		\$	\$
The Revenue for the year was derived from			
General Rates		84,500	58,336
Loan Rates		19,878	17,401
Fees and Charges			
Building fees		4,397	1,885
Business and trading licences		21,220	21,997
Candidate Deposits		280	-
Conservation Loan		4,444	-
Garbage fees		18,520	15,583
Hall hire		7,176	4,847
Interest		1,243	1,268
Machine hire		4,045	7,101
Maintenance of road verges		2,738	2,090
Market fees		89	8
Miscellaneous		1,657	85
Ovalau Rugby Union Gate takings		19,767	-
Others		2,651	-
Park and tennis court fees		3,384	3,384
Photocopy and fax charges		-	630
Refunds		216	11,275
Rent		2,055	3,553
Taxi and carrier stand fees		7,433	6,390
Town planning fees		-	593
Truck hire		2,207	3,197
Total Revenue		207,900	159,623
The Expenditure for the year was incurred on			
Recurrent			
Audit fees		2,543	4,000
Bank charges		480	297
Interest and loan repayment		928	1,885
Mayoral & Councillors allowance		2,534	3,283
Election expenses		2,962	-
Entertainment		-	-
Environment		107	150
FNPF contributions		4,884	3,789
Garbage fees		22,728	22,870
General		-	1,575
Incidentals		2,245	8,856
Insurance		935	468
Legal fees		563	1,625
Market		628	394

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**LEVUKA TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF REVENUE & EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2005**

Miscellaneous	485	-
Office equipment and stationeries	6,234	6,993
Ovalau Rugby Union	17,259	-
Parking expenses	2,309	821
Plant and machinery	5,921	1,625
Repairs and maintenance of property	4,512	7,745
Roads and drains	2,168	2,403
Salaries and wages	86,261	70,111
Refunds	760	-
Rezoning and Town Planning fees	849	-
Signage Project Expenses	-	2,065
Subscription to Fiji Local Government Association	300	710
Survey fees / valuation fees	-	979
Telephone	5,868	4,907
Town & Country Planning	-	378
TPAF levy	790	923
Travelling	5,695	4,310
Truck hire refund	-	-
	180,948	153,162
Capital Expenditure		
Brushcutter & Lawn Mower	1,054	-
Backhoe	-	1,596
Capital Works	-	5,902
Computer	2,790	4,184
Fax machine	1,156	-
Garbage truck	400	-
Market Extension and renovation	17,513	-
Town Hall Extension	2,446	-
Taxi Base	1,400	-
	26,759	11,682
Extraordinary Expenditure		
Reversal of excess writedown of assets	-	-
Prior year adjustment to adjust for bank accounts	(1,025)	-
	(1,025)	-
Total Expenditure	206,682	164,844
Net Profit/(Loss) for the year was	1,218	(5,221)
Deficit balance at 1 January was	(127,090)	(121,869)
Deficit balance at 31 December of	(125,872)	(127,090)

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LEVUKA TOWN COUNCIL
LIGHT SERVICE ACCOUNT
STATEMENT OF REVENUE & EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2005

	2005 \$	2004 \$
The Revenue for the year was derived from		
Lighting Service Rate	21,280	18,683
Total Revenue	21,280	18,683
The expenditure for the year was incurred on		
Street Lighting - Consumption	5,700	7,112
Street Lighting - Repairs	6,001	6,279
Total Expenditure	11,701	13,391
Net Surplus for the year was	9,579	5,292
Surplus Balance at 1 January was	66,468	61,176
Leaving a Surplus Balance at 31 December of	76,047	66,468

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LEVUKA TOWN COUNCIL
 FIRE SERVICE ACCOUNT
 STATEMENT OF REVENUE & EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2005

	NOTE	2005 \$	2004 \$
The Revenue for the year was derived from			
Fire Service Rates		-	-
Total Revenue		<u>-</u>	<u>-</u>
The expenditure for the year was incurred on			
Payment of Principal			-
Interest			-
Total Expenditure		<u>-</u>	<u>-</u>
Net Surplus for the year was		-	-
Surplus Balance at 1 January was	1 (e)	<u>24,676</u>	<u>24,676</u>
Leaving a Surplus Balance at 31 December of	1(e)	<u>24,676</u>	<u>24,676</u>

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**LEVUKA TOWN COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2005**

		2005	2004
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was provided from			
Rates and other revenue		208,059	159,637
Interest		(7,110)	1,268
Net Vat Paid		1,243	
Payments to suppliers and employees		(191,624)	(159,187)
Net Cash Inflows from Operating Activities	9	<u>10,568</u>	<u>1,718</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for Property, Plant and Equipment		<u>(26,759)</u>	<u>(11,682)</u>
Net Cash Outflows from Investing Activities		<u>(26,759)</u>	<u>(11,682)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceed from loan rates		19,878	17,403
Repayments of term loan net		(3,672)	(7,715)
Net Cash Inflows from Financing Activities		<u>16,206</u>	<u>9,688</u>
Net (Decrease)/Increase in Cash Held		15	(276)
Cash at the beginning of year		<u>2,434</u>	<u>2,710</u>
Cash at the end of year		<u><u>2,449</u></u>	<u><u>2,434</u></u>

LEVUKA TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies adopted by the Council is set out in this note. The policies adopted are in accordance with accounting principles generally accepted in Fiji, and unless stated otherwise are consistent with those applied in the prior year.

- a) The financial statements have been prepared on a going concern basis, which contemplates the continuity of business activities and the realisation of assets and the payment of liabilities in the normal course of business. At 31 December 2005 the council's overall excess of liabilities over assets (deficiency) was \$25,149 (2004: \$35,946).
- b) **Basis of preparation of the financial statements**
The financial statements have been prepared on cash basis.
- c) The Council has adopted the policy of charging to income the full cost of the assets at the time of acquisition, except projects financed from Loan Funds which are capitalised as expenditure is incurred and are written down in value by the actual amount of principal repaid annually over the period of the loans.
- d) **Arrears of Revenue**

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

	2005	2004
	\$	\$
Rates, Garbage Fees and Other Revenue	<u>96,616</u>	<u>97,479</u>

e)

The surplus of \$24,676 in the Fire Service Account represents fire levies collected by the council between 1995 to 1996. These levies are yet to be transferred to the National Fire Authority.

NOTE 2: CASH AT BANK

	2005	2004
	\$	\$
Current Account	1,424	1,392
Canteen Account	6	-
Sanitation Account	9	9
Signage Account	551	551
Back to Levuka Week Account	459	482
	<u>2,449</u>	<u>2,434</u>

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LEVUKA TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2005. (Continued)

NOTE 3: TERM LOAN

The Council took an initial loan of \$61,000 in 1991 bearing an interest of 11 percent per annum. The Loan term was for 15 years with a monthly repayment of \$800. The loan raised is under the provisions of the Local Government Act and is secured against the assets of the Council.

Westpac Loan	2005	2004
	\$	\$
Balance at the beginning of the year	13,743	21,458
Less loan Repayments made	<u>8,672</u>	<u>7,715</u>
Balance at the end of the year	<u>5,071</u>	<u>13,743</u>

NOTE 4: CONSERVATION COMMITTEE LOAN

On 6th December 2005, the Council took out an additional Loan of \$5,000 from the Conservation Committee to supplement the current account. This was approved by Council.

	2005	2004
	\$	\$
Conservative Loan Balance	1,975	1,975
Add Additional Loan during the year	<u>5,000</u>	<u>-</u>
Total Balance at the year end	<u>6,975</u>	<u>1,975</u>

NOTE 5: ACCUMULATED FUND

	2005	2004
	\$	\$
General Account	(125,872)	(127,090)
Fire Service Account	24,676	24,676
Special Light Account	76,047	66,468
Net Accumulated Deficit	<u>(25,149)</u>	<u>(35,946)</u>

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LEVUKA TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2005.

NOTE 6: The Council by resolution granted discount on rates as follows:

Rates paid in full on or before 31/01/05 - 20%.
 Arrears paid before 31/03/05 - Waiver of all interest

NOTE 7: CAPITAL COMMITMENTS at balance date - Nil (2004: Nil)

NOTE 8: CONTINGENT LIABILITIES at balance date - Nil (2004: Nil).

NOTE 9: NOTES TO STATEMENT OF CASH FLOWS

	2005	2004
	\$	\$
Reconciliation of the Net Surplus to the net cash flows from operations		
Net Surplus/(Deficit) for the year	10,797	72
Less: Loan Rate Fund	(19,878)	(17,403)
Add : Capital Purchases	26,759	11,682
Loan Repayments	3,672	-
	<u>21,350</u>	<u>(5,649)</u>
Increase/(Decrease) in provision for VAT Payable	(7,110)	7,367
Increase/(Decrease) in Loan and other payables	(3,672)	-
Net Cash Inflows from Operating Activities	<u><u>10,568</u></u>	<u><u>1,718</u></u>

