



LEVUKA TOWN COUNCIL

Annual Report for the Year 2009





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Levuka Town Council

P.O. Box 70

Levuka, Fiji

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Phone: 3440014

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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 2009.

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

The Annual Report 2009 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

It gives me much pleasure to again present the Annual Report for Levuka Town Council. The significant of Levuka in terms of the history of Fiji cannot be ignored as it strives to mark its way and progress in modern society.

Levuka on the island of Ovalau, part of Lomaiviti Province, one of the three province of the Eastern Division of Fiji. It is the only commercial center for the Lomaiviti Group of islands and the transportation mode for many inter island services. Whilst the town has changed much over the years, losing its status as the capital and having been subject to several severe cyclones that destroyed much of the old town, there is still a remarkable number of buildings still standing. The physical evidence of the social, spiritual and cultural history of Levuka gives it a very special and important place in Fiji's history.

Today Levuka with only 152 ratepayers has limited resources hence our dependence on the central government, NGO's and other funding agencies is of importance in the upgrading of infrastructure. We are still competing with the fast pace of modern society.

Having mentioned the above with the many highlights during the year is a result of vision, hard work and sacrifice amongst the Council staff and the ratepayers in supporting each other to progress Levuka into new heights.



Josese Rakuita

Chief Executive Officer

LEVUKA TOWN COUNCIL

ANNUAL REPORT FOR THE YEAR 2009



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

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.

1. COUNCIL STAFF

- | | | |
|--------------------------|---|---------------------------------------|
| • Mr. Napolioni Masirewa | - | Special Administrator(Levuka/Nausori) |
| • Mr. Sailosi Qalilawa | - | Chief Executive Officer |
| • Mr. Apenisa Tawake | - | Accounts Clerk |
| • Mrs. Leba Aloia | - | Clerk/Typist/Cashier |
| • Ms. Kristina Murgan | - | Staff |

MEETINGS

Number of meetings held during the year – 5

2. HIGHLIGHTS DURING THE YEAR 2009

1. Hon. Minister for Local Government, Urban Development & Environment visits office.
2. Council hosted the Fiji Local Government Association meeting in Levuka.
3. New Chief Executive Officer resumes with Special Administrator as term for Councillors ends.

3. HEALTH SERVICES

1. Building Applications

Total Applications Received: 10

Total Applications Approved: 9

Type of Development	Value
Residential	\$18,000.00
Commercial	\$13,800.00
Civic	\$12,952.98
Others	\$73,600.00
TOTAL	\$118,352.98

2. Land Developments: Nil

3. Nuisances Notice Issued: 5

4. Complaints

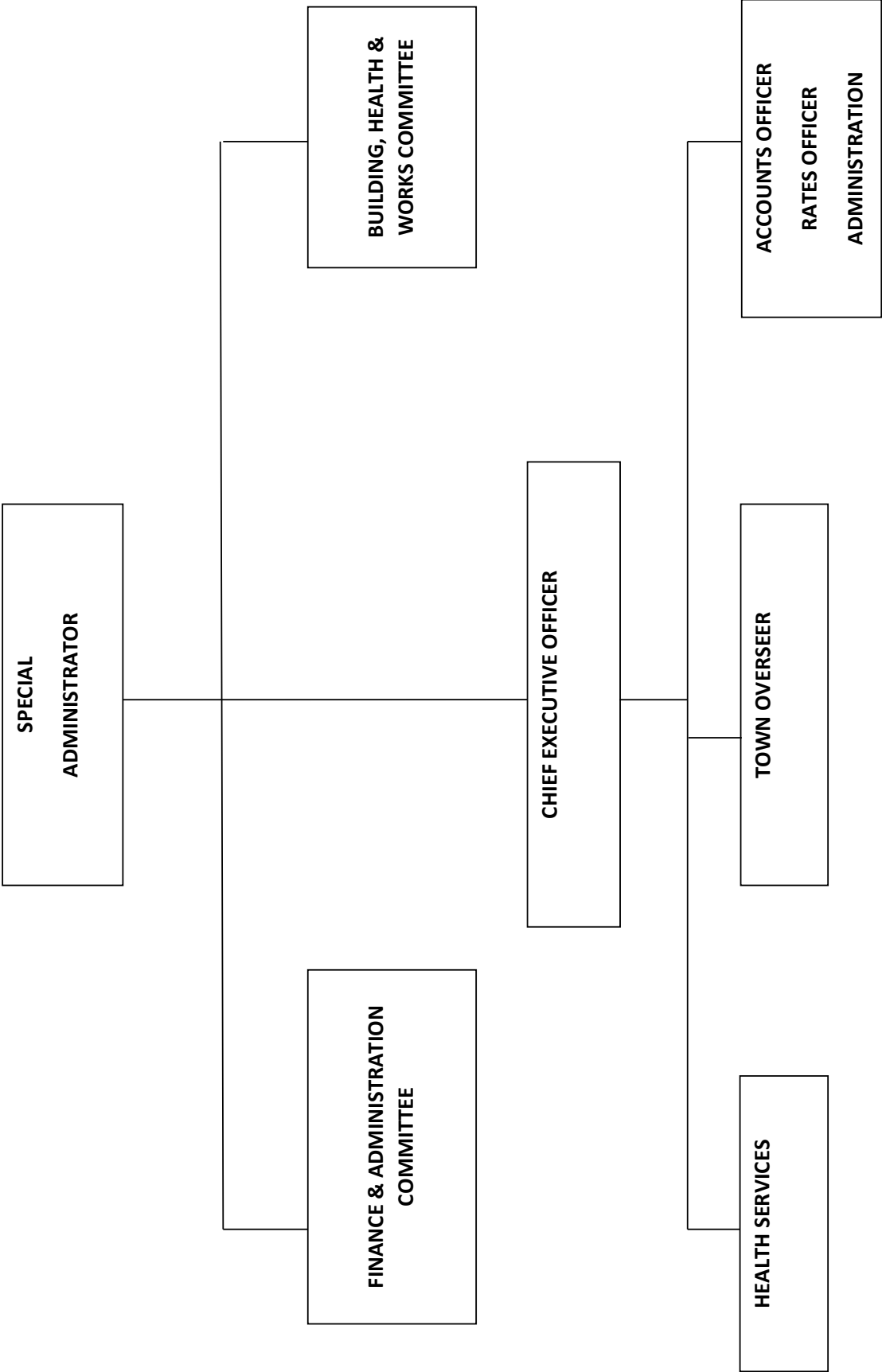
In the year 2009, a total of 12 complaints were registered with the Health Office.

6 was food related

5 was on nuisance

LEVUKA TOWN COUNCIL

ORGANISATION STRUCTURE





ACCOUNTABILITY IN THE PUBLIC SECTOR
THROUGH QUALITY AUDIT SERVICES

LEVUKA TOWN COUNCIL

2009 AUDITED ACCOUNTS



**REPUBLIC OF THE FIJI ISLANDS
OFFICE OF THE AUDITOR GENERAL**



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P. O. Box 2214,
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Suva, 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 2009**

INDEPENDENT AUDIT REPORT

Scope

I have audited the financial statements of the Levuka Town Council for the year ended 31 December 2009 in accordance with section 57(2) of the Local Government Act and section 13 of the Audit Act. The 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 2009 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.
- VAT Receivable of \$17,317 and Conservation Committee Loan of \$5,975 could not be verified 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 2009 and the result of its operations and cash flows for the year then ended.


Tevita Bolanavanua
AUDITOR GENERAL

Suva, Fiji

16 November, 2010



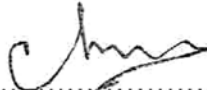
LEVUKA TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2009

	NOTES	2009 \$	2008 \$
Current Assets			
Cash at Bank	2	13,274	9,532
VAT Receivable		17,317	19,615
Total Current Assets		<u>30,591</u>	<u>29,147</u>
TOTAL ASSETS		<u>30,591</u>	<u>29,147</u>
Current Liabilities			
Vat Payable		-	-
Non Current Liabilities			
Conservation Committee Loan	4	5,975	5,975
TOTAL LIABILITIES		<u>5,975</u>	<u>5,975</u>
NET ASSETS		<u>24,616</u>	<u>23,172</u>
ACCUMULATED FUNDS	5	<u>24,616</u>	<u>23,172</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 2009 and of the state of affairs and cash flows as at that date.



 Mr. Napolioni Masirewa
 Special Administrator

Date: 12/11/10



 Mr. Sailosi Qalilawa
 Chief Executive Officer

Date: 12/11/10

LEVUKA TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
Revenue for the year was derived from		
General Rates	106,069	92,013
Grant	24,016	10,000
Fees and Charges		
Building fees	974	272
Business and trading licenses	20,451	25,034
Garbage fees	22,820	20,297
Hall hire	3,914	2,285
Interest	1,164	1,659
Maintenance of road verges	2,542	2,667
Market fees	2,275	2,104
Market rentals	3,555	1,480
Miscellaneous	2,464	676
Other Revenues - Unallocated Direct Deposits	1,118	-
Park and Tennis court fees	2,253	3,590
Photocopy and fax charges	115	338
Refunds	705	3,966
Rent	2,572	4,118
Taxi & Carrier stand fees	7,247	6,295
Town Planning fees	20	351
Truck & Machine Hire	4,048	2,437
Total Revenue	208,322	179,582
The Expenditure for the year was incurred on		
Recurrent		
Audit fees	7,406	4,000
Bank charges	784	491
Civic Reception	1,711	-
Contractor	9,000	10,806
Councillors and Mayoral allowance	208	4,063
Environment	2,128	-
FNPF contributions	5,797	3,926
Garbage	28,423	28,293
Incidentals	1,700	2,030
Insurance	450	309
Legal fees	4,208	1,889
Market	293	375
Miscellaneous	2,651	3,850

LEVUKA TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
Office equipment and stationary	6,614	8,104
Park Expenses	310	2,764
Plant and machinery	6,239	5,588
Repairs and maintenance of property	6,192	3,742
Roads and drains	1,016	1,022
Salary and Wages	96,101	86,435
Special Administrator	5,274	-
Subscription to Local Govt. Association	350	400
Refunds	2,068	2,185
Rezoning and Town Planning fees	977	351
Telephone	4,406	5,726
TPAF Levy	2,303	344
Travelling	6,549	11,710
Total Recurrent Expenditure	203,158	188,403
 Capital Expenditure		
Capital Works	15,760	9,553
Computer	-	-
Total Capital Expenditure	15,760	9,553
 Total Expenditure	218,918	197,956
 Net Deficit for the year was	(10,596)	(18,374)
Deficit balance at January was	(112,827)	(94,453)
Leaving a Deficit balance at 31 December of	(123,423)	(112,827)

LEVUKA TOWN COUNCIL
LIGHT SERVICE ACCOUNT
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2009

	2009 \$	2008 \$
Revenue for the year was derived from		
Lighting service rate	20,756	20,416
Total Revenue	<u>20,756</u>	<u>20,416</u>
Expenditure for the year was incurred on		
Street light - consumption	4,613	6,616
Street light - Repairs	3,244	6,500
Total Expenditure	<u>7,857</u>	<u>13,116</u>
Net Surplus for the year was	12,899	7,300
Surplus Balance at January was	<u>111,323</u>	<u>104,023</u>
Leaving a Surplus balance at 31 December of	<u>124,222</u>	<u>111,323</u>

LEVUKA TOWN COUNCIL
FIRE SERVICE ACCOUNT
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2009

	NOTES	2009 \$	2008 \$
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 to NFA		859	-
Total Expenditure		<u>859</u>	<u>-</u>
Deficit for the year was		(859)	-
Surplus Balance at 1 January was		<u>24,676</u>	<u>24,676</u>
Leaving a Surplus Balance at 31 December of	1(e)	<u>23,817</u>	<u>24,676</u>

LEVUKA TOWN COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2009

	NOTES	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was provided from			
Rates and other revenue		230,212	177,067
Interest		1,164	1,659
Payments to suppliers and employees		(227,634)	(211,072)
Net Cash Inflows from Operating Activities	7	<u>3,742</u>	<u>(32,346)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital purchases		-	-
Net Cash Outflows from Investing Activities		<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Conservation Committee Loan		-	-
Repayments of term loan		-	-
Net Cash Inflows from Financing Activities		<u>-</u>	<u>-</u>
Net Increase/(Decrease) in Cash Held		3,742	(32,346)
Cash at the beginning of the year		<u>9,532</u>	<u>41,878</u>
Cash at the end of the year		<u><u>13,274</u></u>	<u><u>9,532</u></u>

LEVUKA TOWN COUNCIL

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE
YEAR ENDED 31 DECEMBER 2009**

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 2009 the council's overall excess of assets over liabilities (surplus) was \$24,616 (2008: \$23,172)
- b) The financial statements have been prepared using cash basis of accounting.
- 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 at the end of the year which was not reflected in the Statement of Revenue & Expenditure and Statement of Financial Position were:

	2009	2008
	\$	\$
Rates	<u>73,937</u>	<u>82,618</u>

- e) The surplus of \$23,817 in the Fire Service Account represents fire levies collected by the council between 1995 to 1996. This account will be closed off once all levies had been paid off to the National Fire Authority.

NOTE 2: CASH AT BANK

	2009	2008
	\$	\$
Current Account	7,778	10,699
Canteen Account	368	391
Challenge Fund Account	5,128	-1,558
	<u>13,274</u>	<u>9,532</u>

LEVUKA TOWN COUNCIL

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE
YEAR ENDED 31 DECEMBER 2009 (Continued)**

NOTE 3: CAPITAL COMMITMENTS at balance date - Nil (2008: Nil)

NOTE 4: CONSERVATION COMMITTEE LOAN

	2009	2008
	\$	\$
Conservation Loan Balance	5,975	5,975
Add Additional Loan during the year	-	-
	<u>5,975</u>	<u>5,975</u>
Less Loan Repayment	-	-
Total Balance at the year end	<u>5,975</u>	<u>5,975</u>

NOTE 5: ACCUMULATED FUND

	2009	2008
	\$	\$
General Account	(123,423)	(112,827)
Fire Service Account	23,817	24,676
Special Light Account	124,222	111,323
Net Accumulated Deficit	<u>24,616</u>	<u>23,172</u>

NOTE 6: CONTINGENT LIABILITIES

There were no contingent liabilities as at balance date (2008: nil).

LEVUKA TOWN COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2009 (Continued)

NOTE 7: NOTES TO STATEMENT OF CASH FLOWS	2009	2008
	\$	\$
Reconciliation of the Net Surplus to the net cash flows from operations		
Net Surplus/(Deficit) for the year	1,444	(11,074)
Less: Loan Rate Fund	-	-
Add : Capital Purchases	-	-
Repayment	-	-
	<hr/> 1,444	<hr/> (11,074)
Increase/(Decrease) in VAT Receivables and Sundry Debtors	2,298	(837)
Increase/(Decrease) in Accounts Payable and Accruals	-	-
(Increase)/ Decrease in Other Liabilities	-	-
(Increase)/ Decrease in Deferred Income	-	(20,435)
Non Cash Adjustment	-	-
Net Cash Inflows/(Outflows) from Operating Activities	<hr/> 3,742 <hr/>	<hr/> (32,346) <hr/>

