



TAVUA TOWN COUNCIL

Annual Report for the Year Ended 2011



PARLIAMENT OF FIJI

PARLIAMENTARY PAPER NO.239 OF 2020



ANNUAL REPORT

Section 19,
Local Govt Act, Cap. 125

For the Year Ended
31st December 2011

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1.0 DIRECTORY

**LOCATION : 6 NABUNA STREET
TAVUA**

TAVUA TOWN COUNCIL OFFICE AT NABUNA STREET



7

**ADDRESS : P O BOX 532
TAVUA, FIJI ISLANDS
PHONE: (679) 6681010
VODAFONE: (679) 9996130
EMAIL: ttc@connect.com.fj**

AUDITORS : AUDITOR GENERAL

**BANKERS : AUSTRALIA AND NEW ZEALAND
BANKING GROUP LTD**

2.0 BACKGROUND

2.1 HISTORY

Tavua is a town in Fiji 91 kilometres from Nadi and 9 kilometres from the gold mining settlement of Vatukoula. It was formally incorporated as a Town in 1992 with the appointment of its first Mayor, Iliesa Vula from Tavuailevu. The town covers a land area of 102 square kilometers.

2.2 POPULATION

Tavua Town has population of 1402 and squatter settlement population of 158. Tavua district population 23,077.

2.3 ECONOMY OF TAVUA

Tavua is a small, quite and an agricultural town. The town's fortunes have risen and fallen with the Emperor Gold Mining Co which mined here from the 1930's until 2006 when the mine was closed. Until then most of the mine's 1800 workers lived in Vatukoula, a purpose built town 9km South of Tavua. The mine reopened on a much reduced scale in 2008 but the town continues to struggle with the resulting economic hardships.

2.4 WEATHER OF TAVUA

Tavua enjoys a tropical climate without great extremes of heat or cold. This area is occasionally traversed by tropical cyclones, and mostly confined between the months of November to 'April every year. Temperatures average 22 degrees Celsius for the cooler months [May to October] while November to April temperatures are higher with heavy down pours.

2.5 MEETINGS OF THE COUNCIL

The Council held the following number of Council and Committee Meetings:

(a)	Ordinary Council Meeting	-	6
(b)	Special Council Meeting	-	8
(c)	Finance, Market and General Purpose Committee Meeting	-	11
(d)	Building, Health and Works Committee Meeting-	11	
(e)	Parks, Gardens and Beautification	-	11
(f)	Traffic Management and Market	-	11

2.6 SPECIAL ADMINISTRATOR

In the absence of an elected Council, the Minister of Local Government with the Amended Local Government Act 125, section 9A, (1) & (2) appointed Mr. Chandresh Arun Prasad as the Special Administrator

2.7 PRINCIPAL OFFICERS OF THE COUNCIL

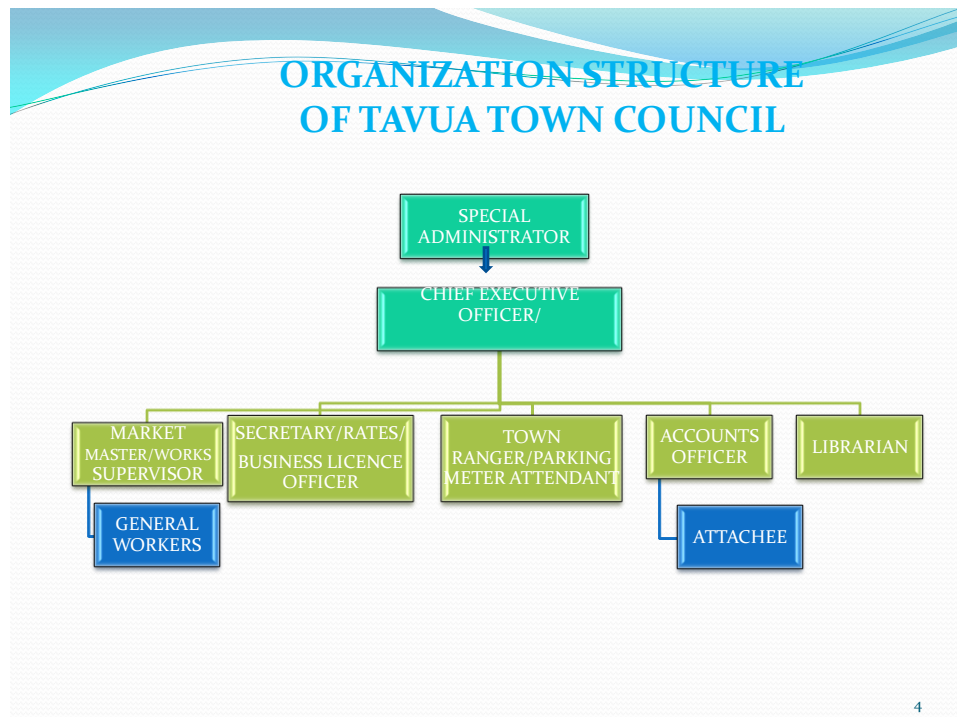
The Principal Officers of the Council were:-

Acting Chief Executive Officer	-	Mr. Tulsi Ram
Accounts Officer	-	Miss Vilimaina Tuidraki
Secretary/Rates & Business Licence Officer	-	Mrs. Praveen Lata Prakash
Market Master	-	Mr. Robert Samuel Reuben
Town Ranger & Parking Meter Attendant	-	Jone Kuwe Ralulu
Librarian	-	Arita Devi

2.7 UNESTABLISHED SECTION

Works Section	-	7
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2.8 Organisation Chart



3.0 VISION

To develop Tavua to be a clean, beautiful, safe, peaceful and prosperous town for our multiracial society.

3.1 MISSION

With consultation, dialogue, strategic planning and innovative initiatives we shall serve the municipal needs through progressive, fair and transparent governance such that it promotes health, welfare and convenience of the inhabitants.

4.0 HIGHLIGHTS OF YEAR 2011

4.1 Go Green for Towns and Cities

Council participated in the “Go Green” competition organized by Ministry of Local Govt for all towns and cities. Judging done on quarterly basis by Ministry of Local Govt.

4.2 3R Segregation of Refuse

Acting CEO attended 3R Segregation of Refuse Workshop organised by JIACA and Ministry of Environment.

4.3 Meeting with Delegation from Korea

Meeting held with delegation from Korea interested in investing in Mineral Water Factory in Tavua.

4.5 Workshop on Debt Collection

Rates Officer attended workshop on Debt Collection organized by Ministry of Local Govt and facilitated by FNU.

4.6 Meeting with Tui Tavua and Ministry of Local Govt

Meeting was convened between Tui Tavua, Ministry of Local Govt, DTCP, Itaukei Lands Dept and the landowners regarding relocation of traffic amenities.

4.7 Visit by Minister For Education

Minister for Education Hon Filipe Bole paid courtesy visit to the council.

4.8 Women In Local Govt Workshop

Two staff attended Women In Local Govt Workshop organized by Commonwealth Local Govt Forum on 25th and 26th February 2011.

5.0

ADMINISTRATION AND FINANCE**5.1 LAND VALUATION AND RATE**

The total unimproved capital valuation of land within the municipality was as follows:

Total UCV of Properties	\$9,606,500
Properties Exempted for Rates	\$ 262,000
Total Value of Rateable Properties	\$9,868,500

5.2 RATE LEVY FOR YEAR 2011

<u>RATE</u>	<u>LEVY</u>	<u>UCV</u>	<u>RATE REVENUE</u>
General	\$0.0089c + VAT	\$4,302,300	\$44,034
Special Loan Rate	\$0.004 c + VAT	\$5,096,600	\$23,444
Agricultural	\$0.006c + VAT	\$ 207,600	\$ 1,432
TOTAL		\$9,606,500	\$68,910

5.3 RATE ASSESSMENTS/RATEPAYERS

Total No. of Ratepayers - 247

5.4 RECURRENT REVENUE AND EXPENDITURE

The total recurrent revenue and expenditure of the Council for fiscal year ending December 2011 were as follows:

	<u>RECURRENT REVENUE</u>	<u>RECURRENT EXPENDITURE</u>	<u>SURPLUS (DEFICIT)</u>
General Funds	\$253,984	\$688,888	(\$434,904)
Special Streetlight	\$ 23,038	\$28,044	(\$5,006)
Parking Meter	\$15,691	\$16,085	(\$394)
TOTAL	\$292,713	\$733,017	(\$440,304)

5.5 RATES REPORT

The following is a summary of Rates collection for the year:

RATES COLLECTED STATUS	AMOUNT
Rates collected as at 31/12/11	\$76,267
% current Collected as at 31/12/11	81%
% Arrears Collected as at 31/12/11	85%

6.0 FIRE SERVICES

The Fire Service was provided by the National Fire Authority's, Tavua Station

7.0 PARKS AND RECREATIONAL FACILITIES

7.1 Garvey Park – Stadium

Council continues to provide the needs of the sporting organisation from both rural and urban areas. Revenue is derived from ground fees from:

- ❖ Provisional Rugby Games
- ❖ League Games
- ❖ Hiring of Parks

7.2 Children's Park

Children's Park at Nabuna Street sponsored by Supreme Fuel Ltd. All playing facilities repaired and painted and kept up to date. Every year Supreme Fuel funds \$2,000 for repair and maintenance of the park.

7.3 Beautification

More emphasis was put in beautification works, upgrading of existing gardens and planting in road reserves. Palm trees and crotons were planted. Road curbs and gardens around the municipality painted. New gardens constructed.

Scripture Union Church Group assisted in planting of trees as part of their church's community service.

Provision of lights around town made for the festive seasons Eid, Diwali and Christmas.

During the dry season the plants were watered from the recently constructed bore well

BOREWELL AT GARVEY PARK



7.4 Street Light

Six solar street lights installed under the pilot project by the Ministry of Environment and the existing lights were located in areas where needed. Minister of Local Government did the commissioning of the solar streetlights Regular surveys and maintenance of streetlights undertaken.

SOLAR STREETLIGHTS



8.0 PUBLIC HEALTH

The Council continues to promote the Health Welfare for convenience of the inhabitants of the Municipality within the limits of its resources as required under Public Health and Local Government Act .

8.1 Environmental Sanitation

Council made regular inspections of individual premises to identify the existence of Public Health Nuisances and bring about their abatement thereafter.

8.1.1 Licences/Registration of Premises: Under the Public Health Act

Public Health Licence was issued for under mentioned premises for year 2011. Some were for renewal of existing premises and some for new operations.

Hotels	1
Restaurants	1
Restaurants and Refreshment Bars	2
Refreshment Bars and Takeaways	10
Restaurants with Liquor	1
Bake Houses	1
Butcher Shops	3
Hair Dressers/Barbar Shops	6
TOTAL	25

8.1.2 Public Health

Listed below are details of summary of inspections carried out within the district to ascertain the sanitary conditions of below mentioned premises:

	<u>INSPECTIONS</u>	<u>REINSPECTIONS</u>	<u>TOTAL</u>
House to House Inspection Of District	155	155	310
Investigation of Complaints, Nuisances etc	71	71	142
New Building sites before approval			
New Building Works in Progress			
Factories and Workshops			
Schools			
Hairdressers, Chiropodists etc			
Food shops, Food stores, Markets	11	11	22
Eating Houses and Ice-cream Premises			
Bakehouses			
Butcher Shops			
Church			
Sanitary			
Hotels			
Business Houses			
Vacant Lots	24	24	48
<u>TOTAL</u>	261	261	522

8.1.3 Summary of Sanitary Improvements

<u>ITEMS</u>	<u>ORDERED</u>	<u>COMPLETED</u>
Repairing of Buildings		
Improvements to Lighting and Ventilation of Buildings		
Removal of Unauthorised Erections		
Provision of Garbage Tins		
Filling of Unsanitary Privies		
Repairing or cleansing of bathroom or washing Place		
New Kitchens		
Repairing or cleansing of Kitchens		
Provision of drains		
Repairing or Cleansing of Drains	51	51
Removal of accumulations of refuse etc	38	38
Clearing of overgrowth of grass	5	5
Abatement of nuisances from animals or Poultry	2	2
Abatement of mosquito breeding		
Cleansing of food premises		
Structural Improvements to Food Premises		
Cleansing of Food Vehicles		
Cleansing or improvement of hairdressers premises		
Improvement of Schools		
Bailing of Septic Tank		
Abatement of Noise Nuisance		
Impounding of Stray Cattle		
Provision of Garbage Tins		
Closing Order		
Public Health Nuisance	10	10
TOTAL	106	106

8.1.4 Written Notices Served For Existence of Sanitary Conditions of Premises Mentioned in Table

Intimation Notice Served	-	51
Statutory Notices Served	-	23

8.1.5 Litter Prevention

Council Officers engaged in issuing of litter notices. Awareness created by Council officers with regards to New Litter Promulgation 2010. Provision of Litter bins maintained on the streets.

Three staff attended Litter workshop at RakiRaki Town Council office organized by Ministry of Environment.

8.1.6 Garbage/Refuse Collection and Disposal

Regular three day per week household garbage removal and disposal being carried out by the Council ensures effective and efficient removal and disposal of household garbage to avoid disease outbreak.

A total of 156 loads of refuse were collected and disposed at Ba Town Council dump

8.1.7 Overgrowth

Inspections of properties were carried out and notices issued for overgrowth and other nuisances.

8.1.8 Regular Monthly Cleanups

Clean up campaign was undertaken and such service was provided on last Tuesday's of each month. Total loads of refuse collected – 85. Special cleanups carried out before the festive seasons Eid, Diwali and Christmas.

8.1.9 Public Convenience

The public toilet has been maintained regularly. Council continues to repair and maintain it up to standard. Regularly cleaned using disinfectants.

8.1.9 Health Inspections

Council engaged the services of Health Inspector from Tavua Rural Local Authority. Approval granted by Central Board of Health. Tavua Rural Authority partook a “Part-time” assignment with the Council and executed the duties as per Public Health Act.

8.2.0 Mosquito Control

Regular mosquito sprayings carried out mostly after heavy rain and after advices of air borne disease outbreak.

9.0 TOWN PLANNING AND BUILDING

Council engaged Ba Town Council Building Inspector to look after Town Planning and Building Section.

9.1 Building Statistics

9.1.1 Building Applications Received for Consideration

<u>TYPE OF DEVELOPMENT</u>	<u>NUMBER</u>	<u>VALUE</u>
Commercial Buildings/Extension	4	\$359,000
Residential	3	\$108,000
Miscellaneous Works	4	\$13,500
TOTAL	11	\$480,500

9.1.2 Building Applications Approved

<u>TYPE OF DEVELOPMENT</u>	<u>NUMBER</u>	<u>VALUE</u>
Commercial Extension	4	\$359,000
Residential	3	\$108,000
Miscellaneous Works	4	\$13,500
TOTAL	11	\$480,500

9.1.3 Completion Certificate Issued - Nil

<u>TYPE OF DEVELOPMENT</u>	<u>NUMBER</u>	<u>VALUE</u>
New Dwelling	1	\$60,000
Commercial	4	\$359,000
<u>TOTAL</u>	<u>5</u>	<u>\$419,000</u>

9.1.4 Building Permit Fees

The total revenue for issuance of building permit was \$1,182.

10.0 MARKET

The Market was under the management of a Market Master.

10.1 Revenue

Breakdown of revenue received from Market is as follows.

SOURCE	2010	2011
Market Stall Fees	\$88,244	\$78,367
Fish Market Fees	\$3,792	\$4,666
Lockup Shop Rental	\$10,878	\$9,281
TOTAL	\$102,914	\$92,314

10.2 Market Washing

Regular Market washing was carried out during the year by our workforce with a view to maintain the Market in clean condition.

10.3 Meeting with Market Vendors

After the discussion with market vendors new gate installed opposite Courts Homecentres where the area has been allocated for selling after 5.00pm for easy access for customers.

11.0 BUSINESS LICENSING

The Council is the Licensing Authority under Business Licensing Act, Cap 204 and businesses were issued with Licenses to operate. Total Business Licence fee collected for year 2011 \$44,347.

12.00 REPAIR AND MAINTENANCE WORKS

- 12.1 Road Patching works carried out on all streets
- 12.2 Painting of Parking area in the Market
- 12.3 New Mini Bus Shelter constructed at Leka Street

SHELTER AT TAXI STAND /MINI BUS STAND CONSTRUCTED



9

- 12.4 Signage's installed at Market, Public Toilet & Market car park
- 12.5 Repair of steel benches near Courts
- 12.6 Children's Park Playing equipment repaired and painted
- 12.7 New Gate installed at the Market
- 12.8 New Shelter constructed at taxi stand
- 12.9 Repair of Litter bins
- 12.10 New Sink bench installed at lockup shop in the market
- 12.11 Fish Market painted
- 12.12 Construction of septic tank soakage pit of public convenience
- 12.13 Installation of signboards – outside taxi base at Tabavu Street.

13.0 PARKING METERS AND OTHER TRAFFIC RELATED ISSUES

As part of traffic management and control Parking Meters were maintained in working order.

Total meters in operation	-	58
Total revenue collected during the year	-	\$15,691
Total Expenditure for the year	-	\$16,085

13.1 Meeting with Representatives from Prime Minister's Office, LTA, Police and other Stakeholders

Meeting was convened with Representatives from PM's Office, Fiji Taxi Association, Tavua Taxi Association and other traffic stakeholders to discuss traffic issues in Tavua town. The meeting concluded with resolution to relocate Mini Bus stand from Nabukulu Street to Leka Street.

14.0 PROJECTS

13.1 Multipurpose Sports Courts

Leveling and backfilling of site for the proposed Multipurpose Sports Courts which will consist of Futsal, Volleyball and netball Courts.

13.2 Sitting and Resting Area near the Tavua Magistrates Court

Sitting benches and tables constructed near Tavua Magistrate's Court for people to sit and relax.



13.3 New Vehicle for Council

The finance lease contract was entered into 6th December 2011 with a monthly payment of \$596 over 36 consecutive periods. This was to finance the purchase of a second hand silver Nissan Navara 4 x 4 Double Twin Cab.

15.0 CONCLUSION

The Council was able to fulfill its duties and obligations as required of it under Sec 88 of Local Government Act.

The Council provided the best level of services it could afford within its limited resources and workforce. Council has been able to maintain able staff and unestablished workforce who are willing to work around the clock to ensure any works that need attention are carried out without delay.

Further I wish to endorse my appreciation and gratitude for support and cooperation of our Special Administrator, Ministry of Local Government and other government and non Government Departments, Sister Councils and at large the Ratepayers and Citizens of Tavua.

Lastly the Council wishes to acknowledge the dedicated services rendered by its CEO, Staff and Workforce.

.....
for **TULSI RAM (MR.)**
For ACTING CHIEF EXECUTIVE OFFICER



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

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Excellence in Public Sector Auditing

File: 987

23 April 2013

The Special Administrator
Tavua Town Council
P. O. Box 532
TAVUA

Dear Sir

**AUDITED FINANCIAL STATEMENTS OF TAVUA TOWN COUNCIL FOR THE YEAR
ENDED 31 DECEMBER 2011.**

Audited financial statements for Tavua Town Council for the year ended 31 December 2011 together with my audit report on them are enclosed.

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

Yours sincerely

Tevita Bolanavanua
AUDITOR GENERAL

cc: Mr. Tulsi Ram, Chief Executive Officer, Tavua Town Council

Encl.

TAVUA TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

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8th Floor, Ratu Sukuna House,
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Excellence in Public Sector Auditing

TAVUA TOWN COUNCIL
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

INDEPENDENT AUDIT REPORT

Scope

I have audited the financial statements of the Tavua Town Council for the year ended 31 December 2011 in accordance with Section 57(2) of the Local Government Act and Section 13 of the Audit Act (Cap. 70). The Council is responsible for the preparation and presentation of the financial statements and the information contained therein.

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

My audit has been conducted in accordance with Fiji Standards on Auditing to provide reasonable assurance as to whether the financial statements are free of material misstatements. The 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 were 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.

Unqualified Audit Opinion

In my opinion, the financial statements present fairly in accordance with Fiji Accounting Standards and the statutory provisions, the financial position of the Council as at 31 December 2011 and the results of its operations and cash flows for the year then ended.

I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of my audit.

Tevita Bolanavanua
AUDITOR GENERAL

Suva, Fiji

23 April 2013




**TAVUA TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011**

	Notes	2011	2010
CURRENT ASSETS		\$	\$
Cash at bank and on hand	2	71,116	97,300
Receivables	3	21,831	69,397
Deferred interest on finance lease	8	4,949	-
Other assets		4,706	5,287
Total current assets		<u>102,602</u>	<u>171,984</u>
NON CURRENT ASSETS			
Property, plant and equipment	4	3,597,735	4,021,861
Total non current assets		<u>3,597,735</u>	<u>4,021,861</u>
TOTAL ASSETS		<u>3,700,337</u>	<u>4,193,845</u>
CURRENT LIABILITIES			
Accounts payable and accruals		17,529	16,429
VAT payable		7,440	14,233
Term loan	5 a	7,150	-
Total current liabilities		<u>32,119</u>	<u>30,662</u>
NON CURRENT LIABILITIES			
Term loan	5 a	14,300	-
Total Non current liabilities		<u>14,300</u>	<u>-</u>
TOTAL LIABILITIES		<u>46,419</u>	<u>30,662</u>
NET ASSETS		<u>3,653,918</u>	<u>4,163,183</u>
MUNICIPAL FUNDS			
Accumulated losses	7	(680,582)	(171,317)
Asset revaluation reserves	6	4,334,500	4,334,500
TOTAL MUNICIPAL FUNDS		<u>3,653,918</u>	<u>4,163,183</u>

The Statement of Financial Position is to be read in conjunction with the notes to the Financial Statements set out on pages 9 to 14.

In our opinion the Financial Statements have been properly drawn up so as to show a true and fair view of the Tavua Town Council's operations for the year ended 31 December 2011 and of the state of affairs as at that date.



TULSI RAM
TOWN CLERK / CEO
DATE: 4/4/13



ARUN C. PRASAD
SPECIAL ADMINISTRATOR
DATE: 4/4/13

**TAVUA TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	2011 \$	2010 \$
INCOME			
Building fees		1,182	850
Business, trading and other licenses		44,347	34,717
Bus station		11,266	9,666
General rates		53,229	35,368
Interest - overdue rates		2,562	1,009
Library		50	36
Market fees and charges		83,033	92,036
Miscellaneous		15,178	7,371
Parks and ground fees		11,612	13,920
Rent from property		10,394	18,316
Special community project		-	6,926
Taxi, bus and carrier stand fees		21,131	22,241
Total income		253,984	242,456
EXPENDITURE			
Administration		98,928	70,966
Bank charges		745	-
Council expenses		15,515	8,945
Depreciation		427,439	428,951
Building health and safety		99,095	73,925
Library		2,171	2,468
Market expenses		12,987	31,190
Park and beautification		25,453	23,210
Property maintenance		6,555	7,914
CAPITAL			
Capital development		-	3,867
Total expenditure		688,888	651,436
Deficit for the year		(434,904)	(408,980)
Accumulated losses at the beginning of the year		(254,380)	154,600
Accumulated losses at the end of the financial year		(689,284)	(254,380)

The Statement of Income and Expenditure is to be read in conjunction with the notes to the Financial Statements set out on pages 9 to 14.

TAVUA TOWN COUNCIL
STREETLIGHT RATE FUND
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 \$	2010 \$
INCOME		
Streetlight rate	23,038	18,321
Total income	<u>23,038</u>	<u>18,321</u>
EXPENDITURE		
Streetlight Charges and Maintenance	28,044	19,600
Total expenditure	<u>28,044</u>	<u>19,600</u>
Deficit for the year	(5,006)	(1,279)
Accumulated funds at the beginning of the year	83,063	84,342
Accumulated funds at the end of the financial year	<u><u>78,057</u></u>	<u><u>83,063</u></u>

The Statement of Income and Expenditure for Streetlight is to be read in conjunction with the notes to the Financial Statements set out on pages 9 to 14.

TAVUA TOWN COUNCIL
PARKING METER ACCOUNT
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011

	Notes	2011 \$	2010 \$
CURRENT ASSETS			
Cash at bank	2	3,252	5,491
Receivables	3	146	146
Total current assets		<u>3,398</u>	<u>5,637</u>
NON CURRENT ASSETS			
Property, plant and equipment	4	5,806	8,603
Total non current assets		<u>5,806</u>	<u>8,603</u>
TOTAL ASSETS		<u>9,204</u>	<u>14,240</u>
CURRENT LIABILITIES			
Accounts payable and accruals		150	105
VAT payable		1,610	1,523
Term loan	5 b	9,996	8,052
Total current liabilities		<u>11,756</u>	<u>9,680</u>
NON CURRENT LIABILITIES			
Term loan	5 b	4,261	11,001
Total Non current liabilities		<u>4,261</u>	<u>11,001</u>
TOTAL LIABILITIES		<u>16,017</u>	<u>20,681</u>
NET DEFICIENCY IN ASSETS		<u>(6,813)</u>	<u>(6,441)</u>
MUNICIPAL FUNDS			
Accumulated losses	7	(9,030)	(8,658)
Asset revaluation reserves	6	2,217	2,217
TOTAL MUNICIPAL FUNDS		<u>(6,813)</u>	<u>(6,441)</u>

The Statement of Financial Position is to be read in conjunction with the notes to the Financial Statements set out on pages 9 to 14.

In our opinion the Financial Statements have been properly drawn up so as to show a true and fair view of the Tavua Town Council's operations for the year ended 31 December 2011 and of the state of affairs as at that date.



TULSI RAM
ACTING TOWN CLERK / CEO
DATE: 4/4/13



ARUN C. PRASAD
SPECIAL ADMINISTRATOR
DATE: 4/4/13

**TAVUA TOWN COUNCIL
PARKING METER ACCOUNT
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 \$	2010 \$
INCOME		
Tolls	6,827	7,433
Infringement fines	5,943	4,218
Others	2,921	3,697
Total income	15,691	15,348
EXPENDITURE		
Bank fees and charges	128	295
FNPF	395	797
Insurance	-	1,444
Interest on loan	3,700	2,311
Legal fees	879	-
Depreciation	2,797	2,797
Miscellaneous	1,400	1,134
Printing and stationary	157	144
Repairs and maintenance/certification	64	764
Salaries and wages	6,331	5,577
TPAF	49	62
Uniforms and boots	185	156
Total expenditure	16,085	15,481
Deficit for the year	(394)	(133)
Accumulated funds at the beginning of the year	(8,658)	(8,525)
Accumulated losses at the end of the financial year	(9,052)	(8,658)

The Statement of Income and Expenditure is to be read in conjunction with the notes to the Financial Statements set out on pages 9 to 14.

**TAVUA TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	2011 \$	2010 \$
		Inflows/ (Outflows)	Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from customers		253,157	261,380
Payments to trade creditors, other creditors and employees		(276,498)	(228,316)
Interest received		2,157	-
Net cash (used in) provided by operating activities	11 (a) (i)	<u>(21,184)</u>	<u>33,064</u>
Cash flows from investing activities			
Proceed from sale of property, plant and equipment		500	-
Acquisition of property, plant and equipment		(5,500)	(52,184)
Net cash used in Investing Activities		<u>(5,000)</u>	<u>(52,184)</u>
Cash flows from financing activities			
Borrowings		-	-
Repayment of borrowings		-	-
Interest paid		-	-
Net cash provided by Financing Activities		<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents		(26,184)	(19,120)
Cash and cash equivalent at the beginning of the year		97,300	116,420
Cash and cash equivalent at the end of the year	11 (a) (ii)	<u><u>71,116</u></u>	<u><u>97,300</u></u>

The Statement of Cashflow is to be read in conjunction with the notes to the Financial Statements set out on pages 9 to 14.

TAVUA TOWN COUNCIL
PARKING METER ACCOUNT
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 \$	2010 \$
		Inflows/ (Outflows)	Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from customers		15,691	15,348
Payments to trade creditors, other creditors and employees		(13,134)	(12,580)
Net cash provided by operating activities	12 (a) (i)	<u>2,557</u>	<u>2,768</u>
Cash flows from investing activities			
Acquisition of property, plant and equipment		-	-
Net cash used in investing activities		<u>-</u>	<u>-</u>
Cash flows from financing activities			
Borrowings		-	-
Repayment of borrowings		(4,796)	(4,827)
Net cash used in financing activities		<u>(4,796)</u>	<u>(4,827)</u>
Net decrease in cash and cash equivalents		(2,239)	(2,059)
Cash and cash equivalent at the beginning of the year		5,491	7,550
Cash and cash equivalent at the end of the year	12 (a) (ii)	<u><u>3,252</u></u>	<u><u>5,491</u></u>

The Statement of Cashflow is to be read in conjunction with the notes to the Financial Statements set out on pages 9 to 14.

**TAVUA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

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 2011. Unless otherwise stated similar policies were followed in the previous year. All amounts are stated in Fijian currency.

(a) Basis of Accounting

The accrual basis of accounting is adopted for all financial transactions since 2009, prior to the year 2009, the cash basis of accounting was used by the Council.

(b) Property, Plant and Equipment

Property, Plant and Equipment are disclosed at a fair value. The revaluation was carried out by Professional Valuations Limited on 4 June 2010. There was no significant changes in the value of Property, Plant and Equipment in the five months ending 4th June 2010. The depreciation would be effective from 1st January 2010.

(c) Revenue Recognition

Revenue is recognised in the Statement of Income and Expenditure when charged to the ratepayers by the Council. The major sources of revenue are collections in the form of General rates, Loan rates and fees and charges.

(d) Trade and Other Receivables

Receivables are stated at expected realisable value as certified by the Council. A provision is raised for any doubtful debts based on a review by Council of all outstanding amounts at year end. Bad debts are written off during the year in which they are identified.

(e) Trade and Other Payables

Liabilities for trade creditors and other amounts are carried at cost (inclusive of VAT where applicable) which is the fair value of the consideration to be paid in the future for goods and services received whether or not billed to the entity.

(f) Income Tax

The Council is exempt from income tax in accordance with the provisions of Section 17 of the Fiji Income Tax Act.

(g) Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

NOTE 2

CASH AT BANK AND ON HAND

	2011 \$	2010 \$
Cash on Hand	50	50
Challenge Fund Account	6,603	6,055
Special Community Account	38,632	38,695
General Fund	25,831	52,500
	<u>71,116</u>	<u>97,300</u>
Parking Meter	<u>3,252</u>	<u>5,491</u>

TAVUA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 3	RECEIVABLES	2011 \$	2010 \$
	General Fund		
	Rates debtors	4,474	13,364
	Other debtors	17,357	11,033
	Sundry debtors	-	45,000
		<u>21,831</u>	<u>69,397</u>
	Parking Meter		
	Sundry debtors	<u>146</u>	<u>146</u>
NOTE 4	Property, Plant and Equipment		
	Land		
	Revaluation	310,000	310,000
	Accumulated depreciation	-	-
	Depreciation for the year	-	-
		<u>310,000</u>	<u>310,000</u>
	Building		
	Revaluation	1,026,308	1,026,308
	Accumulated depreciation	(33,379)	-
	Additions	582	-
	Depreciation for the year	(33,392)	(33,379)
		<u>960,119</u>	<u>992,929</u>
	Motor Vehicle		
	Revaluation	24,000	24,000
	Accumulated depreciation-disposal	2,800	-
	Additions	19,131	-
	Disposal	(24,000)	-
	Depreciation for the year	(2,800)	(4,800)
		<u>19,131</u>	<u>19,200</u>
	Office Furniture		
	Revaluation	12,000	12,000
	Accumulated depreciation	(1,861)	-
	Additions	-	-
	Depreciation for the year	(1,861)	(1,861)
		<u>8,278</u>	<u>10,139</u>
	Plant, Machinery and Equipment		
	Revaluation	35,063	31,768
	Accumulated depreciation	(8,207)	-
	Additions	-	3,295
	Depreciation for the year	(8,316)	(8,207)
		<u>18,540</u>	<u>26,856</u>
	Street lights		
	Revaluation	38,600	38,600
	Accumulated depreciation	(3,860)	-
	Additions	-	-
	Depreciation for the year	(3,860)	(3,860)
		<u>30,880</u>	<u>34,740</u>

TAVUA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

		2011	2010
		\$	\$
NOTE 4 (cont'd)			
Roads and Drains			
Revaluation		3,004,841	2,955,952
Accumulated depreciation		(376,844)	-
Additions		-	48,889
Depreciation for the year		(377,210)	(376,844)
		<u>2,250,787</u>	<u>2,627,997</u>
Written Down Value		<u>3,597,735</u>	<u>4,021,861</u>
Parking Meters			
Revaluation		11,400	11,400
Accumulated depreciation		(2,797)	-
Additions		-	-
Depreciation for the year		(2,797)	(2,797)
Written Down Value		<u>5,806</u>	<u>8,603</u>
NOTE 5			
(a) TERM LOANS (General Fund)			
<u>Merchant Finance-Finance Lease</u>			
Balance as at 1 January		-	-
Loan Raised		<u>16,500</u>	<u>-</u>
		16,500	-
Bank Fees		-	-
Interest and charges		<u>4,950</u>	<u>-</u>
		21,450	-
Repayment		<u>-</u>	<u>-</u>
		<u>21,450</u>	<u>-</u>
The finance lease contract was entered into on 6 December 2011 with: monthly payment of \$596 over 36 consecutive periods. This was to finance the purchase of a second hand silver Nissan Navara 4x4 Double Cab registration no EB 288			
Future commitments in respect of operating lease are as follows:			
Within one year		7,150	-
After one year but not more than five years		<u>14,300</u>	<u>-</u>
		<u>21,450</u>	<u>-</u>
(b) TERM LOANS (Parking Meter)			
<u>General Fund</u>			
Balance as at 1 January		19,053	23,880
Loan Raised		<u>-</u>	<u>-</u>
		19,053	23,880
Bank Fees		-	120
Interest and Charges		<u>3,700</u>	<u>3,755</u>
		22,753	27,755
Repayment		<u>(8,496)</u>	<u>(8,702)</u>
		<u>14,257</u>	<u>19,053</u>
Represented in the balance sheet as:			
Current		9,996	8,052
Non-current		<u>4,261</u>	<u>11,001</u>
		<u>14,257</u>	<u>19,053</u>

The loan raised under the provision of the Local Government Act is covered by registered mortgage No. 307227 by the Town Council over crown lease no: 11197 and limited guarantee by the Government of Fiji. This includes the registered mortgage No. 531941 over crown lease no: 370011 Lot 4 DP 6199, Pari Passu Debenture dated 18/9/03 stamped for \$52,515.

TAVUA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

		2011	2010
		\$	\$
NOTE 6	RESERVES		
	<u>Asset Revaluation Reserve</u>		
	Opening Balance	4,334,500	4,334,500
	Valuation during the year	-	-
	Disposal during the year	-	-
	Asset revaluation reserve	<u>4,334,500</u>	<u>4,334,500</u>
	<u>Asset Revaluation Reserve - Parking Meter</u>		
	Opening Balance	2,217	2,217
	Valuation during the year	-	-
	Asset revaluation reserve	<u>2,217</u>	<u>2,217</u>
NOTE 7	ACCUMULATED LOSSES		
	GENERAL FUND		
	Accumulated losses General fund (Page 3)	(689,284)	(254,380)
	Street light account (Page 4)	78,057	33,063
	Prior year adjustment	<u>(69,355)</u>	<u>-</u>
		<u>(680,582)</u>	<u>(171,317)</u>
	PARKING METER		
	Accumulated losses Parking Meter fund (Page 6)	(9,052)	(8,658)
	Prior year adjustment	22	-
		<u>(9,030)</u>	<u>(8,658)</u>

Prior year adjustment of \$69,355 represents the rates debts reversed by the Council while \$22 represents a stale cheque written off.

NOTE 8	DEFERRED INTEREST	<u>4,949</u>	<u>-</u>
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The above relates to the upfront interest charged by the Merchant Finance on a finance lease. The interest will be recognised commencing 31 January 2013.

NOTE 9 CAPITAL COMMITMENTS

Capital commitment as at 31 December 2011 was \$ NIL (2010: NIL).

NOTE 10 SUBSEQUENT EVENTS

Fiji Road Authority (amendment decree) 2012 dated 14 May 2012 paragraph 7 (b) states that effective from 14 May 2012 all assets, interests, rights, privileges, liabilities and obligation of municipal councils in relation to municipal roads shall be immediately be transferred to and shall vest in the Authority without conveyance, assignment or transfer.

TAVUA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 11 NOTES TO THE STATEMENT OF CASH FLOWS - GENERAL FUND

(a) (i)	Reconciliation of Net Cash provided by	2011	2010
		\$	\$
	Net surplus/(deficit) for the year - General fund	(437,753)	(408,980)
	Net surplus/(deficit) for the year - Street Light fund	(5,006)	(1,279)
	Depreciation and amortisation	427,439	428,951
	Loss / Gain on Fixed Asset	14,401	-
	Prior Year Adjustment	(69,355)	-
	Net cash provided by operating activities before changes in assets and liabilities	<u>(70,274)</u>	<u>18,692</u>
	Change in assets and liabilities:		
	Decrease in receivable	52,572	2,668
	(Increase)/decrease in assets	1,630	-
	Increase/(decrease) in deposits	581	(933)
	(Decrease)/Increase in creditors and borrowings	(5,693)	12,637
	Net cash inflows from operating activities	<u>(21,184)</u>	<u>33,064</u>
(ii)	Cash and Cash Equivalents		
	Cash on hand	<u>71,116</u>	<u>97,300</u>

NOTE 12 NOTES TO THE STATEMENT OF CASH FLOWS - PARKING METER

(a) (i)	Reconciliation of Net Cash provided by	2011	2010
		\$	\$
	Net surplus/(deficit) for the year	(394)	(133)
	Depreciation and amortisation	2,797	2,797
	Loss / Gain on Fixed Asset	-	-
	Prior Year Adjustment	(22)	-
	Provisions for doubtful Debts	-	-
	Provisions for employee benefits	-	-
	Provision for Employee Entitlements	22	-
	Net cash provided by operating activities before changes in assets and liabilities	<u>2,403</u>	<u>2,664</u>
	Change in assets and liabilities:		
	Increase/(Decrease) in receivable	-	-
	(Decrease)/Increase in VAT Payable	87	503
	(Decrease)/Increase in creditors and borrowings	67	(399)
	Net cash inflows from operating activities	<u>2,557</u>	<u>2,768</u>
(ii)	Cash and Cash Equivalents		
	Cash at Bank	<u>3,252</u>	<u>5,491</u>

TAVUA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 13

PRINCIPAL ACTIVITY

The Tavua 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 1992. Currently it has a total of over 230 ratepayers and rateable properties in the town.

Furthermore 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 are 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.