



STANDING COMMITTEE ON PUBLIC ACCOUNTS

Review of the Audit Report on Provincial Councils, Volume 2



PARLIAMENT OF THE REPUBLIC OF FIJI
Parliamentary Paper No. 246 of 2020

September, 2020

Published and printed by the Department of Legislature, Parliament House, Government Buildings, Suva

TABLE OF CONTENT

CHAIRPERSON'S FOREWORD	2
COMMITTEE MEMBERS	6
INTRODUCTION	7
DETAILS OF THE COMMITTEE FINDINGS	10
FINANCIAL REPORTING.....	10
INTERNAL CONTROLS.....	13
AUDIT COMMON FINDINGS	14
OTHER SIGNIFICANT MATTERS	16
SUSTAINABLE DEVELOPMENT GOALS.....	18
GENDER ANALYSIS.....	18
COMMITTEE RECOMMENDATIONS.....	19
CONCLUSION.....	21
APPENDICES	23

CHAIRPERSON'S FOREWORD



At the outset, this Committee report provides the details and the results of the audit conducted by the Office of the Auditor General on Provincial Councils Volume 2 for the period 2000 – 2007. It is important to note that this is the second of the three (3) volumes of reports for Provincial Councils Reports tabled by the Auditor General in Parliament.

The Provincial Councils (“Councils”) are established under Section 7 of the iTaukei Affairs Act 1944 and Section 3 of the iTaukei Affairs (Provincial Council) Regulation 1996. Each Provincial Council is a body corporate.

The functions of the Councils are:

- To formulate and implement policies for promoting the health, peace, order, welfare and good government of iTaukei residing in the Province;
- To formulate and implement policies for promoting the economic, cultural and social developments of the Province; and
- To carry out such other duties and functions, which the Minister for iTaukei Affairs or the Board may see fit to delegate to the Council.

It is important to note that the operations of the Councils are funded by Government Subventions disbursed through the Ministry of iTaukei Affairs and the iTaukei Affairs Board. Other operational costs not covered by Government Subvention are funded through the collection, on communal basis, of provincial rates.

The Auditor -General has the mandate under the iTaukei Affairs (Provincial Councils) Regulations 1996 to audit the Provincial Councils. Sections 33(2) and 33(3) state that “the accounts of every Council shall be audited by the Auditor-General” and that financial statements are to be submitted to the Auditor-General by 1 April of each year.

This report contains the audited financial statements for nine (9) Provincial Councils for the years ranging from 2000 – 2007 financial years, namely:

1. Ba (2001 – 2007);
2. Bua (2003 – 2007);
3. Namosi (2001 – 2007);
4. Ra (2000 - 2007);
5. Rewa (2006 – 2007);
6. Serua (2006 – 2007);
7. Cakaudrove (2002 – 2007)
8. Kadavu (2002 – 2007); and
9. Nadroga/Navosa Provincial Councils (2002 – 2007)

As earlier stated in the Committee Volume 1 report, financial accountability by the Provincial Councils in terms of financial reporting and making available to the members of the Provinces and public audited financial statements is seriously lacking. The financial audits of all 14 Provincial Councils were substantially behind by 10 years or less as financial statements were not submitted annually to the Auditor-General. The issue of non-

submission or late submission of annual financial statements to the Office of the Auditor General for audit has been a recurring issue over the years since our Independence.

The Committee noted that between 2015 and 31 October 2019, the Office of the Auditor General received from the iTaukei Affairs Board, 148 draft financial statements from Provincial Councils for audit. Except Lau Provincial Council, all Provincial Councils have submitted for audit financial statements up to the year ended 31 December 2012.

The audit of the Provincial Councils have been extensively delayed and is primarily due to the non-submission of the financial statements annually to the Office of the Auditor General thus resulting in the backlog of 14 years of preparation, timely preparation and quality submission of the annual accounts.

It was noted that out of the 148 draft financial statements received by the Auditor-General, the audits of 79 financial statements for the 14 Provincial Councils have been completed, audits of 23 financial statements are currently being finalized, audits of 20 financial statements are in progress and 26 financial statements will be audited from April this year. From the 79 financial statements that have been audited, the result of the audits for 30 financial statements has already been reported in Volume 1.

Also noted that the overall quality of financial reporting by the Council have been assessed ineffective and require improvements:

- Therefore, the OAG issued modified (Disclaimer of Opinion) audit opinions on all 49 financial statements that were audited.
- The OAG also reported to the iTaukei Affairs Board 123 significant matters concerning material accounting issues and deficiencies in internal controls.

The issues that were identified and highlighted require the immediate attention and prompt actions by the iTaukei Affairs Board, Provincial Councils and the Ministry of iTaukei Affairs to improve financial accountability by the Provincial Councils.

The Committee noted some deficiencies which were recurring over the years which requires the immediate attention and prompt actions by the iTaukei Affairs Board, Provincial Councils and the Ministry of iTaukei Affairs to improve financial accountability by the Provincial Councils. Some of the major audit findings identified were the quality and timeliness of financial reporting by Provincial Councils, internal control issues, other significant issues identified from the audits.

In this regard, the Committee strongly recommends that immediate actions needs to be drawn towards the strengthening of the financial reporting and that includes timely submission of the Provincial Councils financial statements for auditing, compliance with accounting standards and strengthen governance and internal controls of these nine (9) Councils.

The Committee understands the challenges faced by the Councils and therefore recommends that,

- 1) *The current Management of the iTaukei Affairs Board and the respective Provincial Councils Executives should urgently address all the issues that give rise to the audit qualifications, internal control deficiencies and other significant issues discussed and are highlighted on this report.***
- 2) *Improving the quality and timeliness of financial statements should be given the utmost priority. Quality of financial reporting can be improved by involving suitably qualified Accountants in the***

Provincial Councils that are capable of preparing and presenting draft financial statements on time and in accordance with the requirements of the applicable financial reporting framework.

- 3) The iTaukei Affairs Board should consider the establishment of a robust and capable audit, risk and improvement committee to specifically look at the quality and timeliness of financial reporting by the Provincial Councils and formulate action plans to resolve governance and internal control deficiencies and significant audit findings reported by the Auditor-General.***
- 4) The iTaukei Affairs Board should consider reviewing and strengthening the capability of its internal audit function to assist in reviewing the systems and processes for the Provincial Councils and develop recommendations for improvements to those in-charged with governance.***
- 5) The iTaukei Affairs Board should demand the production of Annual Reports from the respective Provincial Councils highlighting all the aspects of its operation and the progress of its mandated role.***
- 6) The iTaukei Affairs Board should conduct special performance audit on the operations of the PCs with its investment arm.***
- 7) The iTaukei Affairs Board should consider reviewing Annual Council Levy, “Soli ni Yasana”.***
- 8) The iTaukei Affairs Board should consider SDG 1, SDG 2, SDG 3, SDG 6, SDG 11 and SDG 16 to be inculcated in the respective Provincial Councils strategic and operational plan.***
- 9) The Itaukei Affairs Board need to disseminate the Committee findings and recommendations to the respective Provincial Councils for further consideration and implementation.***

The Public Accounts Committee strongly encourages the nine (9) Provincial Councils to implement the recommendations as a matter of priority.

Overall, I would like to thank the Chief Executive Officer for iTaukei Affairs Board (TAB) on its efforts in trying to improve its systems and processes with the Councils to address those audit issues. Also commend the work of the Office of the Auditor General in trying to complete its audit on all backlogs and the technical support provided in terms of clarifications on those audit issues that were reported.

I also wish to extend my appreciation to all the Honourable Members of the Committee for their valuable contribution in the successful compilation of this bipartisan report, namely Hon. Joseph Nand (Deputy Chairperson, Hon. Vijendra Prakash, Hon. Aseri Radrodro and Hon. Ro Teimumu Kepa. Additionally, pursuant to Standing Order 115 (5) Hon. Mikaele Leawere and Hon. Adi Litia Qionibaravi who stood in as alternate Member to Hon. Aseri Radrodro and Hon. Ratu Naiqama Lalabalavu.

On behalf of the Committee, I also extend my appreciation to the Secretariat Staff for their timely support in the preparation of this report.

With those few words, I now commend this report to the Parliament.

A handwritten signature in blue ink, appearing to be 'AV' with a flourish, located below the text.

Hon. Alvick Avhikrit Maharaj
Chairperson

COMMITTEE MEMBERS

The substantive members of the current Standing Committee on Public Accounts are as follow:



**Hon. Alvick Avikirit Maharaj
(Chairperson)**



**Hon. Joseph Nitya Nand
(Deputy Chairperson)**



**Hon. Aseri Masivou Radrodro
(Opposition Member)**



**Hon. Ro Teimumu Kepa
(Opposition Member)**



**Hon. Vijendra Prakash
(Government Member)**

INTRODUCTION

The Audit Report on Provincial Councils Volume 2 was tabled in Parliament during the November 2019 sitting and referred to the Standing Committee on Public Accounts, for its scrutiny.

Standing Order (SO) 109 (2) (d) allows Standing Committee on Public Accounts to examine the accounts of the Government of the Republic of Fiji in respect of each financial year and reports of the Auditor-General, and for any other matter relating to the expenditures of the Government of the Republic of Fiji or any related body or activity (whether directly or indirectly) that the committee sees fit to review.

Standing Order 110 (1) (c) authorises the Standing Committee to *scrutinise the government departments with responsibility within the committee's subject area, including by investigating, inquiring into, and making recommendations relating to any aspect of such a department's administration, legislation or proposed legislative program, budget, rationalisation, restructuring, functioning, organisation, structure and policy formulation.*"

Background

This PAC Report looks at the Report of the Auditor General – Provincial Councils, Volume 2, Parliamentary Paper 146 of 2019.

The Provincial Councils "Councils" are established under Section 7 of the iTaukei Affairs Act 1944 and Section 3 of the iTaukei Affairs (Provincial Council) Regulation 1996. Each Provincial Council is a corporate body.

The functions of the Councils are:

- To formulate and implement policies for promoting the health, peace and order, welfare and good government of iTaukei residing in the Province;
- To formulate and implement policies for promoting the economic, cultural and social developments of the province; and
- To carry out such other duties and functions, which the Minister for iTaukei Affairs or the Board may see fit to delegate to the Council

The operations of the Councils are funded by Government Subventions disbursed through the Ministry of *iTaukei* Affairs and the *iTaukei* Affairs Board. Other operational costs not covered by Government Subvention are funded through the collection, on communal basis, of provincial rates.

The Auditor General has the mandate under the iTaukei Affairs (Provincial Councils) Regulations 1996 to audit the Provincial Councils. In section 33 (2) (3) states that "*the accounts of every Council shall be audited by the Auditor General*" and that financial statements are to be submitted to the Auditor General by 1 April each year.

The following legislation establishes the financial accountability frameworks and legislative time frames to complete financial statements audits for the Provincial Councils:

1. iTaukei Affairs Act 1944
2. iTaukei Affairs (Provincial Councils) Regulations 1996
3. Audit Act 1969

The Auditor General has issued 49 Modified Audit Opinions on all the financial statements of the nine (9) Provincial Councils that were audited and reported in this report. The modified audit opinions were all Disclaimer of Opinions. The nine provincial councils were issued with a Disclaimer of Opinions due to the

insufficient audit evidences to substantiate the key figures of the financial statements. The absence of records created significant limitations on the scope of the audits and restricted the performance of necessary audit procedures.

Accordingly, the Office of the Auditor General has also highlighted other significant matters which had affected the operations of the Provincial Councils. These are:

- **Poor Cash Management** – the audit has indicated that poor cash management for Provincial Councils is a high risk area that is susceptible to fraud and mismanagement.
- **Improper Journals and Reconciliations** – journals without appropriate controls and oversight increases the risk of fraud and errors. The audit has highlighted that the Provincial Councils need to improve the process in preparing and reviewing its accounts in a timely manner and to be reviewed independently.
- **Unauthorized Purchases and Payments** – records such as payment vouchers and supporting documentations have been misplaced and some payments have been committed over the years which could be substantiated during the audit. Therefore, purchases and payments for Provincial Councils are crucial to minimizing the risks of unauthorized purchases and fraud.
- **Weak Payroll System** – weaknesses in payroll controls can result in incorrect payments to employees due to either errors or fraud. Since employee/wages and related costs represents the largest portion of the total expenditures for Provincial Councils, effective payroll controls is crucial.

Due to COVID 19 restrictions, the Committee conducted its consultation through a letter requested the Chief Executive Officer Itaukei Affairs Board (ITAB), Mr. Meleti Bainimarama to provide a written response on the audit issues that were highlighted in the Provincial Councils Volume 2 Audit report. Prior to the COVID 19 lockdown, the Committee have already consulted the Bua Provincial Council, however the plans to carry out the consultations for the other eight (8) Provincial Councils was unsuccessful due to restrictions that are still in place.

The Members of the Public Accounts Committee raised questions on the deficiencies identified by the Auditor General for 2000 - 2007 financial years. These resulted in the overall deficiency in the financial and internal control of the provincial councils. The Committee resolved that the nine (9) Provincial Councils should address all issues that resulted to the audit qualifications; also address all weaknesses in internal controls and other significant issues.

COMMITTEE MEMBERSHIP

The Standing Committee on Public Accounts comprises of the following Members of Parliament:

- Hon. Alvick Avhikrit Maharaj, Chairperson MP
- Hon. Hon. Joseph Nitya Nand, Deputy Chairperson MP
- Hon. Hon. Vijendra Prakash, MP
- Hon. Aseri Masivou Radrodro, MP
- Hon. Ro Teimumu Kepa, MP¹

¹ Committee Membership Joining date: 6 May 2020

Pursuant to Standing Order 115 (5), the Hon. Mikaele Leawere and Hon. Adi Litia Qionibaravi stood in as an alternative Members for Hon. Aseri Masivou Radrodro and Hon. Ratu Naiqama Lalabalavu.

BUA PROVINCIAL COUNCIL/TAUKEI AFFAIRS BOARD OFFICIALS:

1. Mr Waisake Tuisese, Roko Tui Bua
2. Mr Vinaya Namudu, Senior Assistant Roko Tui
3. Ms Sereana Matakibau, Director Finance – iTaukei Affairs Board HQ
4. Mr Ifran Ali, Provincial Treasurer - Bua PC
5. Ms Mere Tikonatabua, Assistant Provincial Council Treasurer - Bua PC

Resource Persons

The Committee together with an official from the Office of the Auditor General were in-attendance at the Committee hearing held in the Bua Provincial Council Board Room on Thursday 23 January, 2020. The officials that assisted the Committee in its inquiry were:

OFFICE OF THE AUDITOR GENERAL OFFICIAL:

1. Ms. Makereta Dyer, Acting Audit Manager

DETAILS OF THE COMMITTEE FINDINGS

The Office of the Auditor General has the mandate to audit the 14 Provincial Councils as stipulated under Section 33 of the iTaukei Affairs (Provincial Councils) Regulations 1996.

The Committee noted that **out of the 148 draft financial statements received by the Auditor-General, the audits of 79 financial statements for the 14 Provincial Councils have been completed, audits of 23 financial statements are currently being finalized, audits of 20 financial statements are in progress and 26 financial statements will be audited from April this year.**

The audit report includes the audit results of the 49 financial statements for the nine (9) Provincial Councils. The Committee noted in the audit report that **49 modified audit opinions were issued to all the financial statements of the nine (9) Provincial Councils that were audited.** The questions that were sent to these nine (9) Provincial Councils through the Ministry of Itaukei Affairs/Itaukei Affairs Board (ITAB) on audit issues that are identified as matters of concern has been attached as **Appendix 1.**

Tabulated below are the Audit Results of the 49 financial statements for the Nine (9) Provincial Councils with Audit Opinions

Provincial Council	Year	Unmodified Opinion	Modified Opinion
			Disclaimer of Opinion
Ba	2001 - 2007		✓
Bua	2003 - 2007		✓
Namosi	2001 - 2007		✓
Ra	2000 - 2007		✓
Rewa	2006 - 2007		✓
Serua	2006 - 2007		✓
Cakaudrove	2002 - 2007		✓
Kadavu	2002 - 2007		✓
Nadroga/Navosa	2002 - 2007		✓

1.0 FINANCIAL REPORTING

The Auditors have assessed the financial reporting for these nine (9) Provincial Councils based on the following aspects:

- quality of financial reporting
- timeliness of financial reporting

1.1 Quality of financial reporting

The following two indicators were used by the Auditors to assist them in assessing the quality of the Councils' financial statements:

- modified and unmodified audit opinions; and

- significant matters reported to management and those responsible for governance, in this case the iTaukei Affairs Board

As shown in the Table below, the OAG assessed the quality of financial reporting by the type of audit opinion issued on the financial statements and the impact and number of significant issues reported to the management and those charged with the governance of the Provincial Councils:

Rating	Quality of Financial Reporting
Effective	Unmodified opinions with minimal issues reported to the Provincial Council through the iTaukei Affairs Board
Ineffective	Modified opinions with more than five significant issues reported to the Provincial Council through the iTaukei Affairs Board

The Committee noted that the modified audit opinions that were issued on all 31 financial statements and the prevalence of the significant matters reported across the Provincial Councils indicated that the overall quality of financial reporting is ineffective and require substantial improvements.

1.2 Audit opinions

The main outcome of the OAG audits was independent auditors' reports on the financial statements of the Provincial Councils that were produced and submitted to the Auditor-General by the iTaukei Affairs Board.

The OAG issued 49 modified audit opinions on all the financial statements of the nine (9) Provincial Councils that are reported in this report. The modified audit opinions were all Disclaimer of Opinions as shown in the following Table:

Key Reasons for Disclaimed Audit Opinions				
Provincial Council	Year	Limitation of Scope	Non -Compliance with relevant Accounting Standards	Significant Breakdown in internal controls
Ba	2001 - 2007	✓	✓	✓
Bua	2003 - 2007	✓	✓	✓
Namosi	2001 - 2007	✓	✓	✓
Ra	2000 - 2007	✓	✓	✓
Rewa	2006 - 2007	✓	✓	✓
Serua	2006 - 2007	✓	✓	✓
Cakaudrove	2002 - 2007	✓	✓	✓
Kadavu	2002 - 2007	✓	✓	✓
Nadroga/Navosa	2002 - 2007	✓	✓	✓

The Committee were informed that audit opinions were disclaimed due to the following major reasons:

- Limitation of scope** – the auditors were unable to obtain sufficient appropriate audit evidences to substantiate major components of the financial statements. The absence of accounting and other records

created significant limitations on the scope of the audits and restricted the performing of necessary audit procedures. The limitations were pervasive and material to understanding the financial information disclosed in the financial statements.

- (ii) **Also noted in the OAG Report on its Appendix A**, is the percentage of unsubstantiated balances due to unavailability of accounting and related records, which also affected the ability to quantify the financial effects to adjust and correct the financial statements.
- (iii) **Statements of Cash Flow** – the Committee also noted that the statement of cash flow were not prepared and presented as components of the financial statements submitted for audit, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
- (iv) The Committee also noted that there were **significant breakdowns in financial statement internal controls** which affected the reliability of these financial figures of these Provincial Councils. The Committee expresses its grave concerns on the delay in submissions of the audited financial accounts of these nine (9) Provincial Councils and very importantly the disclaimer of opinions issued by the Office of the Auditor General. In summary, this is a picture of lack of accountability, transparency and lack of good corporate governance on the Provincial Councils in carrying out its duties and responsibilities to its Provincial Council members.

The written response from the Ministry of Itaukei Affairs/iTaukei Affairs Board to the Committee which provides clarification on the issues raised is attached as **Appendix 2**.

1.3 Significant Matters Reported

The Audit Act 1969 requires that the Auditor-General to report on significant matters identified during the audit to those responsible for the governance of the Provincial Councils. This includes the iTaukei Affairs Board and the Roko Tui.

The Committee noted that the audits were conducted together for several years' financial statements and issues identified from the audit as significant for the individual Provincial Councils for those years were rated medium to high risks and these were communicated to the iTaukei Affairs Board in one report or through the Management Letter.

The Committee was informed that issues that are classified as medium – high risks are control and compliance weaknesses of such fundamental significance or substantial importance to the Provincial Councils and it requires immediate attention by the iTaukei Affairs Board for priority and actions for resolutions.

The OAG reported to the Provincial Councils through the iTaukei Affairs Board 123 significant matters on the audits of the 49 financial statements for the nine Provincial Councils, as tabulated below:

Provincial Council	Year	No. of Significant Matters Reported
Ba	2001 - 2007	12
Bua	2003 - 2007	12
Namosi	2001 - 2007	14
Ra	2000 - 2007	10
Rewa	2006 - 2007	17
Serua	2006 - 2007	21
Cakaudrove	2002 - 2007	11
Kadavu	2002 - 2007	10
Nadroga/Navosa	2002 - 2007	16

1.4 Timeliness of financial reporting

To assess the timeliness of acceptable draft financial statements, the OAG always compared the date the draft financial statements were received for audit after allowing for at least 30 days before the legislative deadlines for the audit.

Rating	Timeliness of Financial Reporting Assessment
Effective	Acceptable draft financial statements received 1 April each year
Ineffective	Acceptable draft financial statements received more than 30days after 1 April each year

It was noted that all the nine Provincial Councils did not comply with the statutory requirements to submit to the Auditor-General financial statements for audit by 1 April each year.

The submissions of financial statements to the Auditor-General were more than 10 years behind the statutory deadlines. It was also noted in some cases, multiples versions of the financial statements were presented for audit, which further delayed the audits for certain Councils.

The 2013 draft financial statements (refer to Section 1.4) which have yet to be submitted to the Auditor-General for audit, been already 5 years behind as at 31 October 2019. The timeliness of financial reporting is ineffective due to the length of time it took the iTaukei Affairs Board and the Provincial Councils to prepare and present the financial statements and submit them to the Office of the Auditor-General for audit.

2.0 INTERNAL CONTROLS

2.1 Internal Controls Assessments

Good internal controls provide reasonable assurance that an entity is achieving its objectives relating to operations and reporting and support the production of effective financial statements.

The OAG assessed the financial controls used by the Provincial Councils using the following five (5) key elements:

1. **Control Environment (CE)** – actions, attitudes and values that influence daily operations
2. **Risk Assessment (RA)** – processes for identifying, assessing and managing risk
3. **Monitoring Activities (MA)** – oversight of internal controls for existence and effectiveness
4. **Control activities (CA)** – policies, procedures, and actions taken to prevent or detect errors
5. **Information and Communication (IC)**– systems to inform staff about control responsibilities

It was noted when OAG identify that internal controls in any of these elements are missing or are not operating as intended, OAG refer to them as control deficiencies (audit finding). If OAG identify that a control deficiency, either alone or in combination with other deficiencies, may lead to a material misstatement in the entity's financial statements, OAG refer to this as a significant audit finding. If OAG identify a deficiency (audit finding) with any of these internal controls as part of their audits, OAG will report the finding to the entity's management.

A deficiency occurs when internal controls are unable to prevent, detect or correct errors in the financial statements or where controls are missing. A significant deficiency is a deficiency that either or alone or in combination with multiple deficiencies may lead to a material misstatement in the financial statements. It requires immediate management action.

The OAG audit indicated that all five components were areas where significant deficiencies were identified.

In 2015, the iTaukei Affairs Board issued a Financial Manual to supplement the existing Accounting Manual. However, it was noted that OAG is yet to determine whether the supplementary Finance Manual has assisted the Provincial Councils to operate reliably and to produce effective financial statements.

The following Table outlines the rating we have used to assess internal controls:

Rating	Internal Control Assessment
Effective	No deficiencies identified in internal controls
Ineffective	Significant deficiencies identified in internal controls

It is important to note that the deficiencies detailed below were identified during audit and may have been subsequently resolved by the iTaukei Affairs Board and the Provincial Councils. These have been included in this report as they impacted on the overall system of control of the Provincial Councils as at the dates of the financial statements.

3.0 AUDIT COMMON FINDINGS

The Committee noted that the internal control deficiencies identified were communicated to the iTaukei Affairs Board through the OAG Management Letters. Common internal control weaknesses relate to the following main areas:

- 1) Cash management
- 2) Journals and reconciliation
- 3) Purchases and payments
- 4) Payroll

The audits that were conducted by the OAG found the following internal control weaknesses to be prevalent with the Provincial Councils:

3.1 Cash Management

- Monthly bank reconciliations were either not prepared or if performed were untimely and inaccurate. As a result, there were unreconciled variances between the Bank Reconciliation Statements and the General Ledger with neither balances reconciled to the confirmations provided by the banks.
- Receipts were not banked intact as deposits could not be traced to the bank statements. This indicated that receipts may have been utilized for cash payments, however, could not be properly substantiated due to missing records.
- Daily or regular banking of receipts were not done.
- Accurate and timely cash flow analysis was not performed.
- Stale cheques were not appropriately dealt with.
- Cash records such as lodgement books, cheque books and cashbooks were not properly maintained resulting in the records not being able to be located for audit.

The various internal control weaknesses identified indicated that cash management for Provincial Councils is a high risk area that is susceptible to fraud and mismanagement.

3.2 Journals and Reconciliations

- Inadequate supporting documents for journals posted to the General Ledger.
- Reconciliations for other key account balances were not prepared. Reconciliations were not reviewed or if reviewed, were not done independently and in a timely manner.
- Salary reconciliations were not performed.

Journals without appropriate controls and oversight increases the risk of error and fraud. The Provincial Councils need to improve the process in preparing and reviewing account reconciliations by performing timely reconciliations that are independently reviewed.

3.3 Purchases and payments

Purchases and payments processes were not complied with as follows:

- Local Purchase Orders were not issued for purchases.
- Competitive quotations were not obtained.
- Payment vouchers and supporting documents were not stamped "PAID".
- Payments were not always supported with proper and appropriate documentations.

Also noted in the audit report that records such as payment vouchers and supporting documentations have been misplaced, some payments made during the years could not be substantiated during the audit.

Improving internal controls for the purchases and payments functions for Provincial Councils are crucial to minimizing the risks of unauthorized purchases and fraud.

3.4 Payroll

- Payments of wages were not supported with timesheets/timecards.
- Employee details were not updated in the Personnel Files such as Employment Agreements, salary rates and positions, and leave schedules.
- Personnel Files and Pay Run Reports were not provided for audit verification.
- Salary reconciliations were not performed.

Weaknesses in payroll controls could result in incorrect payments to employees due to either error or fraud. As employee salaries/wages and related costs represents the largest portion of total expenditures for Provincial Councils, effective payroll controls is crucial.

4.0 OTHER SIGNIFICANT MATTERS

The Audit Act 1969 requires, amongst other things, that the Auditor-General must report on other significant matters which the Auditor-General wishes to bring to the attention of Parliament.

Other significant matters highlighted in the audit report, include control weaknesses which could cause or is causing severe disruption to the process or on the ability of the Provincial Councils to achieve process objectives and comply with relevant legislations, which are in addition to those discussion already cover in previous sections of this report.

It is likely that these issues may have an impact on the operations of the Provincial Councils in future, if necessary action is not taken to address them.

It is important to note that the deficiencies detailed in this report were identified during the audit and may have been subsequently resolved by the iTaukei Affairs Board and the Provincial Councils. These have been included in this report as they impacted on the overall system of control of the Provincial Councils as at the dates of the financial statements were audited.

Other significant matters identified during the audit were communicated to the iTaukei Affairs Board through Management Letters from the OAG and they relate to the following areas:

- **Submission of financial statements for audit** – Significant delays in the submission of draft financial statements for audit, which is discussed in detail in Section 2 of this report. Lack of capacity has been identified as a contributing factor to preparing appropriate, timely and accurate draft financial statements.
- **Compliance with the accounting standards** – Non-compliance with the requirements of the applicable financial reporting framework used. A significant non-compliance relate to the non-disclosure of Statement of Cash Flows in all the draft financial statements submitted for audit.
- **Limitation of scope** – Lack of sufficient appropriate supporting documentations to substantiate the account balances reported in the financial statements. Refer to Appendix A. The absence of records created a significant limitation on the scope of the audits and restricted the performing of necessary audit procedures.
- **Records management** – Records management for the Provincial Councils were generally poor resulting in missing financial and related records to support most of the balances reflected in the financial statements.
- **Asset management** - The Provincial Councils have not reviewed the valuation of property, plant and equipment since 1999. In addition, the accuracy and completeness of the Fixed Assets Registers/Schedules could not be determined as the balances in the General Ledger and the Fixed Assets Schedule did not reconcile.
There was no capitalisation policy to set the threshold for recording expenditures related to fixed assets.
- **Loans and advances to staff and public** – Loans and advances to staff and public were not supported with appropriate documentations. The Provincial Councils were not effective in the recovery process of loans and advances resulting in substantial provisions for doubtful debts for the years audited.

- **Policies and Procedures** - Absence of clear policies that requires the development of strategic and operational plans. These include but not limited to strategic and corporate plans, business plans, risk management plans, disaster recovery plans.
- The OAG also looked at whether policies and procedures for various aspects of the Provincial Councils' operations exist and were updated. For the years audited, we noted that policies and procedures were not reviewed and updated.
- **Provincial rates** – The Provincial Councils did not maintain Rates Collection Registers. As such detailed listing of rates due and payable could not be determined. Consistent over projection of revenue from provincial rates over the years.
- **Confirmations of investments with Provincial Companies** – Some Provincial Councils hold various investments with the Provincial Holding Companies. For five of the nine Provincial Councils audited, investment confirmations were not provided by the Provincial Companies as such the audits were unable to determine the authenticity of the investments.
- **Lack of available information on Provincial Companies** –The financial statements of five of the six Provincial Councils audited indicated that various transactions were made with the Provincial Companies through investments and loans & advances including the Provincial Councils obtaining loans for the companies. The lack of available and updated information and records on Provincial Companies also contributed to the scope limitations in the audits.
- **VAT** - Government grant and expenses related to government grants were not charged with VAT. The issue on whether the Provincial Councils are subject to VAT is long outstanding and has remained unresolved.

SUSTAINABLE DEVELOPMENT GOALS

The Committee was informed that relevant 17 SDGs Agenda and Fiji's National Development Plan have been considered and inculcated into each PC's Strategic Plan and Operational Plan in line with the Council's mandated functions as outlined under Section 7 of the iTaukei Affairs Act 1994 and the iTaukei Affairs (Provincial Council) Regulation 1996.

GENDER ANALYSIS

Gender mainstreaming is a critical dimension to parliamentary scrutiny. Pursuant to SO 110 (2) where a committee conducts an activity listed in clause (1), the committee shall ensure that full consideration will be given to the principles of gender equality to ensure all matters are considered with regard to the impact and benefit of both men and women equally.

As confirmed by few PCs and the ITAB that they were aware of the importance of gender balance within its workforce, however the Committee also considers the fact that currently all the recruitment processes that are taken place are based on merit.

COMMITTEE RECOMMENDATIONS

Given the seriousness of the OAG findings and the complexity of the issues revealed in the operations and management of the nine (9) Provincial Councils, namely:

1. Ba (2001 – 2007);
2. Bua (2003 – 2007);
3. Namosi (2001 – 2007);
4. Ra (2000 - 2007);
5. Rewa (2006 – 2007);
6. Serua (2006 – 2007);
7. Cakaudrove (2002 – 2007)
8. Kadavu (2002 – 2007); and
9. Nadroga/Navosa Provincial Councils (2002 – 2007)

The Committee understands the different geographical challenges and therefore endorses the Office of the Auditor General's recommendations on the nine (9) Provincial Councils (PCs) and further recommends the following, especially when these PCs are operating mostly on Government's subvention funding.

- 10) *The current Management of the iTaukei Affairs Board and the respective Provincial Councils Executives should urgently address all the issues that give rise to the audit qualifications, internal control deficiencies and other significant issues discussed and are highlighted on this report.***
- 11) *Improving the quality and timeliness of financial statements should be given the utmost priority. Quality of financial reporting can be improved by involving suitably qualified Accountants in the Provincial Councils that are capable of preparing and presenting draft financial statements on time and in accordance with the requirements of the applicable financial reporting framework.***
- 12) *The iTaukei Affairs Board should consider the establishment of a robust and capable audit, risk and improvement committee to specifically look at the quality and timeliness of financial reporting by the Provincial Councils and formulate action plans to resolve governance and internal control deficiencies and significant audit findings reported by the Auditor-General.***
- 13) *The iTaukei Affairs Board should consider reviewing and strengthening the capability of its internal audit function to assist in reviewing the systems and processes for the Provincial Councils and develop recommendations for improvements to those in-charged with governance.***
- 14) *The iTaukei Affairs Board should demand the production of Annual Reports from the respective Provincial Councils highlighting all the aspects of its operation and the progress of its mandated role.***

- 15) The iTaukei Affairs Board should conduct special performance audit on the operations of the PCs with its investment arm.**
- 16) The iTaukei Affairs Board should consider reviewing Annual Council Levy, “Soli ni Yasana”.**
- 17) The iTaukei Affairs Board should consider SDG 1, SDG 2, SDG 3, SDG 6, SDG 11 and SDG 16 to be inculcated in the respective Provincial Councils strategic and operational plan.**
- 18) The Itaukei Affairs Board need to disseminate the Committee findings and recommendations to the respective Provincial Councils for further consideration and implementation.**

The Public Accounts Committee strongly encourages the nine (9) Provincial Councils to implement the recommendations as a matter of priority, as the Committee will monitor and will visit councils in the near future to review the progress of its implementation of the current audit recommendations.

CONCLUSION

The Committee is seriously concerned with the 'disclaimer audit opinions' issued to all the 49 financial statements of the nine (9) Provincial Councils that were audited. This is a negative reflection on the Ministry of iTaukei Affairs, iTaukei Affairs Board and the respective Provincial Councils.

General improvements are expected from 2013 onwards, however the iTaukei Affairs Board and the Provincial Councils are expected to update its accounts by end of the financial year 2019/2020 to allow completion of all outstanding audit for Provincial Councils and the iTaukei Affairs Board Accounts.

The Auditor-General is mandated to audit the Provincial Councils and the Committee noted that the Office of the Auditor-General is strongly committed to fulfilling its mandate and will continue to work closely with the iTaukei Affairs Board and the Provincial Councils to update the audits of all Provincial Councils by 2021.

We, the undersigned Members of the Standing Committee on Public Accounts agree with the contents of this report:



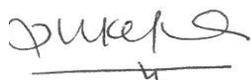
.....
Hon. Alvick Maharaj
(Chairperson)



.....
Hon. Joseph Nand
(Deputy Chairperson)



.....
Hon. Vijendra Prakash
(Member)



.....
Hon. Ro Teimumu Kepa
(Member)



.....
Hon. Aseri Radrodro
(Member)

APPENDICES

APPENDIX 1:
PUBLIC ACCOUNTS COMMITTEE QUESTIONS

PUBLIC ACCOUNTS COMMITTEE

QUESTIONS

Introduction

1. Operations of the Councils are funded by Government Subventions and through the collection on communal basis of provincial rates.

With reference to Appendix C - Abridged Financial Statements. For PC's that are operating at a loss, does this mean that the grant and provincial rates received by the Council are insufficient?
2. For the Status of Audit – what is the current progress?

Financial Reporting

3. What are some of the strategies for improving the quality and timeliness of financial reporting?
4. The Auditor General issued “Disclaimer of Opinions” on all financial statements reported which will impact on subsequent financial statements. Have the ITAB and the Provincial Councils considered this? How will the ITAB and the Provincial Councils resolve this?
5. TAB had advice the Committee that qualified personnel's have been recruited. Will this rectify the issue of non – compliance to relevant accounting standards for the 87 FS yet to be submitted to OAG?
6. Has the Council exhibit the 79 audited financial statements in Council offices?

Internal Controls

7. How effective is TAB in reviewing policies and operational plans governing the operations of the Council?
8. How effective is the internal audit function of TAB/Council?
9. Are the anomalies identified by internal audit or external audit embedded in the KPIs of the employees of the Council?
10. How is the organization plans, policies and SOPs disseminated to staff across the 14 PC?

Other Significant Matters

11. Delays in submissions of draft financial statements by the Provincial Councils for audit is not uncommon and have been the trend from previous years. Why? And what resolutions have been identified for the long term?
12. Balances reflected in the financial statements were not able to be substantiated because accounting and other related records were not available or have been misplaced, what have ITAB and the Provincial Councils done to improve records management?
13. For loans and advances to staff and public – What are the strategies in place to recover the amount from the Provincial Companies that took loan from the Council?
14. Investment confirmations were not provided by some provincial companies. Can TAB provide a background of the setting up of these companies? Who are the majority shareholders of the Companies? Are all the PC companies still in operational? Is the Council getting the return of its investment from the PC?
15. Provincial Council are now connected to govnet and with the implementation of the new financial system, will the accounts of the Provincial Council be consolidated with the Board?
16. With the digitalization of the VKB, will this assist the Council in collection of provincial levy and publishing of the names of rate payers that are yet to pay their levy?
17. The Auditor General made 9 significant high level recommendations in the report. Provide an update on the implementations of these recommendations?

**APPENDIX 2:
iTAUKEI AFFAIRS BOARD WRITTEN
RESPONSE**



**EFFECTIVE AND EFFICIENT PARTICIPATION OF THE ITAUKEI IN THE NATIONS PEACE,
PROGRESS AND PROSPERITY ME QAQAGO, KA TAUGOKO NA VAKAITAVI NI ITAUKEI KI
NA BULA MARAU, TOSO KI LIU KEI NA BULA SAUTU NI NODA VANUA**

BUA PROVINCIAL COUNCIL

Naulumatua House
PO Box 52 Nabouwalu
Bua, Fiji

Telephone: 8836020
Facsimile: 8836101

BUA PROVINCIAL COUNCIL'S RESPONSE ON PUBLIC ACCOUNTS COMMITTEE QUESTIONS

REPORT OF THE AUDITOR GENERAL ON PROVINCIAL COUNCILS – VOLUME 2

PUBLIC ACCOUNTS COMMITTEE

QUESTIONS

Section	Questions	Responses
Introduction	<p>1. Operations of the Councils are funded by Government Subventions and through the collection on communal basis of provincial rates.</p> <p>With reference to Appendix C - Abridged Financial Statements. For PC's that are operating at a loss, does this mean that the grant and provincial rates received by the Council are insufficient?</p> <p>2. For the Status of Audit – what is the current progress?</p>	<p>1. This is not applicable to Bua PC as the Council had reported Net Profit through-out the 5 years from 2003 to 2007. Refer page 67.</p> <p>2. 2012 Financial statements have been submitted to OAG for audit. Bua PC is currently reconciling 2013-2018 records.</p>
Financial Reporting	<p>3. What are some of the strategies for improving the quality and timeliness of financial reporting?</p> <p>4. The Auditor General issued “Disclaimer of Opinions” on all financial statements reported which will impact on subsequent financial statements. Have the ITAB and the Provincial Councils considered this? How will the ITAB and the Provincial Councils resolve this?</p> <p>5. TAB had advice the Committee that qualified personnel's have been recruited. Will this rectify the issue of non – compliance to relevant accounting standards for the 87 FS yet to be submitted to OAG?</p> <p>6. Has the Council exhibit the 79 audited financial statements in Council offices?</p>	<p>3. Strategies in place include:</p> <ul style="list-style-type: none"> - Revision of the Accounting Manual in 2015 and the subsequent review of the Finance Manual in 2019/2020. - Development of Standard Operations Procedures (SOPs). This covers Revenue and Payment cycles, reconciliations, and other accounting processes - Improvements made in the filing system - Quality Assurance checks conducted on financial returns and queries flagged for immediate actions - Training on Financial Statement Preparations has been scheduled in Quarter 3 of FY2019/2020 for all Provincial Treasurers - In-house spot-checks conducted <p>4. It is understood that the Disclaimer of Opinion has been issued due to significant unsubstantiated balances reported which was primarily due to missing records. This has been heavily considered and a request will be put forward to the TAB Board requesting endorsement for a cut-off in 2013.</p> <p>5. Yes improvements shall be expected in the 2013 to 2018 Financial Statements</p> <p>6. The Bua Provincial Council has received the 2003 to 2007 audited accounts. These will be tabled in the next Staff & Finance committee meeting which is scheduled on the 1st week of February, and subsequently in the June 2020 Provincial Council meeting.</p>

<p>Internal Controls</p>	<p>7. How effective is TAB in reviewing policies and operational plans governing the operations of the Council?</p> <p>8. How effective is the internal audit function of TAB/Council?</p> <p>9. Are the anomalies identified by internal audit or external audit embedded in the KPIs of the employees of the Council?</p> <p>10. How is the organization plans, policies and SOPs disseminated to staff across the 14 PC?</p>	<p>7. The Operations Manual was finalized in August 2019 and awareness was also conducted during Roko Tui and SART workshops. TAB has developed a 5-year Strategic Development Plan (SDP) with effect from 2018. Annual operations plan is derived from the SDP together with the Provincial Councils Business Plan every year. Achievements against Business plan targets are monitored and reported on a monthly basis to the Monitoring & Evaluation Unit for further analysis. Mid-year Performance review is conducted by the Operations Division at TAB whereby Provincial Councils achievements against Business Plan targets are tracked and scrutinized.</p> <p>8. The Internal audit team conducts both normal and surprise audit visits every year. The audit reports with findings and recommendations submitted to the Permanent Secretary/CEO-TAB for his endorsement. Critical audit issues are separately flagged for immediate remedial actions by the Provincial Councils. These are further reviewed and discussed during the Exit Interview meetings.</p> <p>9. Under the new Open Merit Recruitment Selection (OMRS) system, employees' KPIs must not exceed a total of four. However, this is further detailed out in the Key Result Areas and Individual Work Plan. Timely implementation of audit recommendation is in one of the 4 KPIs.</p> <p>10. Hard copies are distributed with soft copies disseminated through govnet emails. Awareness conducted through quarterly workshops and inductions sessions.</p>
<p>Other significant matters</p>	<p>11. Delays in submissions of draft financial statements by the Provincial Councils for audit is not uncommon and have been the trend from previous years. Why? And what resolutions have been identified for the long term?</p> <p>12. Balances reflected in the financial statements were not able to be substantiated because accounting and other related records were not available or have been misplaced, what have ITAB and the Provincial Councils done to improve records management?</p> <p>13. For loans and advances to staff and public – What are the strategies in place to recover the amount from the Provincial Companies that took loan from the Council?</p> <p>14. Investment confirmations were not provided by some provincial companies. Can TAB provide a background of the setting up of these companies? Who are the majority shareholders of the</p>	<p>11. Reasons for non-submission of draft financial statements from previous years can only be explained by the predecessors. The Honorable Member Adi Litia Qionibaravi in her capacity as the former CEO of iTaukei Affairs Board in those years perhaps could enlighten the committee on this. As a way forward, targets have been set to clear the audit backlog by end of the financial year.</p> <p>12. Filing systems have been improved both at TAB and at the Council offices. Regular checks are carried out. Locked cabinets and storage containers have been purchased for safe keeping of records. Employees have also been sent for Records Management trainings.</p> <p>13. There was no loan issued by Bua Provincial Council to the Provincial Company from 2003 to 2007.</p> <p>14. Bua Provincial Council have no investments with the Provincial company from 2003-2007.</p> <p>15. The new financial system will allow system integration of TAB and the 14 Provincial offices.</p>

	<p>Companies? Are all the PC companies still in operational? Is the Council getting the return of its investment from the PC?</p> <p>15. Provincial Council are now connected to govnet and with the implementation of the new financial system, will the accounts of the Provincial Council be consolidated with the Board?</p> <p>16. With the digitalization of the VKB, will this assist the Council in collection of provincial levy and publishing of the names of rate payers that are yet to pay their levy?</p> <p>17. The Auditor General made 9 significant high level recommendations in the report. Provide an update on the implementations of these recommendations?</p>	<p>16. The Provincial Council is given the option in section 34 to levy Province members by way of Land Rate System, Provincial Rate system or the Soli Vakavanua System. The Bua Provincial Council is currently adopting the “Soli Vakavanua” system whereby targets are set at \$521.00 per village. There are 54 villages and 9 Districts in Bua with a forecast of \$28,134.00 to be collected on an annual basis. As a collection improvement strategy, the Adi Bua Festival was revived in 2014 after a lapse of 15 years. This strategy has been successful for the last 6 years with 95-100% collection rate.</p> <p>17. In addition to the above, TAB has established a Governance Unit that will harness the identified process gaps and deficiencies. The unit will work closely with the TAB Audit sub-committee with extended scope on risk management and quality reporting. A recent valuation was carried out on all Provincial Councils’ assets in 2019 with the assistance of Ministry of Lands. The Valuation Reports have been received however few issues need to be clarified before final reports are issued for dissemination to the Provincial Councils. The iTaukei Affairs Board has also set up a Commercial Unit that will explore economic empowerment opportunities, provide financial advisory roles and promote economic security for the iTaukei communities. The Unit as part of its Framework will record and update its commercial database on information on iTaukei-owned businesses including Provincial companies.</p>
--	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



“A Transformed iTaukei Family for a Better Fiji”

TTFB Complex, Queen Elizabeth Drive, Suva | P.O.Box 2100, Government Building Suva
Telephone: 773 0909 | Facsimile: 330 5115 | Email: tab@govnet.gov.fj

PROVINCIAL COUNCILS’ RESPONSE ON PUBLIC ACCOUNTS COMMITTEE QUESTIONS

REPORT OF THE AUDITOR GENERAL ON PROVINCIAL COUNCILS – VOLUME 2

PUBLIC ACCOUNTS COMMITTEE

QUESTIONS

Section	Questions	Responses
Introduction	<p>1. Operations of the Councils are funded by Government Subventions and through the collection on communal basis of provincial rates.</p> <p>With reference to Appendix C - Abridged Financial Statements. For PC's that are operating at a loss, does this mean that the grant and provincial rates received by the Council are insufficient?</p> <p>2. For the Status of Audit – what is the current progress?</p>	<p>1. In 2003-2007, government grant partially covered the Provincial Councils operational costs. Provincial rates collections fell below targets, this attributed to the net deficit reported.</p> <p>2. 2012 Financial statements have been submitted to OAG for audit. 2013-2015 records are currently been reconciled and will be submitted to OAG by end of the financial year. Disruption have been caused by COVID 19 outbreak, hence target to clear backlog is set to end of the calendar year, 2020.</p>
Financial Reporting	<p>3. What are some of the strategies for improving the quality and timeliness of financial reporting?</p> <p>4. The Auditor General issued “Disclaimer of Opinions” on all financial statements reported which will impact on subsequent financial statements. Have the ITAB and the Provincial Councils considered this? How will the ITAB and the Provincial Councils resolve this?</p> <p>5. TAB had advice the Committee that qualified personnel's have been recruited. Will this rectify the issue of non – compliance to relevant accounting standards for the 87 FS yet to be submitted to OAG?</p>	<p>3. Strategies in place include:</p> <ul style="list-style-type: none"> - Revision of the Accounting Manual in 2015 and the subsequent review of the Finance Manual in 2019/2020. - Development of Standard Operations Procedures (SOPs). This covers Revenue and Payment cycles, reconciliations, and other accounting processes - Improvements made in the filing system - Quality Assurance checks conducted on financial returns and queries flagged for immediate actions - Refresher-Trainings on Financial Statement Preparations - In-house spot-checks conducted <p>4. It is understood that the Disclaimer of Opinion has been issued due to significant unsubstantiated balances reported which was primarily due to missing records. This has been heavily considered and a request will be put forward to the TAB Board requesting endorsement for a cut-off in 2013.</p> <p>5. Yes improvements shall be expected in the 2013 to 2018 Financial Statements</p>

	6. Has the Council exhibit the 79 audited financial statements in Council offices?	6. The audited accounts have been sent to the TAB Board for discussion. These will be distributed to the Provincial Councils once Board's endorsement is received. These Financial Statements will be tabled in the Staff & Finance committee meeting, and subsequently in the Provincial Council meeting.
Internal Controls	7. How effective is TAB in reviewing policies and operational plans governing the operations of the Council? 8. How effective is the internal audit function of TAB/Council? 9. Are the anomalies identified by internal audit or external audit embedded in the KPIs of the employees of the Council? 10. How is the organization plans, policies and SOPs disseminated to staff across the 14 PC?	7. The Operations Manual was finalized in August 2019 and awareness was also conducted during Roko Tui and SART workshops. TAB has developed a 5-year Strategic Development Plan (SDP) with effect from 2018. Annual operations plan is derived from the SDP together with the Provincial Councils Business Plan every year. Achievements against Business plan targets are monitored and reported on a monthly basis to the Monitoring & Evaluation Unit for further analysis. Mid-year Performance review is conducted by the Operations Division at TAB whereby Provincial Councils achievements against Business Plan targets are tracked and scrutinized. 8. The Internal audit team conducts both normal and surprise audit visits every year. The audit reports with findings and recommendations submitted to the Permanent Secretary/CEO-TAB for his endorsement. Critical audit issues are separately flagged for immediate remedial actions by the Provincial Councils. These are further reviewed and discussed during the Exit Interview meetings. 9. Under the new Open Merit Recruitment Selection (OMRS) system, KPI, Key Result Areas and Individual Work Plans for Provincial Treasurers are updated to reflect tasks on timely implementation of audit recommendations. 10. Hard copies are distributed with soft copies disseminated through govnet emails. Awareness conducted through quarterly workshops and inductions sessions.
Other significant matters	11. Delays in submissions of draft financial statements by the Provincial Councils for audit is not uncommon and have been the trend from previous years. Why? And what resolutions have been identified for the long term? 12. Balances reflected in the financial statements were not able to be substantiated because accounting and other related records were not available or have been misplaced, what have	11. Reasons for non-submission of draft financial statements from previous years can only be explained by the predecessors. The Honorable Member Adi Litia Qionibaravi in her capacity as the former CEO of iTaukei Affairs Board could enlighten the committee on this. As a way forward, targets have been set to clear the backlog by end of the financial year. However with the outbreak and disruptions caused by COVID19 pandemic, this will be extended to end of the calendar year, 2020. 12. Filing systems have been improved both at TAB and at the Council offices. Regular checks are carried out. Locked cabinets and storage containers have been purchased for safe keeping of records. Employees have also been sent for Records Management trainings.

	<p>ITAB and the Provincial Councils done to improve records management?</p> <p>13. For loans and advances to staff and public – What are the strategies in place to recover the amount from the Provincial Companies that took loan from the Council?</p> <p>14. Investment confirmations were not provided by some provincial companies. Can TAB provide a background of the setting up of these companies? Who are the majority shareholders of the Companies? Are all the PC companies still in operational? Is the Council getting the return of its investment from the PC?</p> <p>15. Provincial Council are now connected to govnet and with the implementation of the new financial system, will the accounts of the Provincial Council be consolidated with the Board?</p> <p>16. With the digitalization of the VKB, will this assist the Council in collection of provincial levy and publishing of the names of rate payers that are yet to pay their levy?</p> <p>17. The Auditor General made 9 significant high level recommendations in the report. Provide an update on the implementations of these recommendations?</p>	<p>13. TAB noted that the weak oversight by the then management attributed to the outstanding loans by the Provincial Companies. TAB is currently in negotiation with the Provincial Companies on these loans and will enter into repayment plans where feasible. Otherwise with conditions and subject to Board's decision, it may also consider cashless conversions into equity and simultaneously improve collaborations on performance management and oversight through the TAB Commercial Unit.</p> <p>14. Provincial Companies were set up to financially assist Provincial Councils (in the form of returns on investments) fund its operations as well as assist in addressing development needs in the Province. While it must be noted that not all Provincial Companies are owned by the Provincial Councils through share ownership, over the years, the operations of the Provincial Companies have deviated from its original stance resulting in non-remittance of dividend to the Provincial Councils and loss of management control. At present, this has become one of the exciting challenges, and TAB will continue to strengthen collaboration, oversight and feasible interventions to ensure strategic realignment and viable operations for Provincial Companies.</p> <p>15. The new financial system will allow system integration of TAB and the 14 Provincial offices.</p> <p>16. The Provincial Council is given the option in section 34 to levy Province members by way of Land Rate System, Provincial Rate system or the Soli Vakavanua System. The Provincial Councils are currently adopting the "Soli Vakavanua" system whereby targets are set per village or Tikina. To boost the rate collection, Provincial Councils have introduced annual Provincial Festivals whereby rates are collected by Tikina/village levels. This strategy has been successful for the last 6 years.</p> <p>17. In addition to the above, TAB has established a Governance Unit that will harness the identified process gaps and deficiencies. The unit will work closely with the TAB Audit sub-committee with extended scope on risk management and quality reporting. Governance aspects of Provincial, Tikina and Village Councils forums have been strengthened through the development and implementation of the Council Members Guide, and Terms of Reference of Sub-committees. A recent valuation was carried out on all Provincial Councils' assets in 2019. The Valuation Reports</p>
--	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

		<p>have been distributed to the Provincial Councils. The iTaukei Affairs Board has also set up a Commercial Unit that will explore economic empowerment opportunities, provide free financial advisory roles and organize financial literacy trainings for the iTaukei communities including the Provincial Companies.</p>
--	--	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



OFFICE of the AUDITOR GENERAL
Republic of Fiji

Supplementary Response to the Public Accounts Committee Provincial Councils, Volume 2

Question

The Committee had requested the Office of the Auditor General ('Office') to clarify about the future of the task force stationed at the Office who have been dedicated in auditing the PCs financial statements. Once the backlog of the Provincial Councils has been cleared, will the task force cease its existence and will OAG still audit the PCs as any other entity that the Office audits? What will be the timelines be of the provincial council's being audited and will there still be substantive report tabled in Parliament by the Auditor General?

Response

- Clarify about the future of the **task force stationed at the Office** who has been dedicated in auditing the PCs financial statements.

OAG Response - There is no specific task force dealing with the audits of Provincial Councils. What the OAG had done is dedicating one Audit Group to be responsible for all the audits of the Provincial Councils, in addition to other audits, however with the main focus of updating PC audits. Under the revised OAG structure, an Audit Team will continue to be dedicated to the audits of Provincial Councils.

- Once the backlog of the Provincial Councils has been cleared, will the task force cease its existence and will OAG still audit the PCs as any other entity that the Office audits?

OAG Response – As stated in the response above, there is no task force. The Auditor General is mandated to audit the Provincial Councils thus will continue to audit Provincial Councils as any other entity OAG audits.

- What will be the timelines of the provincial council's being audited and will there still be substantive report tabled in Parliament by the Auditor General?

OAG Response - The timelines for audit will depend on when draft financial statements are submitted to the OAG for audit. Reports will be tabled in Parliament for all audits done by OAG which include Provincial Councils.

In addition to the responses above, we also wish to bring to the attention of the PAC the **outstanding audit fees owed by Provincial Councils** which as at **31 November 2019** totalled **\$279,977**.

I also attach the loans and advances information previously requested by the PAC.

Subject	Request - Supplementary Response from OAG - Auditing of Provincial Councils
From	Finau Nagera fnagera001@auditorgeneral.gov.fj
To	Mateo W. Lagimiri mateo.lagimiri@parliament.gov.fj
Cc	Savenaca Koro savenaca.koro@govnet.gov.fj ; Sairusi Dukuno sdukuno@auditorgeneral.gov.fj ; Makereta Dyer makereta.dyer@govnet.gov.fj ; Sulueti D. Cakau sulueti.cakau@auditorgeneral.gov.fj
Sent	Monday 27 January 2020 11:46 a.m.

Finau Nagera
Director of Audit
Office of the Auditor General
27 January 2020

PROVINCIAL COUNCIL REPORTS - VOLUMES 1 & 2

(Source: Provincial Councils Financial Statements submitted by ITAB)

No.	PROVINCIAL COUNCIL	PROVINCIAL COMPANY	LOAN WITH SBAU	SBAU LOAN AMOUNT as at 31/12/07 (\$)	CLEARED	ANY ADVANCE ISSUED TO COMPANY	ADVANCE AMOUNT as at 31/12/07																																																																
1	Ba PC 2001 - 2007	Ba Provincial Holdings Limited (investment confirmations not provided - included in the Auditors Report) As per the Auditors Report for FY 2000 - loan was obtained from FNPF of \$232,980 by the Ba Holdings Company under the Council's name however not recorded in the books of the Council.	As per the SBAU Loan Statement, the description is for Cagi-Mai-Ba (it was not clear whether the loan was for the purchase or the repairs and maintenance of the Cagi-Mai-Ba. Loan was obtained in 2000 of \$129,000	97,201.00	SBAU Loan cleared in 2015.	Yes, advance was issued to Ba Holdings. It was recorded in the FS under Other Assets (Note 4 - 2007 FS) Refer below for the breakdown of balance owed by the Holdings Company: No movement noted since 2005. <table border="1"> <thead> <tr> <th>FY</th> <th>Amount</th> <th>Movement (\$)</th> <th>Movement (%)</th> </tr> </thead> <tbody> <tr><td>2000</td><td>282,379.00</td><td></td><td></td></tr> <tr><td>2001</td><td>191,008.00</td><td>91,371.00</td><td>48%</td></tr> <tr><td>2002</td><td>169,931.00</td><td>21,077.00</td><td>12%</td></tr> <tr><td>2003</td><td>147,201.00</td><td>22,730.00</td><td>15%</td></tr> <tr><td>2004</td><td>127,201.00</td><td>20,000.00</td><td>16%</td></tr> <tr><td>2005</td><td>97,201.00</td><td>30,000.00</td><td>31%</td></tr> <tr><td>2006</td><td>97,201.00</td><td>-</td><td>0%</td></tr> <tr><td>2007</td><td>97,201.00</td><td>-</td><td>0%</td></tr> </tbody> </table>	FY	Amount	Movement (\$)	Movement (%)	2000	282,379.00			2001	191,008.00	91,371.00	48%	2002	169,931.00	21,077.00	12%	2003	147,201.00	22,730.00	15%	2004	127,201.00	20,000.00	16%	2005	97,201.00	30,000.00	31%	2006	97,201.00	-	0%	2007	97,201.00	-	0%	97,201.00																												
FY	Amount	Movement (\$)	Movement (%)																																																																				
2000	282,379.00																																																																						
2001	191,008.00	91,371.00	48%																																																																				
2002	169,931.00	21,077.00	12%																																																																				
2003	147,201.00	22,730.00	15%																																																																				
2004	127,201.00	20,000.00	16%																																																																				
2005	97,201.00	30,000.00	31%																																																																				
2006	97,201.00	-	0%																																																																				
2007	97,201.00	-	0%																																																																				
2	Bua PC 2003 2007	Bulacakau Limited (no investment confirmation provided - included in the Auditors Report) <u>Other investments</u> 1. Yasana Holdings Limited, 2. Fijian Holdings Limited, 3. UToF	Yes - loan of \$86,700 was obtained in 1995 and is secured by the First Registered Mortgage over the lease title and all developments which include: (i) Naulumatua house (ii) Existing Provincial Buildings and staff quarters (iii) New 2x3 bedroom house. Another loan of \$225,000 was obtained in 2001 and was secured by: (i) Assignment over FHL shares held with FDB (ii) First registered mortgage over NLTB Lease No. 46376/4/2/303.	74,050.00	As at 31/12/07 the loan had a debit balance of \$74,050 in the financial statement.	No - total advance to public as at 31/12/07 is \$120.	-																																																																
3	Cakaudrove 2002 - 2007	PC Cakaudrove Holdings	No loan obtained from SBAU.	-	-	Yes, advance was issued to Cakaudrove Holdings as per FS. Refer below for details. <table border="1"> <thead> <tr> <th>FY</th> <th>Amount</th> <th>Movement (\$)</th> <th>Movement (%)</th> </tr> </thead> <tbody> <tr><td>2001</td><td>-</td><td></td><td></td></tr> <tr><td>2002</td><td>25,000.00</td><td>25,000.00</td><td>100%</td></tr> <tr><td>2003</td><td>55,000.00</td><td>30,000.00</td><td>55%</td></tr> <tr><td>2004</td><td>90,000.00</td><td>35,000.00</td><td>39%</td></tr> <tr><td>2005</td><td>120,030.00</td><td>30,030.00</td><td>25%</td></tr> <tr><td>2006</td><td>230,332.00</td><td>110,302.00</td><td>48%</td></tr> <tr><td>2007</td><td>556,547.00</td><td>326,215.00</td><td>59%</td></tr> </tbody> </table>	FY	Amount	Movement (\$)	Movement (%)	2001	-			2002	25,000.00	25,000.00	100%	2003	55,000.00	30,000.00	55%	2004	90,000.00	35,000.00	39%	2005	120,030.00	30,030.00	25%	2006	230,332.00	110,302.00	48%	2007	556,547.00	326,215.00	59%	558,547.00																																
FY	Amount	Movement (\$)	Movement (%)																																																																				
2001	-																																																																						
2002	25,000.00	25,000.00	100%																																																																				
2003	55,000.00	30,000.00	55%																																																																				
2004	90,000.00	35,000.00	39%																																																																				
2005	120,030.00	30,030.00	25%																																																																				
2006	230,332.00	110,302.00	48%																																																																				
2007	556,547.00	326,215.00	59%																																																																				
4	Kadavu PC 2002 2007	1. Kadavu Shipping Company 2. Kadavu Development Company (Investment confirmations not provided - included in the Auditors Report)	Loan was obtained from SBAU on behalf of Kadavu Shipping Company and Kadavu Holding Company. Refer below for details: <table border="1"> <thead> <tr> <th colspan="4">SBAU - Non Current Liabilities</th> </tr> <tr> <th>FY</th> <th>Kadavu Shipping Company</th> <th colspan="2">Kadavu Holding Company</th> </tr> </thead> <tbody> <tr><td>2002</td><td>85,980.00</td><td>72,504.00</td><td></td></tr> <tr><td>2003</td><td>85,980.00</td><td>72,504.00</td><td></td></tr> <tr><td>2004</td><td>10,000.00</td><td>51,341.00</td><td></td></tr> <tr><td>2005</td><td>10,000.00</td><td>51,341.00</td><td></td></tr> <tr><td>2006</td><td>10,000.00</td><td>32,165.00</td><td></td></tr> <tr><td>2007</td><td>10,000.00</td><td>32,165.00</td><td></td></tr> </tbody> </table>	SBAU - Non Current Liabilities				FY	Kadavu Shipping Company	Kadavu Holding Company		2002	85,980.00	72,504.00		2003	85,980.00	72,504.00		2004	10,000.00	51,341.00		2005	10,000.00	51,341.00		2006	10,000.00	32,165.00		2007	10,000.00	32,165.00		42,165.00		Yes, advance was issued to Kadavu Shipping Company and Kadavu Holdings Company as follows: <table border="1"> <thead> <tr> <th colspan="4">Loans to Public - Current Assets</th> </tr> <tr> <th>FY</th> <th>Kadavu Shipping Company</th> <th colspan="2">Kadavu Holding Company</th> </tr> </thead> <tbody> <tr><td>2002</td><td>85,980.00</td><td>72,504.00</td><td></td></tr> <tr><td>2003</td><td>85,980.00</td><td>72,504.00</td><td></td></tr> <tr><td>2004</td><td>85,980.00</td><td>72,504.00</td><td></td></tr> <tr><td>2005</td><td>85,980.00</td><td>72,504.00</td><td></td></tr> <tr><td>2006</td><td>85,980.00</td><td>72,504.00</td><td></td></tr> <tr><td>2007</td><td>85,980.00</td><td>72,504.00</td><td></td></tr> </tbody> </table>	Loans to Public - Current Assets				FY	Kadavu Shipping Company	Kadavu Holding Company		2002	85,980.00	72,504.00		2003	85,980.00	72,504.00		2004	85,980.00	72,504.00		2005	85,980.00	72,504.00		2006	85,980.00	72,504.00		2007	85,980.00	72,504.00		158,484.00
SBAU - Non Current Liabilities																																																																							
FY	Kadavu Shipping Company	Kadavu Holding Company																																																																					
2002	85,980.00	72,504.00																																																																					
2003	85,980.00	72,504.00																																																																					
2004	10,000.00	51,341.00																																																																					
2005	10,000.00	51,341.00																																																																					
2006	10,000.00	32,165.00																																																																					
2007	10,000.00	32,165.00																																																																					
Loans to Public - Current Assets																																																																							
FY	Kadavu Shipping Company	Kadavu Holding Company																																																																					
2002	85,980.00	72,504.00																																																																					
2003	85,980.00	72,504.00																																																																					
2004	85,980.00	72,504.00																																																																					
2005	85,980.00	72,504.00																																																																					
2006	85,980.00	72,504.00																																																																					
2007	85,980.00	72,504.00																																																																					
5	Lau PC 2003 2007	Yatu Lau Company Limited (investment confirmation not provided - included in the Auditors Report)	Eventhough the SBAU loan amounted to \$224,363 the loan was not obtained on behalf of the Provincial Company.	224,363.00	Balance as at 31/12/07 amounted to \$284,363 which includes loan with CFT of \$60,000 and SBAU of \$224,363	From the GL Listing as at 31/12/07, there were no advances issued to the company.	Not applicable																																																																

6	Lomaiviti PC 2006 2007	Lomaiviti Holdings Limited Lomaiviti Shipping Services Limited	Loan was obtained on behalf of the Provincial Company (it was not specific in the FS which company it refers to) i. Loan 1999 - Account No. 17-00811 with principal loan of \$150,000	114,962.00	Balance as at 31/12/07 is \$114,962 and balance as at 31/12/10 is \$53,730	No advance issued to company	Not applicable																																				
7	Macuata PC 2005 2007	Macuata Fijian Cane Farmers (investment confirmation not provided - included in the Auditors Report) Macuata Provincial Corporation Limited (not in the FS)	Yes - loan was obtained from SBAU which amounted to \$76,806 i. Loan 1996 of \$22,768 ii. Loan 1998 of \$47,806 iii. Loan 1999 of \$6,232 Balances carried forward from prior years. The purpose of the loan obtained from SBAU is not clear and whether the loan was obtained on behalf of the Provincial Company. The Council also obtained loan from FDB to finance the purchase of shares in ATH and Macuata House. \$81,090 was for the purchase of shares and \$3,164,472 balance as at 31/12/07 for the Macuata House loan.	76,806.00		As per the GL and FS, loans to public for commercial purposes amounted to \$199,946. The whole amount was provided for as doubtful debts as at 31/12/07 of \$199,946.	As per the FS, as at 31/12/17 loans to public for commercial purposes is nil.																																				
8	Nadroga/Navosa PC 2002 - 2007	1. Nadroga Development Company 2. Nadroga/Navosa Investment Company Limited (not in the FS)	As per the FS, the Council obtained loan from SBAU for the Nadroga/Navosa Corporation Limited's equity contribution for a loan the company took from FDB. The loan is secured over the assets of the company including assignment of shares, dividends and land.	190,630.00	Loan with SBAU cleared in 2009	As per the FS, the Council recorded a Receivable from PC Company - Nadroga Development Company of \$198,690 (Note 5 Other Assets in the 2007 FS) Refer below for the balance recorded as Receivable from PC Company from 2007 - 2010:	198,690.00																																				
<table border="1"> <thead> <tr> <th>FY</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>2007</td> <td>198,690.00</td> </tr> <tr> <td>2008</td> <td>198,690.00</td> </tr> <tr> <td>2009</td> <td>128,545.00</td> </tr> <tr> <td>2010</td> <td>128,545.00</td> </tr> </tbody> </table>								FY	Amount	2007	198,690.00	2008	198,690.00	2009	128,545.00	2010	128,545.00																										
FY	Amount																																										
2007	198,690.00																																										
2008	198,690.00																																										
2009	128,545.00																																										
2010	128,545.00																																										
9	Naitasiri PC 2000 2007	Naitasiri Provincial Investment Co-operative Limited (not in the FS)	Loan with SBAU was obtained to finance the construction of staff quarters at Vunidawa.	207,535.00		No advance issued to the company	Not applicable																																				
10	Namosi PC 2001 2007	Namosi Development Company	Yes - loan was obtained by the Council on behalf of the Namosi Development Company. The Council obtained three loans from SBAU: (i) 1996 Account No. 10-458-A - as at 31/12/07 the loan balance amounted to \$193,475 (ii) 1996 Account No. 10-458-B - as at 31/12/07 the loan balance was \$183,870 (iii) 2002 Account No. 02.03.07.3.185 of \$275,000 Included in the Auditors Report - no records provided to support the loan balance of \$275,000	652,345.00	Total interest bearing borrowings amounted to \$680,100. SBAU loan is \$652,345	Loans issued to public as at 31/12/07 amounted to \$775,690, out of which \$774,310 (99%) was issued to Namosi Development Company. Refer to Note 3 of the 2007 FS. No movement noted in the loan balance for the Company since 2001.	Total loans and advances is \$856,135. Loans to public = \$775,690 Namosi Dev Co = \$774,310 Out of the total loans and advances of \$856,135, about 90% of the loan was issued to Namosi Development Company.																																				
<table border="1"> <thead> <tr> <th>FY</th> <th>Namosi Development Company</th> <th>Total Loans & Advances</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2000</td> <td>-</td> <td>18,168.00</td> <td>0%</td> </tr> <tr> <td>2001</td> <td>774,390.00</td> <td>807,687.00</td> <td>96%</td> </tr> <tr> <td>2002</td> <td>774,390.00</td> <td>804,087.00</td> <td>96%</td> </tr> <tr> <td>2003</td> <td>774,390.00</td> <td>820,100.00</td> <td>94%</td> </tr> <tr> <td>2004</td> <td>774,390.00</td> <td>826,851.00</td> <td>94%</td> </tr> <tr> <td>2005</td> <td>774,390.00</td> <td>837,257.00</td> <td>92%</td> </tr> <tr> <td>2006</td> <td>774,390.00</td> <td>847,319.00</td> <td>91%</td> </tr> <tr> <td>2007</td> <td>774,390.00</td> <td>856,135.00</td> <td>90%</td> </tr> </tbody> </table>								FY	Namosi Development Company	Total Loans & Advances	Percentage	2000	-	18,168.00	0%	2001	774,390.00	807,687.00	96%	2002	774,390.00	804,087.00	96%	2003	774,390.00	820,100.00	94%	2004	774,390.00	826,851.00	94%	2005	774,390.00	837,257.00	92%	2006	774,390.00	847,319.00	91%	2007	774,390.00	856,135.00	90%
FY	Namosi Development Company	Total Loans & Advances	Percentage																																								
2000	-	18,168.00	0%																																								
2001	774,390.00	807,687.00	96%																																								
2002	774,390.00	804,087.00	96%																																								
2003	774,390.00	820,100.00	94%																																								
2004	774,390.00	826,851.00	94%																																								
2005	774,390.00	837,257.00	92%																																								
2006	774,390.00	847,319.00	91%																																								
2007	774,390.00	856,135.00	90%																																								
11	Ra PC 2000 - 2007	Ra Provincial Holdings	No loan obtained from SBAU.	-	0	No advance issued to the company	Not applicable																																				
12	Rewa PC 2006 2007	Rewa Provincial Holdings Ltd	Yes - loan was obtained from SBAU to finance the purchase of shares in Rewa Provincial Holdings Limited and ATH	544,046.00	Balance as at 31/12/07 amounted to \$544,046	From the GL Listing, advance issued to Rewa Provincial Holdings Limited had a credit balance of \$100 (3.06.0.04.006) as at 31/12/07. The audit also noted that some of the GL allocations were named 'Miscellaneous' (\$36,199.87-advance to public & \$630 - loans to public) hence it was difficult to determine the listing to confirm who were issued these advances.	- 100.00																																				

13	Serua PC 2006 2007	Serua Provincial Investment Co. Ltd <i>(no investment confirmation provided - included in the Auditors Repo)</i>	Yes - loan was obtained from SBAU of \$203,278 to finance the purchase of land.	203,278.00	As at 31/12/07 the loan balance was \$203,278	As per the GL Listing as at 31/12/07, advances were given to the following: <table border="1" data-bbox="1435 193 1850 352"> <thead> <tr> <th>GL Allocation No.</th> <th>GL Description</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>3.06.0.04.032</td> <td>Serua Provincial Investment Co-op</td> <td>8,043.08</td> </tr> <tr> <td>3.06.0.04.068</td> <td>Serua Building Account</td> <td>3,197.65</td> </tr> <tr> <td>3.06.0.04.002</td> <td>Serua Provincial Investment Farm</td> <td>977.80</td> </tr> <tr> <td>3.06.0.01.019</td> <td>Serua Provincial Investment Farm</td> <td>1,588.62</td> </tr> <tr> <td></td> <td></td> <td>13,807.15</td> </tr> <tr> <td></td> <td>Total Loan & Advance Balance</td> <td>35,106.00</td> </tr> <tr> <td></td> <td></td> <td>39%</td> </tr> </tbody> </table>	GL Allocation No.	GL Description	Amount (\$)	3.06.0.04.032	Serua Provincial Investment Co-op	8,043.08	3.06.0.04.068	Serua Building Account	3,197.65	3.06.0.04.002	Serua Provincial Investment Farm	977.80	3.06.0.01.019	Serua Provincial Investment Farm	1,588.62			13,807.15		Total Loan & Advance Balance	35,106.00			39%	No advance cleared as at 31/12/07.
GL Allocation No.	GL Description	Amount (\$)																													
3.06.0.04.032	Serua Provincial Investment Co-op	8,043.08																													
3.06.0.04.068	Serua Building Account	3,197.65																													
3.06.0.04.002	Serua Provincial Investment Farm	977.80																													
3.06.0.01.019	Serua Provincial Investment Farm	1,588.62																													
		13,807.15																													
	Total Loan & Advance Balance	35,106.00																													
		39%																													
14	Tailevu PC 2002 2007	1. Tailevu Provincial Cooperative Dairy Farm Ltd 2. Tailevu Provincial Holdings Company Ltd <i>(No investment confirmations provided for both - included in the Auditors Report)</i>	It is not clear whether the loan was taken by the Council or by the Tailevu Provincial Holdings - in the loan statement from SBAU - the name of the loan is Tailevu Provincial Holdings.	-	SBAU Loan settled in 2009	None	N/A																								

APPENDIX 3:
QUALIFICATION ISSUES FOR THE NINE (9)
PROVINCIAL COUNCILS

Appendix B: Qualification Issues

Due to the absence of documentations to appropriately support the balances reflected in the financial statements, we were unable to determine the necessary adjustments to correct the financial statements:

Provincial Council	Qualification Issues
Ba:	
2001	<ol style="list-style-type: none"> 1. The Council recorded cash of \$14,946 in the statement of financial position as at 31 December 2001. Included in the balance were \$20,635 under current account and negative cash on hand of \$5,689. The Council was unable to provide appropriate supporting documents for cash at bank and on hand. A bank audit confirmation was obtained for the cash at bank balance, however, did not reconcile to the balance in the General Ledger and the financial statements. 2. The Council recorded loans and advances of \$48,286, Inter Fijian Affairs/Provincial Council current account of \$4,104, current liabilities of \$181,486, deposit (Adi Salusalu for operation costs) of \$110,045, Ba Provincial Council advance (TAB) of \$20,412, salary, wages & related payments of \$171,023, personal cost of \$55,997, other expenses of \$61,965 and rates refund of \$40,958 in the statement of financial position and statement of income and expenditure as at 31 December 2001. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded investments of \$1,987,644 with Ba Provincial Holdings Limited in the statement of financial position as at 31 December 2001. The audit was not provided with investment confirmation necessary to substantiate the existence and completeness of the balances. 4. The Council recorded property, plant and equipment at a net value of \$686,256 which included land of \$143,104, building of \$352,237 and motor vehicle of \$76,967 in the statement of financial position as at 31 December 2001. The audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$496,626, which had been carried forward from previous year, and prior year adjustment of \$229,802 in the statement of changes in equity for the year ended 31 December 2001. The Council was unable to provide appropriate documentations to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$257,553 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2001. 7. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2001, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.

Provincial Council	Qualification Issues
2002	<ol style="list-style-type: none"> 1. The Council recorded negative cash of \$4,129 in the statement of financial position as at 31 December 2002. Included in the balance were \$4,031 under current account and negative cash on hand of \$8,160. The Council was unable to provide me with appropriate supporting documents for cash at bank and on hand. A bank audit confirmation was obtained for the cash at bank balance, however, did not reconcile to the balance in the General Ledger and the financial statements. 2. The Council recorded negative loans and advances of \$9,936, Inter Fijian Affairs/Provincial Council current account of \$4,158, current liabilities of \$5,631, deposit (Adi Salusalu for operation costs) of \$110,045 and Ba Provincial Council advance (TAB) of \$20,412 in the statement of financial position as at 31 December 2002. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded investments of \$1,987,644 with Ba Provincial Holdings Limited in the statement of financial position as at 31 December 2002. The audit was not provided with investment confirmation necessary to substantiate the existence and completeness of the balances. 4. The Council recorded property, plant and equipment at a net value of \$681,570 which included land of \$141,317, building of \$343,809 and motor vehicle of \$148,332 in the statement of financial position as at 31 December 2002. The audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$496,626 which had been carried forward from previous years and negative prior year adjustment of \$4,165 in the statement of changes in equity for the year ended 31 December 2002, which had been carried forward from previous years. The Council was unable to provide appropriate documentations to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$232,325 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2002. 7. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2002, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2003	<ol style="list-style-type: none"> 1. The Council recorded negative cash of \$28,215 in the statement of financial position as at 31 December 2003. Included in the balance were negative \$17,894 under current account and negative cash on hand of \$10,321. The Council was unable to provide me with appropriate supporting documents for cash at bank and on hand. A bank audit confirmation was obtained for the cash at bank balance, however, did not reconcile to the balance in the General Ledger and the financial statements. 2. The Council recorded loans and advances of \$24,415, Inter Fijian Affairs/Provincial Council current account of \$7,352, other deposits of \$22,068, current liabilities of \$28,265 and Ba Provincial Council advance (TAB) of \$20,412 in the statement of

Provincial Council	Qualification Issues
	<p>financial position as at 31 December 2003. The Council was unable to provide appropriate documentations to support the above balances.</p> <ol style="list-style-type: none"> 3. The Council recorded investments of \$1,987,644 with Ba Provincial Holdings Limited in the statement of financial position as at 31 December 2003. The audit was not provided with investment confirmation necessary to substantiate the existence and completeness of the balances. 4. The Council recorded property, plant and equipment at a net value of \$632,504 which included land of \$139,530, building of \$335,382 and motor vehicle of \$112,352 in the statement of financial position as at 31 December 2003. The audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$496,626, which had been carried forward from previous years, and negative prior year adjustment of \$23,179 in the statement of changes in equity for the year ended 31 December 2003. The Council was unable to provide appropriate documentations to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$279,421 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2003. 7. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2003, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2004	<ol style="list-style-type: none"> 1. The Council recorded cash of \$202,792 in the statement of financial position as at 31 December 2004. Included in the balance were \$80,383 under current account, \$135,436 under Adi Salusalu festival account and negative cash on hand of \$13,027. The Council was unable to provide me with appropriate supporting documents for cash at bank and on hand. A bank audit confirmation was obtained for the cash at bank balance, however, did not reconcile to the balance in the General Ledger and the financial statements. 2. The Council recorded loans and advances of \$45,131, Inter Fijian Affairs/Provincial Council current account of \$7,501, current liabilities of \$50,999 and Ba Provincial Council advance (TAB) of \$20,412 in the statement of financial position as at 31 December 2004. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded investments of \$1,987,644 with Ba Provincial Holdings Limited in the statement of financial position as at 31 December 2004. The audit was not provided with investment confirmation necessary to substantiate the existence and completeness of the balances. 4. The Council recorded property, plant and equipment at a net value of \$589,225 which included land of \$137,743, building of \$326,954 and motor vehicle of \$76,372 in the statement of financial position as at 31 December 2004. The audit was not provided

Provincial Council	Qualification Issues
	<p>with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances.</p> <ol style="list-style-type: none"> 5. The Council recorded an asset revaluation reserve of \$496,626, which had been carried forward from previous years, and prior year adjustment of (\$15,782) in the statement of changes in equity for the year ended 31 December 2004. The Council was unable to provide appropriate documentations to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$288,999 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2004. 7. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2004, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2005	<ol style="list-style-type: none"> 1. The Council recorded cash of \$180,266 in the statement of financial position as at 31 December 2005. Included in the balance were \$98,160 under current account, \$104,697 under Adi Salusalu festival account and negative cash on hand of \$22,591. The Council was unable to provide me with appropriate supporting documents for cash at bank and on hand. A bank audit confirmation was obtained for the cash at bank balance, however, did not reconcile to the balance in the General Ledger and the financial statements. 2. The Council recorded loans and advances of \$52,564, Inter Fijian Affairs/Provincial Council current account of \$7,501, subvention claimed not received of \$22,819, current liabilities of \$47,183 and Ba Provincial Council advance (TAB) of \$20,412 in the statement of financial position as at 31 December 2005. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded investments of \$1,987,644 with Ba Provincial Holdings Limited in the statement of financial position as at 31 December 2005. The audit was not provided with investment confirmation necessary to substantiate the existence and completeness of the balances. 4. The Council recorded property, plant and equipment at a net value of \$603,825 which included land of \$135,957, building of \$318,527 and motor vehicle of \$93,325 in the statement of financial position as at 31 December 2005. The audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$496,626, which had been carried forward from previous years in the statement of changes in equity for the year ended 31 December 2005. The Council was unable to provide appropriate documentations to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial

Provincial Council	Qualification Issues
	<p>rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$162,676 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2005.</p> <p>7. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2005, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p>
2006	<p>1. The Council recorded cash of \$240,042 in the statement of financial position as at 31 December 2006. Included in the balance were \$135,125 under current account, \$104,697 under Adi Salusalu festival account and cash on hand of \$220. The Council was unable to provide me with appropriate supporting documents for cash at bank and on hand. A bank audit confirmation was obtained for the cash at bank balance, however, did not reconcile to the balance in the General Ledger and the financial statements.</p> <p>2. The Council recorded negative loans and advances of \$18,849, Inter Fijian Affairs/Provincial Council current account of \$7,501, subvention claimed not received of \$22,819, current liabilities of \$23,767 and Ba Provincial Council advance (TAB) of \$20,412 in the statement of financial position as at 31 December 2006. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>3. The Council recorded investments of \$1,987,644 with Ba Provincial Holdings Limited in the statement of financial position as at 31 December 2006. The audit was not provided with investment confirmation necessary to substantiate the existence and completeness of the balances.</p> <p>4. The Council recorded property, plant and equipment at a net value of \$658,620 which included land of \$134,170, building of \$310,099 and motor vehicle of \$162,478 in the statement of financial position as at 31 December 2006. The audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances.</p> <p>5. The Council recorded an asset revaluation reserve of \$496,626, which had been carried forward from previous years, and prior year adjustment of \$15,232 in the statement of changes in equity for the year ended 31 December 2006. The Council was unable to provide appropriate documentations to support the asset revaluation balance.</p> <p>6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$260,435 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2006.</p> <p>7. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2006, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p>

Provincial Council	Qualification Issues
2007	<ol style="list-style-type: none"> 1. The Council recorded cash of \$182,136 in the statement of financial position as at 31 December 2007. Included in the balance were \$48,653 under current account, \$133,476 under Adi Salusalu festival account and cash on hand of \$7. The Council was unable to provide me with appropriate supporting documents for cash at bank and on hand. A bank audit confirmation was obtained for the cash at bank balance, however, did not reconcile to the balance in the General Ledger and the financial statements. 2. The Council recorded negative loans and advances of \$11,886, Inter Fijian Affairs/Provincial Council current account of \$7,601, subvention claimed not received of \$13,892, negative current liabilities of \$62,864 and Ba Provincial Council advance (TAB) of \$90,412 in the statement of financial position as at 31 December 2007. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded investments of \$1,987,644 with Ba Provincial Holdings Limited in the statement of financial position as at 31 December 2007. The audit was not provided with investment confirmation necessary to substantiate the existence and completeness of the balances. 4. The Council recorded property, plant and equipment at a net value of \$611,027 which included land of \$132,383, building of \$301,672 and motor vehicle of \$123,478 in the statement of financial position as at 31 December 2007. The audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$496,626, which had been carried forward from previous years, and prior year adjustment of \$5,570 in the statement of changes in equity for the year ended 31 December 2007. The Council was unable to provide appropriate documentations to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$271,003 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2007. 7. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2007, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
Bua:	
2003	<ol style="list-style-type: none"> 1. The Council recorded loans and advances of \$15,702, provision for doubtful debts of \$14,565, other assets of \$14,422, creditors and accruals of \$68,156, Deposits of \$34,848, deferred income of \$402,314 and an undisbursed subvention balance of (\$192,412) in the statement of financial position as at 31 December 2003. The Provincial Council was unable to provide appropriate documentations to support the above balances. 2. The Council recorded property, plant and equipment at a net value of \$955,208 for which included in the balance were land of \$30,000, buildings of \$764,018 and motor

Provincial Council	Qualification Issues
	<p>vehicle of \$36,417. The audit was not provided with the title deeds for land and buildings and registration details of motor vehicle to confirm the existence and completeness of the balances.</p> <ol style="list-style-type: none"> 3. The Council recorded investments of \$259,602 in the statement of financial position as at 31 December 2003. Included in the balance were investments with Bulacakau Limited for \$22,500. I was not provided with investment confirmation from the company which was necessary to confirm the existence and completeness of the balances. 4. The Council recorded an asset revaluation reserve of \$654,613, which had been carried forward from previous years, and prior year adjustment of \$375,937 in the statement of changes in equity for the year ended 31 December 2007. The Council was unable to provide appropriate documentations to support the journal entries for asset revaluation reserve and prior year adjustments in the general ledger. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Provincial Councils for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$31,385 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2003. 6. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2003, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2004	<ol style="list-style-type: none"> 1. The Council recorded cash of \$124,441 which included cash at bank of \$116,000 and cash on hand of \$8,441 in the statement of financial position as at 31 December 2004. The Council was unable to provide me appropriate supporting documentations for cash at bank – current account of \$113,478 and cash on hand. A bank audit confirmation was obtained for the cash at bank – current account, however, did not reconcile to the balance in the General Ledger and the financial statements. 2. The Council recorded loans and advances of \$15,221, provision for doubtful debts of \$14,565, other assets of \$14,422, creditors and accruals of \$81,168, Deposits of \$51,928, and undisbursed subvention of (\$294,992) in the statement of financial position as at 31 December 2004. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$924,876 for which included in the balance were land of \$30,000, buildings of \$746,524, motor vehicle of \$24,917 and a work in progress balance of \$100,000. The audit was not provided with the title deeds for land and buildings, registration details of motor vehicle and appropriate supporting documentations to confirm the existence and completeness of the balances. 4. The Council recorded investments of \$359,602 in the statement of financial position as at 31 December 2004. Included in the balance was investment with Bulacakau Limited for \$22,500. The audit was not provided with investment confirmation necessary to substantiate the existence and completeness of the investment balance with Bulacakau Limited.

Provincial Council	Qualification Issues
	<ol style="list-style-type: none"> <li data-bbox="432 253 1426 409">5. The Council recorded an asset revaluation reserve of \$654,613, which had been carried forward from previous years, and prior year adjustment of \$6,469 in the statement of changes in equity for the year ended 31 December 2004. The Council was unable to provide appropriate documentations to support the journal entries for asset revaluation reserve and prior year adjustments in the general ledger. <li data-bbox="432 443 1426 667">6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$32,748 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2004. <li data-bbox="432 701 1426 835">7. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2004, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2005	<ol style="list-style-type: none"> <li data-bbox="432 875 1426 1088">1. The Council recorded cash of \$225,015 which included cash at bank of \$216,059 and cash on hand of \$18,956 in the statement of financial position as at 31 December 2005. The Council was unable to provide me appropriate supporting documentations for cash at bank-current account of \$135,425 and cash on hand. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance in the General Ledger and the financial statements. <li data-bbox="432 1122 1426 1279">2. The Council recorded loans and advances of \$16,988, provision for doubtful debts of \$14,565, other assets of \$10,637, net trade & other payables \$94,898, net interest bearing borrowing of \$7,768 and deferred income of \$199,777 in the statement of financial position as at 31 December 2005. The Council was unable to provide appropriate documentations to support the above balances. <li data-bbox="432 1312 1426 1514">3. The Council recorded property, plant and equipment at a net value of \$895,732 for which included in the balance were land \$30,000, buildings \$729,029, motor vehicle \$13,417 and a work in progress balance of \$100,000. The audit was not provided with the title deeds for land and buildings, registration details of motor vehicle and supporting documentations to confirm the existence and completeness of the balances. <li data-bbox="432 1547 1426 1704">4. The Council recorded investments of \$359,602 in the statement of financial position as at 31 December 2005. Included in the balance were investments with Bulacakau Limited for \$22,500 and Unit Trust of Fiji for \$100,000. The audit was not provided with investment confirmations necessary to verify the existence and completeness of the balances <li data-bbox="432 1738 1426 1895">5. The Council recorded an asset revaluation reserve of \$654,613, which had been carried forward from previous years, and prior year adjustment of \$19,281 in the statement of changes in equity for the year ended 31 December 2005. The Council was unable to provide appropriate documentations to support the asset revaluation reserve balance and prior year adjustments. <li data-bbox="432 1928 1426 2018">6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial

Provincial Council	Qualification Issues
	<p>rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$28,382 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2005.</p> <p>7. The Council recorded income from rental of \$51,802 and other income of \$71,234 in the statement of income and expenditure for the year ended 31 December 2005. The Council was unable to provide appropriate documentations to support the above balances. As a result, the audit was unable to verify the completeness and accuracy of the balances and also unable to determine whether any adjustment might have been necessary in respect of the income from investment at the end of the financial year and any corresponding adjustments to the elements making up the statement of income and expenditure and statement of financial position.</p> <p>8. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2005, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p>
2006	<p>1. The Council recorded cash of \$260,369 which included cash at bank of \$251,958 and cash on hand of \$8,411 in the statement of financial position as at 31 December 2006. The Council was unable to provide me appropriate supporting documentations for cash at bank - current account of \$169,047 and cash on hand. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance in the General Ledger and the financial statements.</p> <p>2. The Council recorded loans and advances of \$18,309, provision for doubtful debts of \$14,565, other assets of \$14,422, net trade & other payables \$66,316, net interest bearing borrowing of \$6,899 and deferred income of \$197,090 in the statement of financial position as at 31 December 2006. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>3. The Council recorded property, plant and equipment at a net value of \$914,890 for which included in the balance were land \$30,000, buildings \$711,535, motor vehicle \$39,728 and a work in progress balance of \$100,000. The audit was not provided with the title deeds for land and buildings, registration details of motor vehicle and supporting documentations to confirm the existence and completeness of the balances.</p> <p>4. The Council recorded investments of \$359,602 in the statement of financial position as at 31 December 2006. Included in the balance were investments with Bulacakau Limited for \$22,500 and Unit Trust of Fiji for \$200,000. The audit was not provided with investment confirmations necessary to verify the existence and completeness of the balances.</p> <p>5. The Council recorded an asset revaluation reserve of \$654,613, which had been carried forward from previous years, and prior year adjustment of \$41,401 in the statement of changes in equity for the year ended 31 December 2006. The Council was unable to provide appropriate documentations to support the asset revaluation reserve balance and prior year adjustments.</p> <p>6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from</p>

Provincial Council	Qualification Issues
	<p>provincial rates of \$31,125 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2006.</p> <p>7. The Council recorded income from rental of \$28,405 and other income of \$26,865 in the statement of income and expenditure for the year ended 31 December 2006. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>8. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2006, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p>
2007	<p>1. The Council recorded cash of \$218,577 which included cash at bank of \$210,252 and cash on hand of \$8,325 in the statement of financial position as at 31 December 2007. The Council was unable to provide me appropriate supporting documentations for cash at bank - Naulumatua account of \$62,123, Bua Primary School Development account of \$4,979, Scholarship Fund account of \$4,979 and cash on hand. Bank audit confirmations were obtained for the cash at bank accounts, however did not reconcile to the balance in the General Ledger and the financial statements.</p> <p>2. The Council recorded loans and advances of \$19,260, provision for doubtful debts of \$14,565, other assets of \$130,877, net trade & other payables \$176,249, net interest bearing borrowing of (\$2,092) and deferred income of \$194,403 in the statement of financial position as at 31 December 2007. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>3. The Council recorded property, plant and equipment at a net value of \$896,806 for which included in the balance were land \$30,000, buildings \$694,041, motor vehicle \$46,200 and a work in progress balance of \$100,000. The audit was not provided with the title deeds for land and buildings, registration details of motor vehicle and supporting documentations to confirm the existence and completeness of the balances.</p> <p>4. The Council recorded investments of \$469,279 in the statement of financial position as at 31 December 2007. Included in the balance were investments with Bulacakau Limited for \$22,500, Unit Trust of Fiji for \$200,000 and term deposits of \$109,677. The audit was not provided with investment confirmations necessary to verify the existence and completeness of the balances.</p> <p>5. The Council recorded an asset revaluation reserve of \$654,613, which had been carried forward from previous years, and net prior year adjustment of \$50,712 in the statement of changes in equity for the year ended 31 December 2007. The Council was unable to provide appropriate documentations to support the asset revaluation reserve balance and prior year adjustments.</p> <p>6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$32,044 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2007.</p>

Provincial Council	Qualification Issues
	<p>7. The Council recorded income from rental of \$62,251 and other income of \$90,571 in the statement of income and expenditure for the year ended 31 December 2007. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>8. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2007, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p>
Namosi:	
2001	<p>1. The Council recorded cash at bank and on hand of \$82,836 in the statement of financial position as at 31 December 2001. Included in the balance were \$82,836 cash at bank and negative cash on hand of \$550. The Council was unable to provide me with bank reconciliation statements, bank audit certificates and supporting documents to the journal entries made to cash general ledger.</p> <p>2. The Council recorded gross receivables - loans and advances of \$908,546, provision for doubtful debts of \$100,859, other assets of \$21,365, payables of \$176,360 and special funds of \$24,475 in the statement of financial position as at 31 December 2001. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>3. The Council recorded property, plant and equipment at a net value of \$193,014 in the statement of financial position as at 31 December 2001. Included in the balance were land of \$25,000, building of \$42,234 and motor vehicle of \$15,000. The audit was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances.</p> <p>4. The Council recorded asset revaluation reserve of \$51,637 which had been carried forward from previous years, and prior year adjustments of \$341,176 in the statement of changes in equity for the year ended 31 December 2002. The Council was unable to provide any documentations to support the asset revaluation balance and prior year adjustments.</p> <p>5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$22,637 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2001.</p> <p>6. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2001, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p>
2002	<p>1. The Council recorded cash of \$50,559 which included cash at bank of \$51,739 and cash on hand credit balance of \$1,830 in the statement of financial position as at 31 December 2002. The Council was unable to provide me with appropriate supporting documents for the cash at bank, cash on hand and for the journal entries made to cash General Ledger. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance in the General Ledger and the financial statements.</p>

Provincial Council	Qualification Issues
	<ol style="list-style-type: none"> 2. The Council recorded gross receivables - loans and advances of \$904,946, provision for doubtful debts of \$100,859, other assets of \$19,029, payables of \$83,885 and special funds of \$28,200 in the statement of financial position as at 31 December 2002. The Council was unable to provide any documentations to support the above balances. 3. The Council recorded interest bearing borrowings of \$815,118 in the statement of financial position as at 31 December 2002. Included in the balance was a loan from the iTaukei Affairs Board of \$275,000. The Council was unable to provide any documentations to support the loan balance. 4. The Council recorded property, plant and equipment at a net value of \$324,145 in the statement of financial position as at 31 December 2002. Included in the balance were land of \$25,000, building of \$41,098 and motor vehicle of \$44,917. In addition, the audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$37,054 in the statement of changes in equity for the year ended 31 December 2002, which had been carried forward from previous years. The Council was unable to provide any documentations to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$41,799 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2002. 7. The Council recorded income of \$332,046 in the statement of income and expenditure for the year ended 31 December 2002. Included in the balance were income from investment of \$47,171 and other income of \$116,695. The Council was unable to provide supporting documentations to support the above balances. 8. The Council recorded expenditure of \$176,603 in the statement of income and expenditure for the year ended 31 December 2002. Included in the balance were personal costs of \$81,892, special events of \$13,324, 'ka vakavakanua' of \$5,334, rates refund of \$12,250, and youth and sports of \$3,204. The Council was unable to provide supporting documentations to support the above balances. 9. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2002, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2003	<ol style="list-style-type: none"> 1. The Council recorded cash of \$26,330 in the statement of financial position as at 31 December 2003. Included in the balance were cash at bank of \$24,500 cash on hand of \$1,830. The Council was unable to provide me with bank reconciliation statements, bank audit certificates and supporting documents to the journal entries made to cash general ledger. 2. The Council recorded gross receivables - loans and advances of \$920,959, provision for doubtful debts of \$100,859, other assets of \$51,142, payables of \$82,401 and special funds of \$31,925 in the statement of financial position as at 31 December 2003.

Provincial Council	Qualification Issues
	<p>The Council was unable to provide any documentations to support the above balances.</p> <ol style="list-style-type: none"> 3. The Council recorded interest bearing borrowings of \$801,401 in the statement of financial position as at 31 December 2003. Included in the balance was a loan from the iTaukei Affairs Board of \$275,000. The Council was unable to provide any documentations to support the loan balance. 4. The Council recorded property, plant and equipment at a net value of \$325,716 in the statement of financial position as at 31 December 2003. Included in the balance were land of \$25,000, building of \$263,065 and motor vehicle of \$33,917. In addition, the audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$37,054 in the statement of changes in equity for the year ended 31 December 2003, which had been carried forward from previous years. The Council was unable to provide any documentations to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$36,110 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2003. 7. The Council recorded income of \$231,432 in the statement of income and expenditure for the year ended 31 December 2003. Included in the balance were government subvention for operating income of \$158,155 and income from investment of \$35,734. The Council was unable to provide supporting documentations to support the above balances. 8. The Council recorded expenses of \$194,648 in the statement of income and expenditure for the year ended 31 December 2003. Included in the balance were personal costs of \$91,878, repairs and maintenance of \$3,795, travel, subsistence and accommodation of \$3,306, special events of \$19,419, motor vehicle cost of \$6,808, 'turaga ni koro' allowance of \$4,870, occupancy of \$2,519, 'ka vakavanua' of \$4,382, youth and sports of \$3,469, and rates refund of \$17,226. The Council was unable to provide supporting documentations to support the above balance. 9. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2003, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2004	<ol style="list-style-type: none"> 1. The Council recorded cash of \$80,854 which included cash at bank of \$78,669 and cash on hand of \$2,185 in the statement of financial position as at 31 December 2004. The Council was unable to provide me with appropriate supporting documents for cash at bank, cash on hand and for the journal entries made to cash General Ledger. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance in the General Ledger and the financial statements.

Provincial Council	Qualification Issues
	<ol style="list-style-type: none"> <li data-bbox="432 253 1426 376">2. The Council recorded gross receivables - loans and advances of \$927,710, provision for doubtful debts of \$100,859, payables of \$84,104 and special funds of \$35,650 in the statement of financial position as at 31 December 2004. The Council was unable to provide any documentations to support the above balances. <li data-bbox="432 416 1426 539">3. The Council recorded interest bearing borrowings of \$754,426 in the statement of financial position as at 31 December 2004. Included in the balance was a loan from the iTaukei Affairs Board of \$275,000. The Council was unable to provide any documentations to support the loan balance. <li data-bbox="432 580 1426 730">4. The Council recorded property, plant and equipment at a net value of \$307,595 in the statement of financial position as at 31 December 2004. Included in the balance were land of \$25,000, building of \$256,352 and motor vehicle of \$22,917. In addition, the audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances. <li data-bbox="432 770 1426 898">5. The Council recorded an asset revaluation reserve of \$37,054 in the statement of changes in equity for the year ended 31 December 2004, which had been carried forward from previous years. The Council was unable to provide any documentations to support the asset revaluation balance. <li data-bbox="432 938 1426 1155">6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$43,990 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2004. <li data-bbox="432 1196 1426 1323">7. The Council recorded income of \$298,710 in the statement of income and expenditure for the year ended 31 December 2004. Included in the balance was income from investment of \$97,986. The Council was unable to provide supporting documentations to support the above balance. <li data-bbox="432 1364 1426 1514">8. The Council recorded expenditure of \$205,999 in the statement of income and expenditure for the year ended 31 December 2004. Included in the balance were personal costs of \$86,673, youth and sports of \$2,863 and rates refund of \$17,790. The Council was unable to provide supporting documentations to support the above balance. <li data-bbox="432 1554 1426 1682">9. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2004, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2005	<ol style="list-style-type: none"> <li data-bbox="432 1715 1426 1933">1. The Council recorded cash of \$68,924 which included cash at bank of \$65,752 and cash on hand of \$3,172 in the statement of financial position as at 31 December 2005. The Council was unable to provide me with appropriate supporting documents for cash at bank, cash on hand and for the journal entries made to cash General Ledger. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance in the General Ledger and the financial statements. <li data-bbox="432 1973 1426 2029">2. The Council recorded gross receivables - loans and advances of \$938,116, provision for doubtful debts of \$100,859, payables of \$82,851 and special funds of \$39,375 in

Provincial Council	Qualification Issues
	<p>the statement of financial position as at 31 December 2005. The Provincial Council was unable to provide any documentations to support the above balances.</p> <ol style="list-style-type: none"> 3. The Council recorded interest bearing borrowings of \$665,307 in the statement of financial position as at 31 December 2005. Included in the balance was a loan from the iTaukei Affairs Board of \$275,000. The Council was unable to provide appropriate documentations to support the loan balance. 4. The Council recorded property, plant and equipment at a net value of \$293,357 in the statement of financial position as at 31 December 2005. Included in the balance were land of \$25,000, building of \$249,639 and motor vehicle of \$11,917. In addition, the audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$37,054 in the statement of changes in equity for the year ended 31 December 2005, which had been carried forward from previous years. The Council was unable to provide any documentations to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$25,459 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2005. 7. The Council recorded expenditure of \$195,865 in the statement of income and expenditure for the year ended 31 December 2005. Included in the balance were personal costs of \$90,115 and 'ka vakavanua' of \$3,383. The Council was unable to provide supporting documentations to support the above balances. 8. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2005, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2006	<ol style="list-style-type: none"> 1. The Council recorded cash at bank of \$33,174 in the statement of financial position as at 31 December 2006. The Council was unable to provide me with appropriate supporting documents for cash at bank and for the journal entries made to cash General Ledger. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance in the General Ledger and the financial statements. 2. The Council recorded gross receivables - loans and advances of \$948,178, provision for doubtful debts of \$100,859, payables of \$77,790 and special funds of \$43,100 in the statement of financial position as at 31 December 2006. The Council was unable to provide any documentations to support the above balances. 3. The Council recorded interest bearing borrowings of \$691,964 in the statement of financial position as at 31 December 2006. Included in the balance was a loan from the iTaukei Affairs Board of \$275,000. The Council was unable to provide any documentations to support the loan balance.

Provincial Council	Qualification Issues
	<ol style="list-style-type: none"> 4. The Council recorded property, plant and equipment at a net value of \$314,631 in the statement of financial position as at 31 December 2006. Included in the balance were land of \$25,000, building of \$242,925 and motor vehicle of \$40,708. In addition, the audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$37,054 in the statement of changes in equity for the year ended 31 December 2006, which had been carried forward from previous years. The Council was unable to provide any documentations to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$32,139 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2006. 7. The Council recorded expenditure of \$231,936 in the statement of income and expenditure for the year ended 31 December 2006. Included in the balance were personal costs of \$114,831, 'ka vakavanua' of \$2,665, rates refund of \$20,447 and adjustments of \$46,600. The Council was unable to provide supporting documentations to support the above balances. 8. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2006, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2007	<ol style="list-style-type: none"> 1. The Council recorded cash at bank of \$11,158 in the statement of financial position as at 31 December 2007. The Council was unable to provide me with appropriate supporting documents for cash at bank and for the journal entries made to cash General Ledger. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance in the General Ledger and the financial statements. 2. The Council recorded gross receivables - loans and advances of \$956,994, provision for doubtful debts of \$100,859, payables of \$69,424 and special funds of \$45,025 in the statement of financial position as at 31 December 2007. The Council was unable to provide any documentations to support the above balances. 3. The Council recorded interest bearing borrowings of \$680,100 in the statement of financial position as at 31 December 2007. Included in the balance was a loan from the iTaukei Affairs Board of \$275,000. The Council was unable to provide any documentations to support the loan balance. 4. The Council recorded property, plant and equipment at a net value of \$297,721 in the statement of financial position as at 31 December 2007. Included in the balance were land of \$25,000, building of \$236,212 and motor vehicle of \$31,314. In addition, the audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$37,054 in the statement of changes in equity for the year ended 31 December 2007, which had been carried

Provincial Council	Qualification Issues
	<p>forward from previous years. The Council was unable to provide any documentations to support the asset revaluation balance.</p> <p>6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$42,170 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2007.</p> <p>7. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2007, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p>
Ra:	
2000	<p>1. The Council recorded cash at bank and on hand of \$ 3,967 in the Statement of Financial Position as at 31 December 2000. The Council was unable to provide me with bank reconciliation statements and supporting documentations to the journal entries made in the cash General Ledger. A bank audit confirmation was obtained for the cash at bank – savings account, however did not reconcile to the balance reflected in the General Ledger and the financial statements.</p> <p>2. The Council recorded loans and advances of \$50,111, provision for doubtful debts of \$16,526, other assets of \$18,092, current liabilities of \$25,839 and special funds of \$6,389 in the Statement of Financial Position as at 31 December 2000. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>3. The Council recorded property, plant and equipment at a net value of \$387,777 as at 31 December 2000. Included in the balance were land of \$22,400, building of \$268,121 and motor vehicle of \$56,000 for which I was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances.</p> <p>4. The Council recorded an asset revaluation reserve of \$209,274, which had been carried forward from previous years, and prior year adjustment of \$1,968 in the statement of changes in equity for the year ended 31 December 2000. There was an unreconciled variance of \$28,829 between the valuation report and the amount reflected in the financial statement. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$22,450 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2000.</p> <p>6. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2000, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p>

Provincial Council	Qualification Issues
2001	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$ 88,677 in the statement of financial position as at 31 December 2001. The Council was unable to provide me with bank reconciliation statements and supporting documentations to the journal entries made in the cash General Ledger. A bank audit confirmation was obtained for the cash at bank – savings account, however did not reconcile to the balance reflected in the General Ledger and the financial statements. 2. The Council recorded loans and advances of \$55,616, provision for doubtful debts of \$16,526, other assets of \$47,154, current liabilities of \$127,835 and special funds of \$6,389 in the statement of financial position as at 31 December 2001. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$420,705 in the statement of financial position as at 31 December 2001. Included in the balance were land of \$22,400, building of \$263,221 and motor vehicle of \$95,166 for which the audit was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances. 4. The Council had recorded an asset revaluation reserve of \$209,274 in the statement of changes in equity for the year ended 31 December 2001, which had been carried forward from previous years. There was an unreconciled variance of \$28,829 between the valuation report and the amount reflected in the financial statement. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$12,407 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2001. 6. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2001, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2002	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$ 30,082 in the Statement of Financial Position as at 31 December 2002. The Council was unable to provide me with bank reconciliation statements and supporting documentations to the journal entries made in the cash General Ledger. A bank audit confirmation was obtained for the cash at bank – savings account, however did not reconcile to the balance reflected in the General Ledger and the financial statements. 2. The Council recorded loans and advances of \$41,777, provision for doubtful debts of \$16,526, other assets of \$28,301, current liabilities of \$20,582 and special funds of \$6,389 in the statement of financial position as at 31 December 2002. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$437,775 in the statement of financial position as at 31 December 2002. Included in the balance were land of \$22,400, building of \$314,071 and motor vehicle of \$7,741 for which the audit was not provided with the title deeds for land and building and the registration

Provincial Council	Qualification Issues
	<p>details of the motor vehicle to confirm the existence and completeness of the balances.</p> <ol style="list-style-type: none"> 4. The Council had recorded an asset revaluation reserve of \$209,274 in the statement of changes in equity for the year ended 31 December 2002, which had been carried forward from previous years. There was an unreconciled variance of \$28,829 between the valuation report and the amount reflected in the financial statement. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$4,973 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2002. 6. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2002, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2003	<ol style="list-style-type: none"> 1. The Council recorded negative cash at bank and on hand of \$2,079 in the statement of financial position as at 31 December 2003. The Council was unable to provide me with bank reconciliation statements and supporting documentations to the journal entries made in the cash General Ledger. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance reflected in the General Ledger and the financial statements. 2. The Council recorded loans and advances of \$43,095, provision for doubtful debts of \$16,526, other assets of \$18,092 current liabilities of \$23,462 and special funds of \$6,389 in the statement of financial position as at 31 December 2003. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$403,469 as at 31 December 2003. Included in the balance were land of \$22,400, building of \$308,474 and motor vehicle of \$45,167 for which the audit was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances. 4. The Council had recorded an asset revaluation reserve of \$209,274 in the statement of changes in equity for the year ended 31 December 2003, which had been carried forward from previous years. There was an unreconciled variance of \$28,829 between the valuation report and the amount reflected in the financial statement. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$38,742 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2003. 6. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2003, which is a

Provincial Council	Qualification Issues
	<p>departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p>
2004	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$ 6,113 in the statement of financial position as at 31 December 2004. The Council was unable to provide me with bank reconciliation statements and supporting documentations to the journal entries made in the cash General Ledger. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance reflected in the General Ledger and the financial statements. 2. The Council recorded loans and advances of \$46,981, provision for doubtful debts of \$16,526, other assets of \$23,792 current liabilities of \$41,582 and special funds of \$6,389 in the statement of financial position as at 31 December 2004. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$367,646 as at 31 December 2004. Included in the balance were land of \$22,400, building of \$302,877 and motor vehicle of \$20,167 for which the audit was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances. 4. The Council had recorded an asset revaluation reserve of \$209,274 in the statement of changes in equity for the year ended 31 December 2004, which had been carried forward from previous years. There was an unreconciled variance of \$28,829 between the valuation report and the amount reflected in the financial statement. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$15,736 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2004. 6. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2004, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2005	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$ 119,097 in the statement of financial position as at 31 December 2005. The Council was unable to provide me with bank reconciliation statements and supporting documentations to the journal entries made in the cash General Ledger. A bank audit confirmation was obtained for the cash at bank – savings account, however did not reconcile to the balance reflected in the General Ledger and the financial statements. 2. The Council recorded loans and advances of \$49,019, provision for doubtful debts of \$16,526, other assets of \$34,298 current liabilities of \$70,170 and special funds of \$6,389 in the statement of financial position as at 31 December 2005. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$353,715 as at 31 December 2005. Included in the balance were land of \$22,400, building of \$297,280 and motor vehicle of \$9,167 for which the audit was not provided with the title deeds

Provincial Council	Qualification Issues
	<p>for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances.</p> <ol style="list-style-type: none"> 4. The Council had recorded an asset revaluation reserve of \$209,274 in the statement of changes in equity for the year ended 31 December 2005, which had been carried forward from previous years. There was an unreconciled variance of \$28,829 between the valuation report and the amount reflected in the financial statement. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$26,778 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2005. 6. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2005, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2006	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$ 77,466 in the Statement of Financial Position as at 31 December 2006. The Council was unable to provide me with bank reconciliation statements and supporting documentations to the journal entries made in the cash General Ledger. A bank audit confirmation was obtained for the cash at bank – savings account, however did not reconcile to the balance reflected in the General Ledger and the financial statements. 2. The Council recorded loans and advances of \$49,823, provision for doubtful debts of \$16,526, other assets of \$22,166 current liabilities of \$78,427 and special funds of \$6,389 in the Statement of Financial Position as at 31 December 2006. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$375,022 as at 31 December 2006. Included in the balance were land of \$22,400, building of \$291,684 and motor vehicle of \$40,656 for which the audit was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances. 4. The Council had recorded an asset revaluation reserve of \$209,274 in the statement of changes in equity for the year ended 31 December 2006, which had been carried forward from previous years. There was an unreconciled variance of \$28,829 between the valuation report and the amount reflected in the financial statement. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$14,644 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2006. 6. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2006, which is a

Provincial Council	Qualification Issues
	departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2007	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$32,131 in the statement of financial position as at 31 December 2007. The Council was unable to provide me with bank reconciliation statements and supporting documentations to the journal entries made in the cash General Ledger. A bank audit confirmation was obtained for the cash at bank – savings account, however did not reconcile to the balance reflected in the General ledger and the financial statements. 2. The Council recorded loans and advances of \$51,632, provision for doubtful debts of \$16,526, other assets of \$26,485, current liabilities of \$79,344 and special funds of \$6,389 in the statement of financial position as at 31 December 2007. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$353,539 as at 31 December 2007. Included in the balance were land of \$22,400, building of \$286,087 and motor vehicle of \$30,699 for which the audit was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances. 4. The Council had recorded an asset revaluation reserve of \$209,274 in the statement of changes in equity for the year ended 31 December 2007, which had been carried forward from previous years. There was an unreconciled variance of \$28,829 between the valuation report and the amount reflected in the financial statement. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$13,984 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2007. 6. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2007, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
Rewa:	
2006	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$177,555 in the statement of financial position as at 31 December 2006. The Council was unable to provide me with documentations to support the cash at bank and on hand balance of \$177,555. 2. The Council recorded loans and advances of \$144,915, provision for doubtful debt of \$41,444, other assets of \$34,676, current liabilities of \$154,929 and special funds of \$80,000 in the statement of financial position as at 31 December 2006. The Council was unable to provide any documentations to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$172,949 in the statement of financial position as at 31 December 2006. Included in the balance were building of \$113,167, plant and machinery of \$2,360 and motor vehicle of \$34,800. The audit was not provided with the title deeds for building and the registration details of the plant and machinery and motor vehicle to confirm the existence and completeness of the balances.

Provincial Council	Qualification Issues
	<ol style="list-style-type: none"> 4. The Council recorded an asset revaluation reserve of \$140,936 in the statement of changes in equity for the year ended 31 December 2006, which had been carried forward from previous years. The Council was unable to provide any documentations to support the asset revaluation balance. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$69,921 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2006. 6. The Council recorded income from investment of \$77,856 in the statement of income and expenditure for the year ended 31 December 2006. The Council was unable to provide any documentations to support the above balances. 7. The Council did not prepare and present a Statement of Cash Flow as a component of the financial statements for the year ended 31 December 2006, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2007	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$146,486 in the statement of financial position as at 31 December 2007. The Council was unable to provide me with documentations to support the cash at bank and on hand balance of \$146,486. 2. The Council recorded loans and advances of \$146,772, provision for doubtful debt of \$41,444, other assets of \$108,517, current liabilities of \$123,363 and special funds of \$80,000 in the statement of financial position as at 31 December 2007. The Council was unable to provide any documentations to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$156,344 in the statement of financial position as at 31 December 2007. Included in the balance were building of \$109,667, plant and machinery of \$3,560 and motor vehicle of \$23,200. The audit was not provided with the title deeds for building and the registration details of the plant and machinery and motor vehicle to confirm the existence and completeness of the balances. 4. The Council recorded an asset revaluation reserve of \$140,936 in the statement of changes in equity for the year ended 31 December 2007, which had been carried forward from previous years. The Council was unable to provide any documentations to support the asset revaluation balance. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$32,935 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2007. 6. The Council did not prepare and present a Statement of Cash Flow as a component of the financial statements for the year ended 31 December 2007, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.

Provincial Council	Qualification Issues
Serua:	
2006	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$7,823 in the statement of financial position as at 31 December 2006. Included in the balance were \$15,094 for the bank current account, \$112 under bank savings account, and overdrawn cash on hand of \$7,383. There was an unreconciled variance of \$24,703 between the bank reconciliation statement for the current account and the amount reflected in the financial statements. In addition, the Council was unable to provide me with documentations to support the \$91 and \$(7,383) under the savings and cash on hand accounts. 2. The Council recorded loans and advances of \$21,185, provision for doubtful debt of \$8,334, other assets of \$460,643, current liabilities of \$93,608 and special funds of \$100,000 in the statement of financial position as at 31 December 2006. The Council was unable to provide any documentations to support the above balances. 3. The Council recorded investments of \$883,507 in the statement of financial position as at 31 December 2006. Included in the balance were investments with Unit Trust of Fiji and Serua Provincial Investment Company Limited for \$17,258 and \$762,665 respectively. The audit was not provided with investment confirmations from the companies which was necessary to confirm the existence and completeness of the balances. 4. The Council recorded property, plant and equipment at a net value of \$102,271 in the Statement of Financial Position as at 31 December 2006. Included in the balance were land of \$45,000, building of \$4,850 and motor vehicle of \$34,800. Title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances were not provided for audit. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$6,823 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2006. 6. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2006, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2007	<ol style="list-style-type: none"> 1. The Council recorded cash at bank and on hand of \$64,994 in the statement of financial position as at 31 December 2007. The Council was unable to provide me with documentations to support the cash at bank and on hand balance of \$64,994. 2. The Council recorded loans and advances of \$23,366, provision for doubtful debt of \$8,334, other assets of \$131,140, current liabilities of \$89,961 and special funds of \$100,000 in the statement of financial position as at 31 December 2007. The Council was unable to provide any documentations to support the above balances. 3. The Council recorded investments of \$946,131 in the statement of financial position as at 31 December 2007. Included in the balance were investments with Unit Trust of Fiji and Serua Provincial Investment Company Limited for \$17,258 and \$825,289 respectively. The audit was not provided with investment confirmations from the

Provincial Council	Qualification Issues
	<p>companies which was necessary to confirm the existence and completeness of the balances.</p> <ol style="list-style-type: none"> 4. The Council recorded property, plant and equipment at a net value of \$87,122 in the Statement of Financial Position as at 31 December 2007. Included in the balance were land of \$45,000, building of \$4,700 and motor vehicle of \$23,200. I was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$13,782 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2007. 6. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2007, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
Cakaudrove:	
2002	<ol style="list-style-type: none"> 1. The Council recorded cash of \$147,907 which included cash at bank of \$159,021 and a negative cash on hand balance of \$11,114 in the statement of financial position as at 31 December 2002. The Council was unable to provide me with appropriate supporting documents for cash at bank and cash on hand. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance in the General Ledger and the financial statements. 2. The Council recorded other assets of \$39,550, current liabilities of \$238,657, deferred income of \$47,592 and special funds of \$9,182 in the statement of financial position as at 31 December 2002. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$858,555 which included land of \$277,646, building of \$506,154 and motor vehicle of \$54,050 in the statement of financial position as at 31 December 2002. The audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances. 4. The Council recorded previous year adjustments of \$340,477 in the statement of changes in equity for the year ended 31 December 2002. The Council was unable to provide appropriate documentations to support the journal entries for prior year adjustments. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$36,750 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2002.

Provincial Council	Qualification Issues
	<p>6. The Council recorded gain on sale of motor vehicle of \$7,080 in the statement of income and expenditure for the year ended 31 December 2002. The Council was unable to provide appropriate documentations to support the balance.</p> <p>7. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2002, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p>
2003	<p>1. The Council recorded cash of \$129,122 which included cash at bank of \$141,733 and a negative cash on hand balance of \$12,611 in the statement of financial position as at 31 December 2003. The Council was unable to provide me with appropriate supporting documents for cash at bank and cash on hand. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance in the General Ledger and the financial statements.</p> <p>2. The Council recorded gross receivables – loans and advances of \$56,155, provision for doubtful debts of \$28,033, other assets of \$65,904, current liabilities of \$233,525, deferred income of \$47,592 and special funds of \$112,027 in the statement of financial position as at 31 December 2003. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>3. The Council recorded property, plant and equipment at a net value of \$833,679 which included land of \$277,646, buildings of \$493,242 and motor vehicle of \$37,950 in the statement of financial position as at 31 December 2007. The audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances.</p> <p>4. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$21,692 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2003.</p> <p>5. The Council recorded other income of \$722 and total expenditure of \$342,523 in the statement of income and expenditure for the year ended 31 December 2003. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>6. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2003, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p>
2004	<p>1. The Council recorded cash of \$188,771 which included cash at bank of \$196,858 and a negative cash on hand balance of \$8,087 in the statement of financial position as at 31 December 2004. The Council was unable to provide me with appropriate supporting documents for cash at bank and cash on hand. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance in the General Ledger and the financial statements.</p> <p>2. The Council recorded gross receivables – loans and advances of \$74,157, provision for doubtful debts of \$28,033, other assets of \$97,258, current liabilities of \$238,661,</p>

Provincial Council	Qualification Issues
	<p>deferred income of \$47,592 and special funds of \$116,932 in the statement of financial position as at 31 December 2004. The Council was unable to provide appropriate documentations to support the above balances.</p> <ol style="list-style-type: none"> 3. The Council recorded property, plant and equipment at a net value of \$557,641 which included land of \$33,585, buildings of \$477,931 and motor vehicle of \$24,917 in the statement of financial position as at 31 December 2004. The audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances. 4. The Council recorded accumulated funds of \$275,987 in the statement of changes in equity for the year ended 31 December 2004. There is an unreconciled variance of \$245,927 between the closing balance from the previous year and the opening balance as at 1 January 2004. Due to the unavailability of appropriate documentations, the audit was unable to verify the completeness and accuracy of the accumulated fund balance. 5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$23,557 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2004. 6. The Council recorded other income of \$2,606 and expenses from travelling, subsistence and accommodation of \$20,235, occupancy of \$2,320, insurance of \$1,539, motor vehicle cost of \$9,108, repairs and maintenance of \$11,121, administration cost of \$16,021, special events of \$29,766, 'turaga ni koro' allowance of \$79,800, 'mata ni tikina' allowance of \$4,559, depreciation of \$30,128, 'soqosoqo vakamarama' of \$20, interest and financial cost of \$15,790, 'ka vakavanua' of \$3,534 and youth and sports of \$300 in the statement of income and expenditure for the year ended 31 December 2004. The Council was unable to provide appropriate documentations to support the above balances. 7. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2004, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2005	<ol style="list-style-type: none"> 1. The Council recorded cash of \$272,374 which included cash at bank of \$309,961 and a negative cash on hand balance of \$37,587 in the statement of financial position as at 31 December 2005. The Council was unable to provide me with appropriate supporting documents for cash at bank and cash on hand. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance in the General Ledger and the financial statements. 2. The Council recorded gross receivables – loans and advances of \$80,638, provision for doubtful debts of \$28,033, other assets of \$162,952, current liabilities of \$250,219, deferred income of \$47,592 and special funds of \$122,053 in the statement of financial position as at 31 December 2005. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$529,047 which included land of \$33,232, buildings of \$465,019 and motor vehicle of \$13,417 in the

Provincial Council	Qualification Issues
	<p>statement of financial position as at 31 December 2006. The audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances.</p> <ol style="list-style-type: none"> 4. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$95,169 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2005. 5. The Council recorded expenses from occupancy of \$5,395, motor vehicle cost of \$14,625, repairs and maintenance of \$13,894, administration cost of \$33,040, interest and financial cost of \$13,443, 'ka vakavanua' of \$ 4,971 and scholarship of \$20,000 in the statement of income and expenditure for the year ended 31 December 2005. The Council was unable to provide appropriate documentations to support the above balances. 6. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2005, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2006	<ol style="list-style-type: none"> 1. The Council recorded cash of \$232,803 which included cash at bank of \$270,667 and a negative cash on hand balance of \$37,864 in the statement of financial position as at 31 December 2006. The Council was unable to provide me with appropriate supporting documents for cash at bank and cash on hand. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance in the General Ledger and the financial statements. 2. The Council recorded gross receivables – loans and advances of \$84,013, provision for doubtful debts of \$28,033, other assets of \$233,337, current liabilities of \$155,535, deferred income of \$47,592 and special funds of \$127,896 in the statement of financial position as at 31 December 2006. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$546,570 which included land of \$32,878, building of \$452,106 and motor vehicle of \$41,480 in the statement of financial position as at 31 December 2006. The audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances. 4. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$34,971 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2006. 5. The Council recorded other income of \$10,938, salary, wages allowances and related payments of \$187,496 and development funds of \$35,714 in the statement of income and expenditure for the year ended 31 December 2006. The Council was unable to provide appropriate documentations to support the above balances.

Provincial Council	Qualification Issues
	<p>6. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2006, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p>
2007	<p>1. The Council recorded cash of \$234,938 which included cash at bank of \$231,856 and cash on hand balance of \$3,082 in the statement of financial position as at 31 December 2007. The Council was unable to provide me with appropriate supporting documents for cash at bank and cash on hand. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance in the General Ledger and the financial statements.</p> <p>2. The Council recorded gross receivables – loans and advances of \$83,000, provision for doubtful debts of \$28,033, other assets of \$673,723, current liabilities of \$133,299, deferred income of \$47,592 and special funds of \$133,574 in the statement of financial position as at 31 December 2007. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>3. The Council recorded property, plant and equipment at a net value of \$614,296 which included land of \$35,524, building of \$479,429 and motor vehicle of \$78,934 in the statement of financial position as at 31 December 2007. The audit was not provided with the title deeds for land and building and registration details of motor vehicle to confirm the existence and completeness of the balances.</p> <p>4. The Council recorded previous year adjustments of \$27,522 in the statement of changes in equity for the year ended 31 December 2007. The Council was unable to provide appropriate documentations to support the journal entries for prior year adjustments.</p> <p>5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$83,834 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2007.</p> <p>6. The Council recorded income from investment of \$152,027, other income of \$7,056, salary, wages and related payments of \$150,416 and development funds of \$40,176 in the statement of income and expenditure for the year ended 31 December 2007. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>7. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2007, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p>
Kadavu:	
2002	<p>1. The Council recorded cash of \$58,285 which included cash at bank of \$56,090 and cash on hand of \$2,195 in the statement of financial position as at 31 December 2002. There was an unreconciled variance of \$4,213 between the bank reconciliation statement and the amount reflected in the financial statements. In addition, the</p>

Provincial Council	Qualification Issues
	<p>Council was unable to provide with supporting documentation to support the cash on hand balance of \$2,195.</p> <ol style="list-style-type: none"> 2. The Council recorded gross receivables - loans and advances of \$40,919, provision for doubtful debts of \$47,556, other assets of \$2,660, current liabilities of \$54,957, deferred income of \$13,476 and special funds of \$23,402 in the statement of financial position as at 31 December 2002. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded investments of \$372,663 in the statement of financial position as at 31 December 2002. Included in the balance were investments with Kadavu Shipping Company and Kadavu Development Company for \$150,000 and \$64,000 respectively. The audit was not provided with investment confirmation from the companies which were necessary to confirm the existence and completeness of the balances. 4. The Council recorded property, plant and equipment at a net value of \$361,906 which included building of \$271,934 and motor vehicle of \$44,083 in the statement of financial Position as at 31 December 2002. The audit was not provided with the title deeds for building and motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$187,380 in the statement of changes in equity for the year ended 31 December 2002, which had been carried forward from previous years. The Council was unable to provide appropriate documentations to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$52,259 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2002. 7. The Council recorded income from government subvention for operating expenses of \$222,646 and other income of \$2,968 in the Statement of Income and Expenditure for the year ended 31 December 2002. The Council was unable to provide appropriate documentations to support the above balances. 8. The Council recorded total expenditure of \$345,446 in the statement of income and expenditure for the year ended 31 December 2002. The Council was unable to provide various other records such as the supporting documentations for journal entries, some payment vouchers and documents to support the payments made during the year, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit. 9. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2002, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2003	<ol style="list-style-type: none"> 1. The Council recorded cash of \$200,369 which included cash at bank of \$200,054 and cash on hand of \$315 in the statement of financial position as at 31 December 2003. There was an unreconciled variance of \$55,456 between the bank reconciliation

Provincial Council	Qualification Issues
	<p>statement and the amount reflected in the financial statements. In addition, the Council was unable to provide me with supporting documentation to support the cash on hand balance of \$315.</p> <ol style="list-style-type: none"> <li data-bbox="432 383 1434 539">2. The Council recorded gross receivables - loans and advances of \$40,886, provision for doubtful debts of \$54,293, other assets of \$16,003, current liabilities of \$137,288, deferred income of \$13,476 and special funds of \$25,286 in the statement of financial position as at 31 December 2003. The Council was unable to provide appropriate documentations to support the above balances. <li data-bbox="432 577 1434 734">3. The Council recorded investments of \$380,675 in the statement of financial position as at 31 December 2003. Included in the balance were investments with Kadavu Shipping Company and Kadavu Development Company for \$150,000 and \$64,000 respectively. I was not provided with investment confirmation from the companies which were necessary to confirm the existence and completeness of the balances. <li data-bbox="432 772 1434 929">4. The Council recorded property, plant and equipment at a net value of \$351,679 which included building of \$267,036 and motor vehicle of \$32,583 in the statement of financial Position as at 31 December 2003. The audit was not provided with the title deeds for building and motor vehicle to confirm the existence and completeness of the balances. <li data-bbox="432 967 1434 1093">5. The Council recorded an asset revaluation reserve of \$187,380 in the statement of changes in equity for the year ended 31 December 2003, which had been carried forward from previous years. The Council was unable to provide appropriate documentations to support the asset revaluation balance. <li data-bbox="432 1131 1434 1346">6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$33,782 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2003. <li data-bbox="432 1384 1434 1509">7. The Council recorded income from government subvention for operating expenses of \$250,580 and other income of \$1,726 in the Statement of Income and Expenditure for the year ended 31 December 2003. The Council was unable to provide appropriate documentations to support the above balances. <li data-bbox="432 1547 1434 1740">8. The Council recorded total expenditure of \$290,443 in the statement of income and expenditure for the year ended 31 December 2003. The Council was unable to provide various other records such as the supporting documentations for journal entries, some payment vouchers and documents to support the payments made during the year, documents to support the current salary rate and pay run reports. The missing records have provided limitation to the scope of my audit. <li data-bbox="432 1778 1434 1904">9. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2003, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2004	<ol style="list-style-type: none"> <li data-bbox="432 1944 1434 2029">1. The Council recorded cash of \$135,834 which included cash at bank of \$135,348 and cash on hand of \$486 in the statement of financial position as at 31 December 2004. There was an unreconciled variance of \$57,538 between the bank reconciliation

Provincial Council	Qualification Issues
	<p>statement and the amount reflected in the financial statements. In addition, the Council was unable to provide me with supporting documentation to support the cash on hand balance of \$486.</p> <ol style="list-style-type: none"> <li data-bbox="432 383 1428 539">2. The Council recorded gross receivables - loans and advances of \$37,010, provision for doubtful debts of \$45,978, other assets of \$2,660, current liabilities of \$49,146, deferred income of \$13,476 and special funds of \$25,286 in the statement of financial position as at 31 December 2004. The Council was unable to provide appropriate documentations to support the above balances. <li data-bbox="432 573 1428 763">3. The Council recorded investments of \$383,334 in the statement of financial position as at 31 December 2004. Included in the balance were investments with Kadavu Shipping Company and Kadavu Development Company for \$150,000 and \$64,000 respectively. The audit was not provided with investment confirmation from the companies which were necessary to confirm the existence and completeness of the balances. <li data-bbox="432 797 1428 965">4. The Council recorded property, plant and equipment at a net value of \$333,273 which included building of \$262,137 and motor vehicle of \$21,083 in the statement of financial position as at 31 December 2004. I was not provided with the title deeds for building and motor vehicle to confirm the existence and completeness of the balances. <li data-bbox="432 999 1428 1122">5. The Council recorded an asset revaluation reserve of \$187,380 in the statement of changes in equity for the year ended 31 December 2004, which had been carried forward from previous years. The Council was unable to provide appropriate documentation to support the asset revaluation balance. <li data-bbox="432 1155 1428 1379">6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$48,711 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2004. <li data-bbox="432 1413 1428 1514">7. The Council recorded personal cost - salaries of \$124,563 in the statement of income and expenditure for the year ended 31 December 2004. The Council was unable to provide appropriate documentation to support the current salary rate. <li data-bbox="432 1547 1428 1671">8. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2004, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2005	<ol style="list-style-type: none"> <li data-bbox="432 1715 1428 1906">1. The Council recorded cash of \$153,048 which included cash at bank of \$152,222 and cash on hand of \$826 in the statement of financial position as at 31 December 2005. There was an unreconciled variance of \$53,442 between the bank reconciliation statement and the amount reflected in the financial statements. In addition, the Council was unable to provide me with supporting documentation to support the cash on hand balance of \$826. <li data-bbox="432 1939 1428 2029">2. The Council recorded gross receivables - loans and advances of \$38,671, provision for doubtful debts of \$64,391, other assets of \$2,660, current liabilities of \$58,628, deferred income of \$13,476 and special funds of \$26,701 in the statement of financial

Provincial Council	Qualification Issues
	<p>position as at 31 December 2005. The Council was unable to provide appropriate documentations to support the above balances.</p> <ol style="list-style-type: none"> 3. The Council recorded investments of \$387,225 in the statement of financial position as at 31 December 2005. Included in the balance were investments with Kadavu Shipping Company and Kadavu Development Company for \$150,000 and \$64,000 respectively. The audit was not provided with investment confirmation from the companies which were necessary to confirm the existence and completeness of the balances. 4. The Council recorded property, plant and equipment at a net value of \$310,107 which included building of \$257,239, and motor vehicle of \$9,583 in the statement of financial position as at 31 December 2005. The audit was not provided with the title deeds for building and motor vehicle to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$187,380 which had been carried forward from previous years and prior year adjustment of \$3,224 in the statement of changes in equity for the year ended 31 December 2005,. The Council was unable to provide appropriate documentations to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$58,386 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2005. 7. The Council recorded personal cost - salaries of \$126,338 in the statement of income and expenditure for the year ended 31 December 2005. The Council was unable to provide documents to support the current salary rate. 8. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2005, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2006	<ol style="list-style-type: none"> 1. The Council recorded cash of \$186,624 which included cash at bank of \$193,422 and a negative cash on hand of \$6,798 in the statement of financial position as at 31 December 2006. There was an unreconciled variance of \$71,627 between the bank reconciliation statement and the amount reflected in the financial statements. In addition, the Council was unable to provide me with supporting documentation to support the negative cash on hand balance of \$6,798. 2. The Council recorded gross receivables - loans and advances of \$54,208, provision for doubtful debts of \$64,391, current liabilities of \$88,593, deferred income of \$13,476 and special funds of \$29,018 in the statement of financial position as at 31 December 2006. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded investments of \$391,812 in the statement of financial position as at 31 December 2006. Included in the balance were investments with Kadavu Shipping Company and Kadavu Development Company for \$150,000 and \$64,000

Provincial Council	Qualification Issues
	<p>respectively. The audit was not provided with investment confirmation from the companies which were necessary to confirm the existence and completeness of the balances</p> <ol style="list-style-type: none"> 4. The Council recorded property, plant and equipment at a net value of \$294,746 which included building of \$253,340 in the statement of financial position as at 31 December 2006. The audit was not provided with the title deeds for the building to confirm the existence and completeness of the balances. 5. The Council recorded an asset revaluation reserve of \$187,380 which had been carried forward from previous years in the statement of changes in equity for the year ended 31 December 2006. The Council was unable to provide appropriate documentation to support the asset revaluation balance. 6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$100,956 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2006. 7. The Council recorded personal cost - salaries of \$146,549 in the statement of income and expenditure for the year ended 31 December 2006. The Council was unable to provide documents to support the current salary rate. 8. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2006, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2007	<ol style="list-style-type: none"> 1. The Council recorded cash of \$145,724 which included cash at bank of \$153,222 and a negative cash on hand of \$7,498 in the statement of financial position as at 31 December 2007. The Council was unable to provide me with appropriate supporting documents for cash at bank and cash on hand. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance in the General Ledger and the financial statements. 2. The Council recorded gross receivables - loans and advances of \$50,953, provision for doubtful debts of \$64,391, subvention claimed not received of \$87,748, current liabilities of \$153,291, deferred income of \$13,476 and special funds of \$29,844 in the statement of financial position as at 31 December 2007. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded investments of \$395,093 in the statement of financial position as at 31 December 2007. Included in the balance were investments with Kadavu Shipping Company and Kadavu Development Company for \$150,000 and \$64,000 respectively. The audit was not provided with investment confirmation from the companies which were necessary to confirm the existence and completeness of the balances. 4. The Council recorded property, plant and equipment at a net value of \$327,248 which included building of \$247,441 and motor vehicle of \$43,775 in the statement of financial position as at 31 December 2007. The audit was not provided with the title

Provincial Council	Qualification Issues
	<p>deeds for building and motor vehicle to confirm the existence and completeness of the balances.</p> <p>5. The Council recorded an asset revaluation reserve of \$187,380 in the statement of changes in equity for the year ended 31 December 2007, which had been carried forward from previous years. The Council was unable to provide appropriate documentation to support the asset revaluation balance.</p> <p>6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Councils for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$50,620 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2007.</p> <p>7. The Council recorded personal cost - salaries of \$133,816 in the statement of income and expenditure for the year ended 31 December 2007. The Council was unable to provide documents to support the current salary rate.</p> <p>8. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2007, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p>
Nadroga/Navosa:	
2002	<p>7. The Council recorded cash at bank of \$4,930 in the statement of financial position as at 31 December 2002. The Council was unable to provide me with bank reconciliation statements and supporting documents to entries made to the General Ledger.</p> <p>8. The Council recorded gross receivables - loans and advances of \$97,420, provision for doubtful debts of \$15,811, other assets of \$215,644, current liabilities of \$116,510 in the statement of financial position as at 31 December 2002. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>9. The Council recorded an asset revaluation reserve of \$108,664 which had been carried forward from previous years, deferred income of \$4,085 and prior year adjustment of \$87,863 in the statement of changes in equity for the year ended 31 December 2002. The Council was unable to provide any documentations to support the above balance.</p> <p>10. The Council recorded property, plant and equipment at a net value of \$247,875 which included freehold land of \$12,259, building of \$184,367 and motor vehicle of \$42,167 in the statement of financial position as at 31 December 2002. The audit was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances.</p> <p>11. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2002, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p> <p>12. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial</p>

Provincial Council	Qualification Issues
	<p>rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$66,238 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2002.</p> <p>13. The Council recorded income of \$322,229 which included income from government subvention for operating expenses of \$238,328 and other income of \$17,033 in the statement of income and expenditure for the year ended 31 December 2002. The Council was unable to provide me with appropriate documentations to support the above balances.</p> <p>14. The Council recorded expenditure of \$325,368 which included salary, wages allowances and related payments of \$161,025 in the statement of income and expenditure for the year ended 2002. The Council was unable to provide appropriate documentations to support the above balances.</p>
2003	<p>1. The Council recorded cash at bank of \$80,268 in the statement of financial position as at 31 December 2003. The Council was unable to provide me with bank reconciliation statements and supporting documents to entries made to the General Ledger.</p> <p>2. The Council recorded gross receivables - loans and advances of \$92,325, provision for doubtful debts of \$15,811, other assets of \$247,242, current liabilities of \$195,443 in the statement of financial position as at 31 December 2003. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>3. The Council recorded an asset revaluation reserve of \$108,664 which had been carried forward from previous years and prior year adjustment of \$3,768 in the statement of changes in equity for the year ended 31 December 2003. The Council was unable to provide any documentations to support the above balance.</p> <p>4. The Council recorded property, plant and equipment at a net value of \$232,421 which included freehold land of \$12,259, building of \$178,467 and motor vehicle of \$31,167 in the statement of financial position as at 31 December 2003. The audit was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances.</p> <p>5. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2003, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p> <p>6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$70,105 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2003.</p> <p>7. The Council recorded income of \$320,310 which included income from government subvention for operating expenses of \$249,460 in the statement of income and expenditure for the year ended 31 December 2003. The Council was unable to provide me with appropriate documentations to support the above balances.</p>

Provincial Council	Qualification Issues
	<p>8. The Council recorded expenditure of \$331,125 which included salary, wages allowances and related payments of \$170,932 in the statement of income and expenditure for the year ended 2003. The Council was unable to provide appropriate documentations to support the above balances.</p>
2004	<p>1. The Council recorded cash at bank of \$10,957 in the statement of financial position as at 31 December 2004. The Council was unable to provide me with bank reconciliation statements and supporting documents to entries made to the General Ledger.</p> <p>2. The Council recorded gross receivables - loans and advances of \$94,713, provision for doubtful debts of \$15,811, other assets of \$243,638, current liabilities of \$133,083 in the statement of financial position as at 31 December 2004. The Council was unable to provide appropriate documentations to support the above balances.</p> <p>3. The Council recorded an asset revaluation reserve of \$108,664 which had been carried forward from previous years, deferred income of \$4,294 and prior year adjustment of \$6,597 in the statement of changes in equity for the year ended 31 December 2004. The Council was unable to provide any documentations to support the above balance.</p> <p>4. The Council recorded property, plant and equipment at a net value of \$221,489 which included freehold land of \$12,259, building of \$178,567 and motor vehicle of \$20,167 in the statement of financial position as at 31 December 2004. The audit was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances.</p> <p>5. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2004, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p> <p>6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$76,443 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2004.</p> <p>7. The Council recorded income of \$431,311 which included income from government subvention for operating expenses of \$249,460 and other income of \$49,057 in the statement of income and expenditure for the year ended 31 December 2004. The Council was unable to provide me with appropriate documentations to support the above balances.</p> <p>8. The Council recorded expenditure of \$393,870 which included salary, wages allowances and related payments of \$163,077 in the statement of income and expenditure for the year ended 2004. The Council was unable to provide appropriate documentations to support the above balances.</p>
2005	<p>1. The Council recorded a negative cash balance of \$16,891, which included a negative cash at bank – current account balance of \$18,228 and cash on hand of \$1,397 in the statement of financial position as at 31 December 2005. There was an unreconciled variance of \$18,394 between the bank reconciliation statement for the current</p>

Provincial Council	Qualification Issues
	<p>account and the amount reflected in the financial statements. A bank audit confirmation was obtained for the cash at bank – current account, however did not reconcile to the balance in the General Ledger and the financial statements. In addition, the Council was also unable to provide me appropriate documentations to support the cash on hand balance of \$1,397.</p> <ol style="list-style-type: none"> <li data-bbox="432 443 1428 568">2. The Council recorded gross receivables - loans and advances of \$99,920, provision for doubtful debts of \$15,811, other assets of \$232,218, current liabilities of \$125,126 in the statement of financial position as at 31 December 2005. The Council was unable to provide appropriate documentations to support the above balances. <li data-bbox="432 607 1428 763">3. The Council recorded property, plant and equipment at a net value of \$209,931 which included freehold land of \$12,259, building of \$166,667 and motor vehicle of \$9,167 in the statement of financial position as at 31 December 2005. The audit was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances. <li data-bbox="432 801 1428 927">4. The Council recorded an asset revaluation reserve of \$108,664 which had been carried forward from previous years and prior year adjustment of \$1,680 in the statement of changes in equity for the year ended 31 December 2005. The Council was unable to provide any documentations to support the balance. <li data-bbox="432 965 1428 1189">5. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$73,814 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2005. <li data-bbox="432 1227 1428 1384">6. The Council recorded other income of \$100,399 which included dividend from Fijian Holdings Limited of \$71,428 and dividend from Yasana Holdings Limited of \$28,754 in the statement of income and expenditure for the year ended 31 December 2005. The Council was unable to provide me with appropriate documentations to support the dividend income. <li data-bbox="432 1422 1428 1547">7. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2006, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements. <li data-bbox="432 1585 1428 1711">8. The Council was unable to provide various other records such as the payment vouchers, supporting documentations for journal entries taken up in the general ledger and documents to support the current salary rate and pay-run reports. The missing records have provided limitation to the scope of my audit.
2006	<ol style="list-style-type: none"> <li data-bbox="432 1749 1428 1874">1. The Council recorded gross receivables - loans and advances of \$101,739, provision for doubtful debts of \$15,811, other assets of \$205,436, current liabilities of \$90,063 in the statement of financial position as at 31 December 2006. The Council was unable to provide appropriate documentations to support the above balances. <li data-bbox="432 1912 1428 1998">2. The Council recorded property, plant and equipment at a net value of \$193,227 which included freehold land of \$12,259 and building of \$160,767 in the statement of financial position as at 31 December 2006. The audit was not provided with the title

Provincial Council	Qualification Issues
	<p>deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances.</p> <ol style="list-style-type: none"> 3. The Council recorded an asset revaluation reserve of \$108,664 which had been carried forward from previous years and prior year adjustment of \$3,194 in the statement of changes in equity for the year ended 31 December 2006. The Council was unable to provide any documentations to support the balance. 4. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$67,851 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2006. 5. The Council was unable to provide various other records such as the payment vouchers, supporting documentations for journal entries taken up in the general ledger and documents to support the current salary rate and pay-run reports. The missing records have provided limitation to the scope of my audit. 6. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2006, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.
2007	<ol style="list-style-type: none"> 1. The Council recorded cash at bank of \$29,759 which included cash at bank – current account of \$29,659 and cash on hand of \$100 in the statement of financial position as at 31 December 2007. There was an unreconciled variance of \$3,273 between the bank reconciliation statement and the financial statement for the current account. In addition, the Council was unable to provide me with appropriate documentations to support the cash on hand balance. 2. The Council recorded gross receivables - loans and advances of \$109,834, provision for doubtful debts of \$15,811, other assets of \$205,436, current liabilities of \$74,133 in the statement of financial position as at 31 December 2007. The Council was unable to provide appropriate documentations to support the above balances. 3. The Council recorded property, plant and equipment at a net value of \$184,498 which included freehold land of \$12,259 and building of \$154,867 in the statement of financial position as at 31 December 2007. The audit was not provided with the title deeds for land and building and the registration details of the motor vehicle to confirm the existence and completeness of the balances. 4. The Council recorded investment of \$121,676 which included a balance of \$35,000 with Nadroga/Navosa Festival account in the statement of financial position as at 31 December 2007. The Council was unable to provide the investment confirmation which was necessary to confirm the existence and completeness of the balance. 5. The Council recorded an asset revaluation reserve of \$108,664 which had been carried forward from previous years in the statement of changes in equity for the year ended 31 December 2007. The Council was unable to provide any documentations to support the balance.

Provincial Council	Qualification Issues
	<p>6. Due to the nature of transactions inherent in the collection of provincial rates, it is not practicable for my examination to include audit procedures to extend beyond the amounts recorded in the official receipts issued by the Council for provincial rates. Accordingly, the audit was unable to determine whether income from provincial rates of \$281,084 is fairly stated in the financial statements and whether any adjustment might have been necessary in respect of the provincial rates income for the year ended 31 December 2007.</p> <p>7. The Council did not prepare and present a statement of cash flow as a component of the financial statements for the year ended 31 December 2007, which is a departure from the requirement of the Fiji Accounting Standard 1 – Presentation of Financial Statements and Fiji Accounting Standards 7 – Cash Flows Statements.</p>

APPENDIX 4:
ABRIDGED FINANCIAL STATEMENTS

Appendix C: Abridged Financial Statements

Ba Provincial Council

Abridged Statement of Financial Performance

	2001	2002	2003	2004	2005	2006	2007
	\$	\$	\$	\$	\$	\$	\$
Govt subvention for operating expenses	291,073	306,227	291,119	343,320	376,827	330,875	321,412
Provincial rates	257,553	232,325	279,421	288,999	162,676	260,435	271,003
Income from investment	-	47,724	25,000	140,947	134,772	89,176	54,890
Other income	6,308	36,247	6,337	119,327	30,464	21,426	8,519
TOTAL INCOME	554,934	622,523	601,877	892,593	704,739	701,912	655,824
Personal cost – salaries	171,023	181,681	184,426	182,856	174,771	179,009	156,001
Administration	21,471	22,395	22,676	21,073	20,415	21,306	25,070
Motor vehicle insurance & fuel	12,336	18,640	23,051	19,522	19,855	12,682	7,860
Special events	21,931	41,191	44,503	35,904	19,062	21,176	47,019
Turaga ni Koro allowance	25,690	25,680	25,650	64,750	64,200	66,000	64,200
Mata ni Tikina allowance	-	-	-	13,865	28,941	31,428	3,960
Other expenses	11,572	15,649	16,647	18,296	17,784	10,797	21,328
Total Expenses covered by subvention	264,023	305,236	316,953	356,266	345,028	342,398	325,438
Personal cost	55,997	46,464	53,848	66,065	72,516	81,004	76,701
Administration	11,729	3,390	3,691	4,874	5,640	3,848	7,293
Depreciation expenses	27,486	48,154	52,964	53,092	55,642	47,187	59,258
Education	-	48,853	55,355	53,426	19,659	31,783	41,260
General education/interest on loans	37,855	9,002	24,004	10,801	12,435	12,734	15,658
Motor vehicle insurance & fuel	19,532	1,354	1,205	2,323	5,265	2,521	7,793
Rates refund	40,958	2,000	44,350	24,500	12,550	14,354	48,935
Special events	17,800	4,013	4,685	3,855	15,313	34,585	29,346
Other expenses	88,662	114,002	76,569	110,633	119,208	173,990	68,120
Total Expenses not covered by subvention	300,019	277,232	316,671	329,569	318,228	402,006	354,364
TOTAL EXPENDITURE	564,042	585,468	633,624	685,835	663,256	744,404	679,802
Net profit/(deficit)	(9,108)	37,055	(31,747)	206,758	41,183	(42,492)	(23,648)

Abridged Statement of Financial Position

	2001	2002	2003	2004	2005	2006	2007
	\$	\$	\$	\$	\$	\$	\$
Cash at bank and on hand	14,946	(4,129)	(28,215)	202,792	180,266	240,042	182,136
Other current assets	285,384	222,131	201,902	191,966	202,487	157,851	176,147
Property, plant and equipment	686,256	681,570	632,504	589,225	603,825	658,620	611,027
Investment	1,987,644	1,987,644	1,987,644	1,987,644	1,987,644	1,987,644	1,987,644
TOTAL ASSETS	2,974,230	2,887,216	2,793,835	2,971,627	2,974,222	3,044,157	2,956,954
Other creditors	181,486	5,631	28,265	50,999	47,183	(23,767)	(62,864)
Loans	-	-	363,736	192,915	189,114	357,793	299,518
Special funds	373,611	427,242	-	135,436	104,697	104,697	133,476
Deferred income	-	2,320	4,737	4,204	3,672	3,139	2,607
TOTAL LIABILITIES	555,097	435,193	396,738	383,554	344,666	441,862	372,737
NET ASSETS	2,419,133	2,452,023	2,397,097	2,588,073	2,629,556	2,602,295	2,584,217
Accumulated funds	1,922,507	1,955,397	1,900,471	2,091,447	2,132,930	2,105,669	2,087,591
Assets revaluation reserve	496,626	496,626	496,626	496,626	496,626	496,626	496,626
TOTAL FUNDS EMPLOYED	2,419,133	2,452,023	2,397,097	2,588,073	2,629,556	2,602,295	2,584,217

Bua Provincial Council

Abridged Statement of Financial Performance

	2003 \$	2004 \$	2005 \$	2006 \$	2007 \$
Government Subvention for operating expenses	199,681	215,647	219,434	241,270	238,965
Provincial Rates	31,385	32,749	28,382	31,125	32,044
Income from Investment	35,714	82,311	98,848	138,536	19,176
Other Income	62,126	89,072	125,723	57,957	155,509
Total Income	328,906	419,779	472,387	468,888	445,694
Personal Cost	142,452	141,793	140,930	158,250	133,824
Travelling and Subsistence	6,140	4,548	6,314	5,910	5,119
Fuel, repair and maintenance motor vehicle	4,268	6,732	6,847	10,437	11,957
Administration	-	9,651	9,701	7,657	3,086
Special Events	6,810	6,683	5,897	14,294	10,765
Turaga ni Koro allowance	12,960	32,400	32,100	32,400	28,161
Mata ni Tikina allowance	-	3,618	12,795	6,983	32,400
Other Expenses	15,060	12,448	12,031	16,641	16,339
Total Expenses covered by subvention	187,690	217,873	226,616	252,573	241,651
Personal cost-salaries	7,134	5,269	5,704	6,779	6,363
Depreciation-expenses	30,482	30,482	30,482	40,461	25,829
Other Expenses	35,742	25,686	58,459	99,752	61,781
Total Expenses not covered by subvention	73,358	61,437	94,646	146,993	93,973
TOTAL EXPENDITURE	261,048	279,310	321,262	399,566	335,624
Net profit	67,858	140,469	151,125	69,322	110,070

Abridged Statement of Financial Position

	2003 \$	2004 \$	2005 \$	2006 \$	2007 \$
Cash at bank and on hand	167,922	124,440	225,015	260,369	218,577
Other current assets	15,559	15,079	13,060	18,166	135,572
Property, plant and equipment	955,208	924,876	895,732	914,890	896,806
Investments	259,602	359,602	359,602	359,602	469,279
TOTAL ASSETS	1,398,291	1,423,997	1,493,409	1,553,027	1,720,234
Other creditors	(89,408)	(161,896)	94,898	66,316	176,249
Interest bearing borrowings	317,793	181,835	26,735	6,899	(2,092)
Deferred Income	402,313	402,465	199,777	197,090	194,403
Special funds	200,000	300,000	300,000	300,000	309,594
TOTAL LIABILITIES	830,698	722,404	621,410	570,305	678,154
NET ASSETS	567,593	701,593	871,999	982,722	1,042,080
Accumulated Funds	(87,020)	46,980	217,386	328,109	387,467
Asset revaluation reserve	654,613	654,613	654,613	654,613	654,613
TOTAL FUNDS EMPLOYED	567,593	701,593	871,999	982,722	1,042,080

Namosi Provincial Council

Abridged Statement of Financial Performance

	2001 \$	2002 \$	2003 \$	2004 \$	2005 \$	2006 \$	2007 \$
Govt Subvention for operating expenses	221,085	126,381	158,155	153,901	147,300	155,353	156,711
Provincial Rates	22,637	41,799	36,110	43,990	25,459	32,139	42,170
Income from Investment	20	47,171	35,734	97,986	40,969	101,036	50,020
Other Income	2,561	116,695	1,433	2,833	2,060	6,088	1,720
Total Income	246,303	332,046	231,432	298,710	215,788	294,616	250,621
Personal Cost	75,115	74,644	88,883	86,673	86,946	109,601	95,687
Travelling and Subsistence	5,864	5,038	3,306	5,721	2,899	5,475	4,052
Fuel, repair and maintenance motor vehicle	8,589	8,642	10,603	11,865	12,363	6,172	9,348
Administration	9,704	10,326	8,105	4,488	5,880	11,018	8,325
Special Events	6,862	13,324	17,126	10,941	14,577	16,264	15,312
Turaga ni Koro allowance	6,300	6,040	4,870	15,445	13,960	16,050	15,450
Mata ni Tikina allowance	-	-	-	2,090	4,318	3,335	4,537
Other Expenses	3,026	5,278	5,162	10,775	6,829	4,477	6753
Total Expenses covered by subvention	115,460	123,292	138,055	147,998	147,772	172,392	159,464
Personal cost-salaries	1,610	7,248	2,995	-	3,169	5,230	6,437
Depreciation-expenses	6,239	11,759	12,260	18,122	18,122	17,051	16,516
Other Expenses	20,064	34,304	41,338	39,879	26,802	37,263	32,178
Total Expenses not covered by subvention	27,913	53,311	56,593	58,001	48,093	59,544	55,131
TOTAL EXPENDITURE	143,373	176,603	194,648	205,999	195,865	231,936	214,595
Net Profit	102,930	155,443	36,784	92,711	19,923	62,680	36,026

Abridged Statement of Financial Position

	2001 \$	2002 \$	2003 \$	2004 \$	2005 \$	2006 \$	2007 \$
Cash at bank and on hand	82,836	50,559	26,330	80,854	68,924	33,174	11,158
Other current assets	829,052	823,116	871,242	885,843	849,171	904,653	960,905
Property, plant and equipment	193,014	324,145	325,716	307,595	293,357	314,631	297,721
Investments	18,726	18,726	18,726	18,726	18,726	18,726	18,726
TOTAL ASSETS	1,123,628	1,216,546	1,242,014	1,293,018	1,230,178	1,271,184	1,288,510
Other creditors	176,360	83,885	82,401	84,104	82,851	77,790	69,424
Interest bearing borrowings	774,310	815,118	801,561	754,426	665,307	691,964	680,100
TOTAL LIABILITIES	950,670	899,003	883,962	838,530	748,158	769,754	749,524
NET ASSETS	172,958	317,543	358,052	454,488	482,020	501,430	538,986
Accumulated Funds	96,846	252,289	289,073	381,784	401,707	417,787	453,813
Asset revaluation reserve	51,637	37,054	37,054	37,054	37,054	37,054	37,054
Deferred Income	-	-	-	-	3,884	3,489	3,094
Special funds	24,475	28,200	31,925	35,650	39,375	43,100	45,025
TOTAL FUNDS EMPLOYED	172,958	317,543	358,052	454,488	482,020	501,430	538,986

Ra Provincial Council

Abridged Statement of Financial Performance

	2000	2001	2002	2003	2004	2005	2006	2007
	\$	\$	\$	\$	\$	\$	\$	\$
Govt subvention for operating expenses	216,859	210,803	219,912	243,269	290,221	256,006	296,808	270,541
Provincial rates	22,450	12,407	4,973	38,742	15,736	26,778	14,644	13,984
Income from investment	2,537	16,068	65,888	13,307	56,025	124,940	101,295	42,558
Other income	26,566	9,555	107,817	2,668	13,994	12,535	18,202	6,077
TOTAL INCOME	268,412	248,833	398,590	297,986	457,328	420,259	430,949	333,160
Personal cost – Salaries	154,866	141,263	152,045	171,855	156,178	151,781	188,513	167,083
Travelling and subsistence	3,273	6,306	9,717	6,051	11,703	8,894	8,900	7,897
Motor vehicle cost	11,183	8,480	8,171	10,839	7,196	10,908	13,012	14,065
Repairs and maintenance	6,278	4,210	750	425	24,339	3,039	371	3,125
Administration	5,729	9,019	8,731	10,708	8,004	5,480	5,420	7,259
Special events	8,494	8,664	17,629	26,404	27,744	17,402	16,974	24,206
Turaga ni Koro allowance	22,320	22,320	22,260	11,160	55,040	28,134	55,800	55,800
Mata ni Tikina allowance	-	-	-	-	10,620	5,374	10,854	13,120
Other expenses	4,716	5,620	9,559	10,054	13,615	5,256	6,315	6,210
Total expenses covered by subvention	216,859	205,882	228,862	247,496	314,439	236,268	306,159	298,765
Personal cost	70	2,280	-	335	-	-	311	990
Depreciation expenses	22,146	23,979	33,145	33,921	34,048	20,294	27,651	19,308
Rates refund	10,725	5,030	1,824	17,355	10,288	11,873	-	-
Expenses from other operations (savings account)	34,382	7,526	20,694	3,170	14,119	27,444	58,823	5,469
Other expenses	9,464	8,939	7,151	45,367	23,862	22,522	25,001	50,852
Total expenses not covered by subvention	76,787	84,733	98,058	123,389	119,086	84,706	65,702	60,494
TOTAL EXPENDITURE	293,646	253,636	291,676	347,644	396,756	318,401	417,945	375,384
Net profit/(deficit)	(25,234)	(4,803)	106,914	(49,658)	(20,780)	101,858	13,004	(42,224)

Abridged Statement of Financial Position

	2000	2001	2002	2003	2004	2005	2006	2007
	\$	\$	\$	\$	\$	\$	\$	\$
Cash at bank and on hand	3,967	88,677	30,082	(2,079)	6,113	119,097	77,466	32,131
Other current assets	51,677	86,244	53,552	51,267	57,249	66,791	65,681	68,494
Property, plant and equipment	381,777	420,705	437,775	403,469	367,646	353,715	375,022	353,539
Investment	155,171	149,479	209,240	215,136	220,576	226,699	233,762	240,717
TOTAL ASSETS	592,592	745,105	730,649	667,793	651,584	766,302	751,931	694,881
Other creditors	25,839	127,835	20,582	23,462	41,582	70,170	78,428	79,344
Deferred income	12,101	13,008	14,473	12,299	10,124	7,949	5,773	3,598
Interest bearing borrowings	-	54,413	38,831	24,928	13,553	-	39,602	26,035
Special funds	6,389	6,389	6,389	6,389	6,389	6,389	6,389	6,389
TOTAL LIABILITIES	44,329	201,645	80,275	67,078	71,648	84,508	130,192	115,366
NET ASSETS								
Accumulated funds	338,989	334,186	441,100	391,442	370,662	472,520	412,465	370,241
Assets revaluation reserve	209,274	209,274	209,274	209,274	209,274	209,274	209,274	209,274
TOTAL FUNDS EMPLOYED	548,263	543,460	650,374	600,716	579,936	681,794	621,739	579,515

Rewa Provincial Council

Abridged Statement of Financial Performance

	2006 \$	2007 \$
Government Subvention for operating expenses	167,410	190,853
Provincial Rates	69,921	32,935
Income from Investment	93,570	79,268
Other Income	-	7,808
Total Income	330,901	310,864
Personal Cost	131,042	89,393
Travelling and Subsistence	4,004	7,458
Fuel, repair and maintenance motor vehicle	14,091	21,569
Administration	9,319	10,431
Special Events	5,069	26,450
Turaga ni Koro allowance	7,220	5,120
Other Expenses	46,106	37,924
Total Expenses covered by subvention	216,851	198,345
Personal cost-salaries	3,555	5,767
Depreciation-expenses	17,015	17,186
Other Expenses	59,118	54,191
Total Expenses not covered by subvention	79,688	77,144
TOTAL EXPENDITURE	296,539	275,489
Net profit	34,362	35,375

Abridged Statement of Financial Position

	2006 \$	2007 \$
Cash at bank and on hand	172,555	146,486
Other current assets	191,004	213,845
Property, plant and equipment	172,948	156,344
Investments	719,076	719,076
TOTAL ASSETS	1,255,583	1,235,751
Other creditors	154,929	123,363
Interest bearing borrowings	652,301	622,343
Deferred Income	7,965	6,504
Special funds	80,000	80,000
TOTAL LIABILITIES	895,195	832,210
NET ASSETS	360,388	403,541
Accumulated Funds	219,452	262,605
Asset revaluation reserve	140,936	140,936
TOTAL FUNDS EMPLOYED	360,388	403,541

Serua Provincial Council

Abridged Statement of Financial Performance

	2006 \$	2007 \$
Government Subvention for operating expenses	167,410	190,853
Provincial Rates	69,921	32,935
Income from Investment	93,570	79,268
Other Income	-	7,808
Total Income	330,901	310,864
Personal Cost	131,042	89,393
Travelling and Subsistence	4,004	7,458
Fuel, repair and maintenance motor vehicle	14,091	21,569
Administration	9,319	10,431
Special Events	5,069	26,450
Turaga ni Koro allowance	7,220	5,120
Other Expenses	46,106	37,924
Total Expenses covered by subvention	216,851	198,345
Personal cost-salaries	3,555	5,767
Depreciation-expenses	17,015	17,186
Other Expenses	59,118	54,191
Total Expenses not covered by subvention	79,688	77,144
TOTAL EXPENDITURE	296,539	275,489
Net profit	34,362	35,375

Abridged Statement of Financial Position

	2006 \$	2007 \$
Cash at bank and on hand	7,823	64,994
Other current assets	473,494	538,160
Property, plant and equipment	102,271	87,122
Investments	883,507	946,131
TOTAL ASSETS	1,467,095	1,636,407
Other creditors	93,608	89,961
Interest bearing borrowings	236,004	224,784
TOTAL LIABILITIES	329,612	314,745
NET ASSETS	1,137,483	1,321,662
Accumulated Funds	960,483	1,144,662
Asset revaluation reserve	77,000	77,000
Special funds	100,000	100,000
TOTAL FUNDS EMPLOYED	1,137,483	1,321,662

Cakaudrove Provincial Council

Abridged Statement of Financial Performance

	2002 \$	2003 \$	2004 \$	2005 \$	2006 \$	2007 \$
Govt Subvention for operating expenses	288,178	290,683	347,929	385,926	378,430	322,570
Provincial Rates	36,750	21,692	23,557	95,169	34,971	83,834
Income from Investment	80,000	80,000	129,057	151,428	161,016	152,027
Other Income	7,080	722	2,606	788	10,938	7,056
Total Income	412,008	393,097	503,149	633,311	585,355	565,487
Personal Cost	157,182	164,523	152,722	178,305	187,946	150,416
Travelling and Subsistence	22,403	12,623	20,235	21,118	17,309	12,145
Fuel, repair and maintenance motor vehicle	19,047	25,057	20,229	28,519	20,045	20,469
Administration	22,879	18,853	16,021	33,040	21,784	17,782
Special Events	25,371	24,336	29,766	32,189	22,879	37,426
Turaga ni Koro allowance	31,060	25,220	79,800	79,800	79,800	66,450
Mata ni Tikina allowance	-	-	4,559	8,929	5,383	6,495
Other Expenses	11,575	7,517	3,859	7,223	8,885	11,387
Total Expenses covered by subvention	289,517	278,129	327,191	389,123	364,031	322,570
Personal cost-salaries	4,492	4,227	4,612	3,129	7,135	8,848
Depreciation-expenses	30,789	32,467	30,128	28,595	35,061	29,586
Other Expenses	75,788	27,700	19,644	42,170	60,994	51,859
Total Expenses not covered by subvention	111,069	64,394	54,384	73,894	103,190	90,293
TOTAL EXPENDITURE	400,586	342,523	381,575	463,017	467,221	412,863
Net profit	11,422	50,574	121,574	170,294	118,134	152,624

Abridged Statement of Financial Position

	2002 \$	2003 \$	2004 \$	2005 \$	2006 \$	2007 \$
Cash at bank and on hand	147,907	129,122	188,771	272,374	232,803	234,938
Other current assets	53,512	94,026	143,382	215,557	289,317	728,690
Property, plant and equipment	858,555	833,697	557,641	529,047	546,570	614,296
Investments	400,000	502,845	507,750	512,871	518,714	124,392
TOTAL ASSETS	1,459,974	1,559,690	1,397,544	1,529,849	1,587,404	1,702,316
Other creditors	238,657	233,525	238,661	250,219	155,535	133,299
Interest bearing borrowings	231,551	182,980	135,146	80,478	108,740	60,064
TOTAL LIABILITIES	470,208	416,505	373,807	330,697	264,275	193,363
NET ASSETS	989,766	1,143,185	1,023,737	1,199,152	1,323,129	1,508,953
Accumulated Funds	349,766	400,340	275,987	446,281	564,415	744,561
Asset revaluation reserve	583,226	583,226	583,226	583,226	583,226	583,226
Deferred Income	47,592	47,592	47,592	47,592	47,592	47,592
Special funds	9,182	112,027	116,932	122,053	127,896	133,574
TOTAL FUNDS EMPLOYED	989,766	1,143,185	1,023,737	1,199,152	1,323,129	1,508,953

Kadavu Provincial Council

Abridged Statement of Financial Performance

	2002	2003	2004	2005	2006	2007
	\$	\$	\$	\$	\$	\$
Govt subvention for operating expenses	222,646	250,580	266,139	277,000	263,995	313,213
Provincial rates	52,259	33,782	48,711	58,386	100,955	50,620
Income from investment	57,139	59,513	65,346	83,743	103,799	103,513
Other income	3,213	1,726	1,449	3,810	3,516	19,630
TOTAL INCOME	335,257	345,601	381,645	422,939	472,265	486,976
Personal cost-salaries	112,433	125,024	124,563	126,338	146,549	133,816
Administration cost	15,537	12,444	10,564	15,443	12,384	12,349
Repairs and maintenance	12,454	12,780	10,924	12,250	11,929	9,017
Travelling and subsistence, meals	23,517	22,915	22,272	19,136	20,554	22,461
Special events	29,353	28,780	35,614	45,560	30,353	26,965
Turaga ni Koro allowance	18,000	18,000	44,939	46,200	46,050	45,000
Other expenses	11,168	6,805	17,364	12,071	12,596	63,604
Total expenses covered by subvention	222,462	226,748	266,240	276,998	280,415	313,212
Personal cost	5,932	2,882	3,228	11,572	10,347	11,385
Depreciation	22,121	23,383	24,403	24,717	23,600	22,173
Travelling and subsistence	12,855	13,856	16,480	16,571	15,374	14,427
Ka vakavanua	15,892	9,997	6,757	2,836	6,355	3,472
Other expenses	66,184	13,577	60,787	32,197	92,703	33,088
Total expenses not covered by subvention	122,984	63,695	111,655	87,893	148,379	84,545
TOTAL EXPENDITURE	345,446	290,443	377,895	364,891	428,794	397,757
Net profit/(deficit)	(10,189)	55,158	3,750	58,048	43,471	89,219

Abridged Statement of Financial Position

	2002	2003	2004	2005	2006	2007
	\$	\$	\$	\$	\$	\$
Cash at bank and on hand	58,285	200,369	135,834	153,048	186,624	145,724
Other current assets	(3,977)	21,059	(6,308)	(23,060)	9,966	167,165
Loans to public	158,484	158,484	158,484	158,484	158,484	158,484
Property, plant and equipment	361,906	351,679	333,273	310,107	294,746	327,248
Investments	372,663	380,675	383,334	387,225	391,812	395,093
TOTAL ASSETS	947,361	1,112,266	1,004,617	985,804	1,041,632	1,193,714
Other creditors	54,957	136,198	49,146	58,628	88,593	150,630
Non-current liabilities	158,484	158,484	132,770	61,342	42,165	42,165
Special funds	23,402	25,286	25,286	26,701	29,018	29,844
Deferred income	13,476	13,476	13,476	13,476	13,476	13,476
TOTAL LIABILITIES	250,319	333,444	220,678	160,147	173,252	236,115
NET ASSETS	697,042	778,822	783,939	825,657	868,380	957,599
Accumulated Funds	509,662	591,442	596,559	638,277	681,000	770,219
Asset revaluation reserve	187,380	187,380	187,380	187,380	187,380	187,380
TOTAL FUNDS EMPLOYED	697,042	778,822	783,939	825,657	868,380	957,599

Nadroga/Navosa Provincial Council

	2002	2003	2004	2005	2006	2007
	\$	\$	\$	\$	\$	\$
Govt Subvention for operating expenses	238,328	249,460	305,140	333,750	330,687	337,379
Govt Subvention for fixed assets	630	635	671	790	1,030	1,030
Provincial Rates	66,238	70,105	76,443	73,814	67,851	81,084
Other Income	17,033	110	49,057	100,399	66,388	19,267
Total Income	322,229	320,310	431,311	508,753	465,956	438,760
Personal Cost	166,633	177,519	168,703	195,493	201,312	189,899
Travelling and Subsistence	5,225	5,812	6,253	6,148	3,928	3,371
Administration	23,907	33,719	35,889	38,377	24,212	38,901
Special Events	7,616	9,424	12,927	9,736	6,910	4,913
Turaga ni Koro allowance	29,040	29,040	72,600	72,600	72,600	72,600
Mata ni Tikina allowance	-	-	17,689	13,585	17,384	19,007
Other Expenses	6,536	6,020	7,444	9,286	5,371	7,988
Total Expenses covered by subvention	238,957	261,534	321,505	345,225	331,717	336,679
Personal cost-salaries	38,143	37,727	37,158	34,329	31,568	31,919
Depreciation-expenses	17,633	17,667	18,647	18,792	17,367	12,199
Other Expenses	30,635	14,197	16,560	35,397	40,320	27,676
Total Expenses not covered by subvention	86,411	69,591	72,365	88,518	89,255	71,794
TOTAL EXPENDITURE	325,368	331,125	393,870	433,743	420,972	408,473
Net Profit/(deficit)	(3,139)	(10,815)	37,441	75,010	44,984	30,287

Abridged Statement of Financial Position

	2002	2003	2004	2005	2006	2007
	\$	\$	\$	\$	\$	\$
Cash at bank and on hand	4,930	80,268	10,957	(16,891)	65,951	29,759
Other current assets	332,453	323,756	322,541	347,606	293,553	297,625
Property, plant and equipment	247,875	232,421	221,489	209,931	193,227	184,498
Investments	67,500	67,500	67,500	67,500	67,500	121,676
TOTAL ASSETS	652,758	703,945	622,487	608,146	620,231	633,558
Other creditors	116,510	193,762	133,082	125,126	90,063	74,133
Interest bearing borrowings	229,166	215,470	152,658	70,145	70,145	70,145
Deferred income	-	-	-	7,104	6,074	5,044
TOTAL LIABILITIES	345,676	409,232	285,740	202,375	166,282	149,322
NET ASSETS	307,082	294,713	336,747	405,771	453,949	484,236
Accumulated Funds	194,333	179,750	223,789	297,107	345,285	375,572
Asset revaluation reserve	108,664	108,664	108,664	108,664	108,664	108,664
Deferred Income	1,085	6,299	4,294	-	-	-
TOTAL FUNDS EMPLOYED	304,082	294,713	336,747	405,771	453,949	484,236