



LEVUKA TOWN COUNCIL

Annual Report for the Year 2007





LEVUKA TOWN COUNCIL

Annual Report for the Year 2007



Levuka Town Council

P.O. Box 70

Levuka, Fiji

E-mail: lrc@connect.com.fj



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 2007.

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

The Annual Report 2007 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

The Levuka Town Council has come through a historical transformation since first proclaimed a township in 1877. Levuka has a long history as one of the best remaining examples of a town or settlement reflective of the European exploitation and colonization in the South Pacific. It remains a unique town in that it has managed to retain a high degree of authenticity and a wealth of old buildings.

The development of Levuka as a township is a formidable challenge because its ratepayers alone cannot justify its viability. Every year we have placed on record one of the many pressing needs of the Council is funding. With only 152 ratepayers, the rates and other business revenue is limited. There is also the limitation in the physical terrain which directly affects the limited options available for the economy to develop, which in turn affect every other event or activity that can be staged in town. However, we are blessed with the community spirit that has allowed the town to move forward with pride. Having said the above Levuka Town is optimistic that with funding assistance from Non Government Organisations and government through grants should be able to meet the peoples demand for infrastructure upgrading and other developments in town.

The Levuka Town Council wishes to place on record its appreciation for our business community and ratepayers as we stand united for another challenging year ahead.



Josese Rakuita
Chief Executive Officer

LEVUKA TOWN COUNCIL

ANNUAL REPORT FOR THE YEAR 2007



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.

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 2007**

- Cr. George Gibson - Mayor
- Cr. Mela Naidu - Deputy Mayor
- Cr. Rev. Tomasi Bola
- Cr. Yengtesh Mani
- Cr. Raj Gopal Naidu
- Cr. Barbara Ashley
- Cr. Lela Yee Show
- Cr. Eseta Vakatale

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 - 7
- Works, Town Planning, Traffic & Bldg. - 6
- Finance, Staff, Market - 4
- Health, Environment, Park & Sports - 4
- Special - 4

2. HEALTH SERVICES

1. Building Applications

Total Applications Received: 9

Total Applications Approved: 6

Type of Development	Value
Residential	\$9,909.00
Commercial	-
Civic	\$169,000.00
Others	\$2,000.00
TOTAL	\$180,909.00

2. Land Developments - 1

Rezoning from Commercial to Residential – applicant, Ofa Harness at Beach Street, Levuka

3. Nuisance Notice Served - 11

4. Complaints

In the year 2007, a total of 17 complaints were registered with the Health Office.

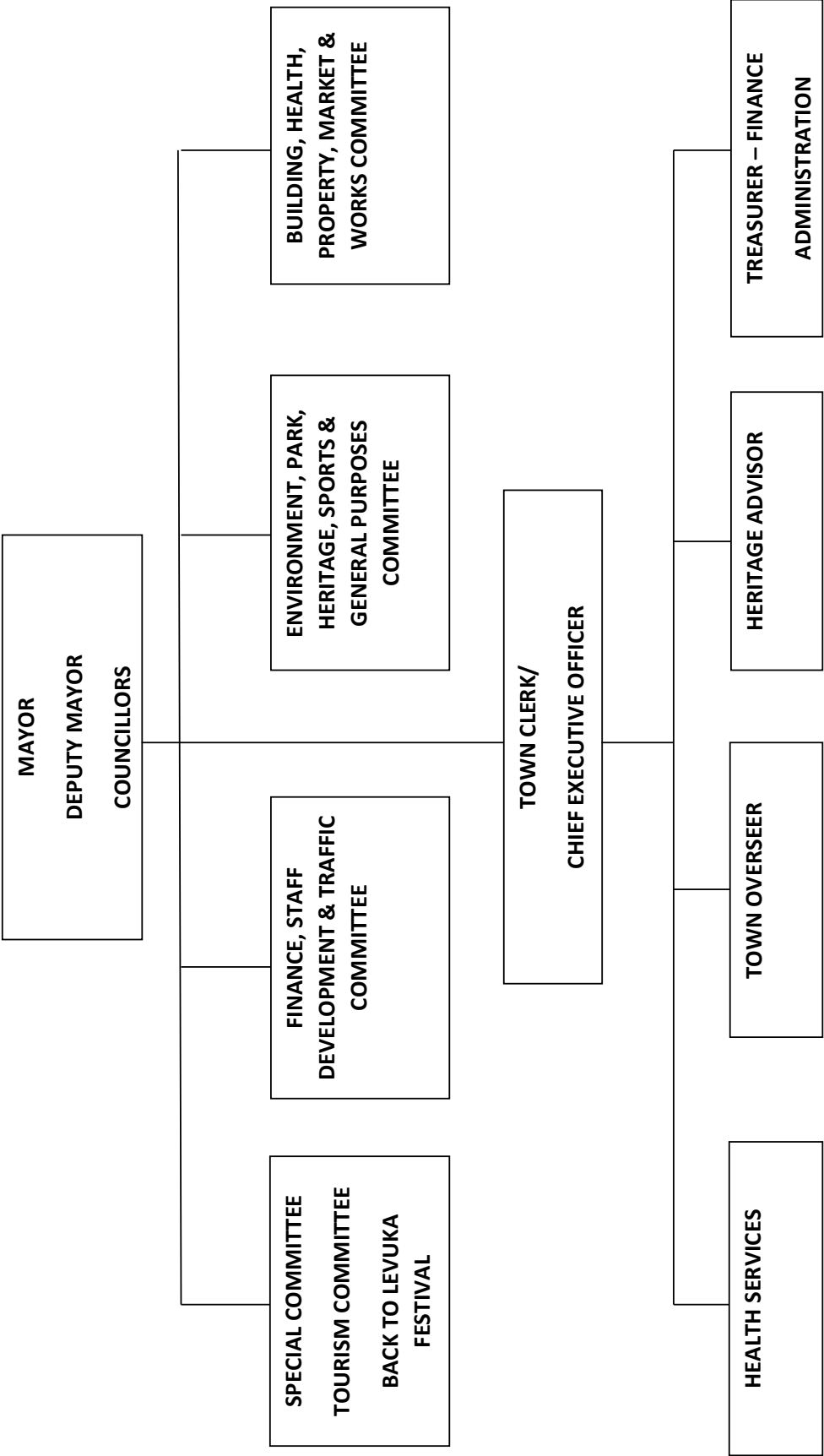
1 was on waste management

3 was food related

11 was on Nuisance

LEVUKA TOWN COUNCIL

ORGANISATION STRUCTURE



LEVUKA TOWN COUNCIL

2007 ACCOUNTS

**LEVUKA TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

CONTENTS

	Page No.
Independent Audit Report	2 - 3
General Fund Account-Statement of Financial Position	4
General Fund Account- Statement of Revenue and Expenditure	5-6
Light Service Account-Statement of Revenue and Expenditure	7
Fire Service Account-Statement of Revenue and Expenditure	8
General Fund Account- Statement of Cash Flows	9
Notes to and forming part of Financial Statements	10-12

**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



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



ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

**LEVUKA TOWN COUNCIL
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007**

INDEPENDENT AUDIT REPORT

Scope

I have audited the financial statements of the Levuka 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 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 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 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 as at 31 December 2007 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.
- The bank reconciliation prepared by the Council for the year was incomplete. The Council only prepared cash summaries and failed to reconcile it with the Bank records.
- The Vat Receivable amount of \$18,778 could not be substantiated as documents and records pertaining to this amount were not made available during 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 2007 and the result of its operations and cash flows for the year then ended.


Tevita Bolanavanua
ACTING AUDITOR GENERAL



Suva, Fiji

22 April 2010

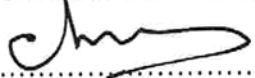
LEVUKA TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF FINANCIAL POSITIONS AS AT 31 DECEMBER 2007

	NOTES	2007 \$	2006 \$
Current assets			
Cash at Bank	2	41,878	768
Vat Receivable		18,778	
Total current asstes		<u>60,656</u>	<u>768</u>
TOTAL ASSETS		<u>60,656</u>	<u>768</u>
Current Liabilities			
Vat Payable		-	10,684
Non current liabilities			
Conservation Committee Loan	3	5,975	1,975
Challenge Fund		20,435	-
TOTAL LIABILITIES		<u>26,410</u>	<u>12,659</u>
NET ASSETS/(DEFICITS)		34,246	(11,891)
ACCUMULATED FUNDS IN SURPLUS	4	<u>34,246</u>	<u>(11,891)</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 10 to 12

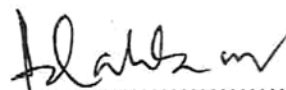
COUNCIL'S STATEMENT

In our opinion, the financial statements have been drawn up so as to show a true and fair view of the Levuka Town Council's operations for the year ended 31 December 2007 and of the state of affairs and cash flows as at that date



 Mr. Napolioni Masirrewa
 Administrator

Date: 20/4/10



 Mr. Sailosi Qalilawa
 Chief Executive Officer

Date: 20/4/10

LEVUKA TOWN COUNCIL
GENERAL FUND ACCOUNT - STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2007

NOTES	2007 \$	2006 \$
Revenue for the year was derived from		
General Rates	64,892	73,731
Loan Rates	-	20,359
Fees and Charges		
Building fees	678	1,476
Business and trading licenses	22,835	25,301
Garbage fees	21,609	20,456
Hall hire	3,397	3,421
Interest	1,005	1,747
Maintenance of road verges	1,173	2,542
Market fees	743	1,326
Miscellaneous	506	3,422
Others	-	1,355
Park and Tennis court fees	7,178	3,750
Photocopy and fax charges	197	-
Refunds	4,491	1,868
Rent	27,598	5,573
Sale of Garbage Truck	-	11,869
Taxi & Carrier stand fees	5,444	5,800
Town Planning fees	133	-
Truck & machine Hire	1,739	5,951
Total Revenue	163,618	189,947

The Expenditure was incurred on

Recurrent		
Audit fees	1,231	636
Bank charges	394	1,417
Interest and loan repayments	-	482
Mayoral and Councillors' allowance	2,094	3,645
Environment	83	-
FNPF contributions	4,471	4,641
Garbage Fees	19,411	49,076
Incidentals	3,410	4,012
Insurance	203	423

LEVUKA TOWN COUNCIL
GENERAL FUND ACCOUNT - STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2007

NOTES	2007	2006
	\$	\$
Legal fees	-	1,544
Market	616	1,253
Miscellaneous	1,410	2,586
Office equipment and stationary	2,453	5,399
Park Expenses	1,453	2,840
Plant and machinery	3,875	1,792
Repairs and maintenance of property	1,433	4,288
Roads and drains	1,465	2,133
Salary and Wages	70,728	82,929
Refunds	-	100
Rezoning and Town Planning fees	105	-
Sunscription to Local Govt. Association	300	300
Telephone	5,097	5,317
Town & Country Planning	-	293
TPAF levy	439	440
Travelling	5,386	7,269
Total recurrent expensiture	<u>126,057</u>	<u>182,815</u>
Capital Expenditure		
Capital Works	-	9,558
Computer	3,716	-
Total capital expenditure	<u>3,716</u>	<u>9,558</u>
Total Expenditure	<u>129,773</u>	<u>192,373</u>
Net Profit/(Loss) for the year was	33,845	(2,426)
Deficit balance at January was	(128,298)	(125,872)
Deficit balance at 31 december of	<u>(94,453)</u>	<u>(128,298)</u>

**LEVUKA TOWN COUNCIL
LIGHT SERVICE ACCOUNT - STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2007**

NOTES	2007 \$	2006 \$
Revenue for the year was derived from		
Lighting service rate	21,006	21,745
Total Revenue	<u>21,006</u>	<u>21,745</u>
Expenditure was incurred on		
Street light - consumption	7,741	4,816
Street light - Repairs	973	1,245
Total Expenditure	<u>8,714</u>	<u>6,061</u>
Net Surplus for the year was	12,292	15,684
Surplus Balance at January was	<u>91,731</u>	<u>76,047</u>
Leaving a Surplus balance at 31 December of	<u>104,023</u>	<u>91,731</u>

**LEVUKA TOWN COUNCIL
FIRE SERVICE ACCOUNT - STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2007**

NOTES	2007	2006
	\$	\$
Revenue for the year was derived from		
Fire service rate	-	-
Total Revenue	<u>-</u>	<u>-</u>
Expenditure was incurred on		
Payment of Principal	-	-
Interest	-	-
Total Expenditure	<u>-</u>	<u>-</u>
Net Surplus for the year was	-	-
Surplus Balance at 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>

LEVUKA TOWN COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2007

	2007 \$	2006 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash was provided from		
Rates and other revenue	178,592	189,586
Interest	1,005	1,747
Net Vat Paid	-	(4,868)
Payments to suppliers and employees	(138,771)	(188,876)
Net Cash Inflows from Operating Activities	40,826	(2,411)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital purchases	(3,716)	(9,558)
Net Cash Outflows from Investing Activities	(3,716)	(9,558)
CASH FLOWS FROM FINANCING ACTIVITIES		
Conservation Committee Loan	4,000	20,359
Repayments of term loan	-	(10,071)
Net Cash Inflows from Operating Activities	4,000	10,288
Net Increase/(Decrease) in Cash Held	41,110	(1,681)
Cash at the beginning of year	768	2,449
Cash at the end of year	41,878	768

LEVUKA TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007

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 2007 the Council's overall excess of assets over liabilities (surplus) was \$26,616 (2006: (\$11,891)).
- b) 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 rates and interest, garbage fees and the other revenue at the end of the year, not reflected in the financial statements were:

	2007	2006
	\$	\$
Rates, Garbage fees and Other Revenue	<u>64,861</u>	<u>64,797</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

	2007	2006
	\$	\$
Current Account	41,869	321
Sanitation Account	9	9
Back to Levuka Week Account	-	438
	<u><u>41,878</u></u>	<u><u>768</u></u>

LEVUKA TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007

NOTE 3: CONSERVATION COMMITTEE LOAN

On 7th November 2007, the Council took out an additional Loan of \$4,000 from the Conservation Committee to supplement the current account. No repayment was done during the year.

	2007	2006
	\$	\$
Conservative Loan Balance	1,975	6,975
Add Additional Loan during the year	4,000	-
	5,975	6,975
Less Loan Repayment	-	(5,000)
Total Balance at the year end	5,975	1,975

NOTE 4: ACCUMULATED FUND

	2007	2006
	\$	\$
General Account	(94,453)	(128,298)
Fire Service Account	24,676	24,676
Special Light Account	104,023	91,731
Net Accumulated Deficit	34,246	(11,891)

NOTE 5: CAPITAL COMMITMENTS at balance date - Nil (2006: Nil)

NOTE 6: CONTINGENT LIABILITIES at balance date - Nil (2006: Nil).

LEVUKA TOWN COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL
YEAR ENDED 31 DECEMBER 2007 (Continued)

NOTE 7: NOTES TO STATEMENT OF CASH FLOWS	2007	2006
	\$	\$
Reconciliation of the Net Surplus to the net cash flows from operations		
Net Surplus/(Deficit) for the year	46,137	13,258
Less: Loan Rate Fund	-	(20,359)
Add : Capital Purchases	-	9,558
Repayment	-	10,071
	<u>46,137</u>	<u>12,528</u>
(Increase)/(Decrease in VAT Receivable	(18,778)	-
Increase/(Decrease) in Provision for VAT payable	(10,684)	(4,868)
Increase/(Decrease) in loan and other payables	4,000	(10,071)
(Increase)/ Decrease in Deferred Income	20,435	-
Non Cash Adjustment	(284)	
Net Cash Inflows from Operating Activities	<u>40,826</u>	<u>(2,411)</u>

