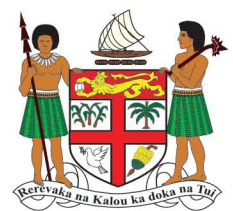




BA TOWN COUNCIL

Annual Report for the Year 2006





BA TOWN COUNCIL

Annual Report for the Year 2006



22 February 2019

Honourable Premila Devi Kumar
Minister for Local Government, Housing and
Community Development
P O Box 2131
Government Buildings
SUVA

Dear Honourable Minister

BA TOWN COUNCIL ANNUAL REPORT 2006

I am pleased to present the Annual Report for Ba Town Council for the financial year ending 31st December, 2006.

Council's Vision:

To enhance business and community development in Ba District through social, economic, sustainable and Green methods.

Mission:

- To deliver the statutory responsibilities of the local government.
- To facilitate access to a healthy and green environment
- To promote health, welfare and convenience of the people of Ba
- Provide a well maintained range of Community leisure and recreation facilities for the enjoyment of the Community.
- To promote more investments and developments for the district and create employment opportunities
- To work hand in hand with business house to further develop business in Ba
- To improve infrastructure and amenities in Ba Town
- To create disaster resilient community

Values:

Ba Town Council's work will be governed in accordance with the Local Government Act and other related Acts and Regulations, Council will take respective actions to ensure that the Council is in line with the Central Government.

Furthermore, council will implement and enforce relevant Local Government and Town Planning Legislations and by-laws to enhance business and community development which confines to Social, Economic, Sustainable and Green method growth.

Council's internal affairs will work according to its respective department SOP's and Council's Code of Conduct.

Council's 5 pillars of strength are:

Honesty

Transparency

Accountability

Responsibility

Dedication.

Ba was settled in 1864 and in 1886 the Rarawai Sugar Mill was established. Following the establishment of the Sugar Mill, Ba began to grow and records show that in 1905 Ba Rural Local Authority was established under the Public Health Ordinance had administered the district of Ba on various matters.

The urbanized area of Varoka was proclaimed as Township under the Township Ordinance in 1939. Local Government Act was enacted in 1972, hence Ba was elevated to Town status in June 1972.

The Town has a well developed urban center with a population of about 18,000 with a total area of 652 hectares.

The Council has five (5) Wards and three (3) Councilors were elected from each Ward on 22 October, 2005 to serve for a term of three (3) years.

- Cr. Praveen Bala (JP) - Mayor
- Cr. Iqbal Nabi - Deputy Mayor

Elected on 30th October, 2005 for next twelve (12) months.

Council carried out Capital Works during the year amounting to \$145,720.52.

The Council met all its loan repayments for the year 2006 and the outstanding loan by end of 2006 was \$3,640,523.00

This report is submitted in accordance with Section 19 of the Local Government Act, Cap. 125.

Yours sincerely

Dip Narayan
Chief Executive Officer

1.1 THE COUNCIL

The following Councillors who were elected on 22nd October, 2005 for a term of three [3] years represented the five [5] wards of the Council.

VARADOLI WARD

Cr. Praveen Bala[JP]
Cr. Denesh Shankar Sharma
Cr. Vellaidan Naicker

VAROKA WARD

Cr. Anita Narayan
Cr. Pauliasi Caucau
Cr. Rajesh Patel[JP]

RARAWAI WARD

Cr. Esala Masi
Cr. Gaj Raj Singh
Cr. John Sawake

YALALEVU WARD

Cr. Ikbal Nabi
Cr. Jagindar Dayal[JP]
Cr. Nemani Cakausesse

NAMOSAU WARD

Cr. Samuela Nakete
Cr. James Benjamin
Cr. Khalid Ali

1.2 ELECTION OF MAYOR AND DEPUTY MAYOR

The following Councillors elected on 28th October, 2005 continued to hold the following Offices respectively:-

Cr. Praveen K. Bala [JP]	-	Mayor
Cr. Iqbal Nabi	-	Deputy Mayor

At the Annual Meeting of the Council held on 30th October, 2006 the following Councillors were elected as Mayor and the Deputy Mayor respectively for the next twelve [12] months:-

Cr. Praveen K. Bala [JP]	-	Mayor
Cr. Anita Narayan	-	Deputy Mayor

1.3 APPOINTMENT OF COMMITTEES

a) Building Health and Works Committee

1]	Cr. Ikbal Nabi	-	Chairman
2]	Cr. Praveen Bala[JP]		
3]	Cr. Vellaidan Naicker		
4]	Cr. Rajesh Patel [JP]		
5]	Cr. Nemani Cakausesse		
6]	Cr. Khalid Ali		
7]	Cr. Esala Masi		

b] **Market Parks and Traffic Committee**

1]	Cr. John Sawake	-	Chairman
2]	Cr. Pauliasi Caucau		
3]	Cr. Samuela Nakete		
4]	Cr. Vellaidan Naicker		
5]	Cr. Nemani Cakausesese		
6]	Cr. Khalid Ali		
7]	Cr. Esala Masi		

c] **Finance Capital Development and General Purposes Committee**

1]	Cr. Rajesh Patel[JP]	-	Chairman
2]	Cr. Praveen Bala[JP]		
3]	Cr. Anita Narayan		
4]	Cr. Ikbali Nabi		
5]	Cr. Khalid Ali		
6]	Cr. Jagindar Dayal [JP]		
7]	Cr. John Sawake		

d] **Library / Parks & Beautification Committee**

1]	Cr. Jagindar Dayal[JP]	-	Chairperson
2]	Cr. Praveen Bala[JP]		
3]	Cr. Khalid Ali		
4]	Cr. Gaj Raj Singh		
5]	Cr. Denesh Shankar Sharma		
6]	Cr. John Sawake		
7]	Cr. Pauliasi Caucau		

e] **Staff and Tender Committee**

1]	Cr. Khalid Ali	-	Chairman
2]	Cr. Praveen Bala[JP]		
3]	Cr. Anita Narayan		
4]	Cr. Jagindar Dayal[JP]		
5]	Cr. Nemani Cakausesese		
6]	Cr. Esala Masi		

1.4 **COUNCIL AND COMMITTEE MEETINGS**

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

Ordinary Council Meetings	-	12
Annual Meeting	-	1
Market and Traffic Committee Meetings	-	12
Building Health and Works Committee Meetings	-	12
Finance Capital Development and General Purposes Committee Meetings	-	12
Staff and Tender Committee Meetings	-	14
Library / Parks & Beautification Committee Meetings	-	12
Special Committee Meetings	-	4
Emergency and Extra Ordinary Council Meetings	-	Nil

1.5 **LIBRARY REPORT**

Ba Town Council Library was officially opened by His Excellency, the Ambassador of Japan to Fiji, Mr. Hisato Murayama on 15th March, 2002.

The Library has been providing services to people of Ba. Also users from as far as Tavua, Rakiraki and Lautoka are daily users of the Library.

Two (2) Staff are in-charge of the Library – 1 appointed by the Council and the other by the Library Services of Fiji.

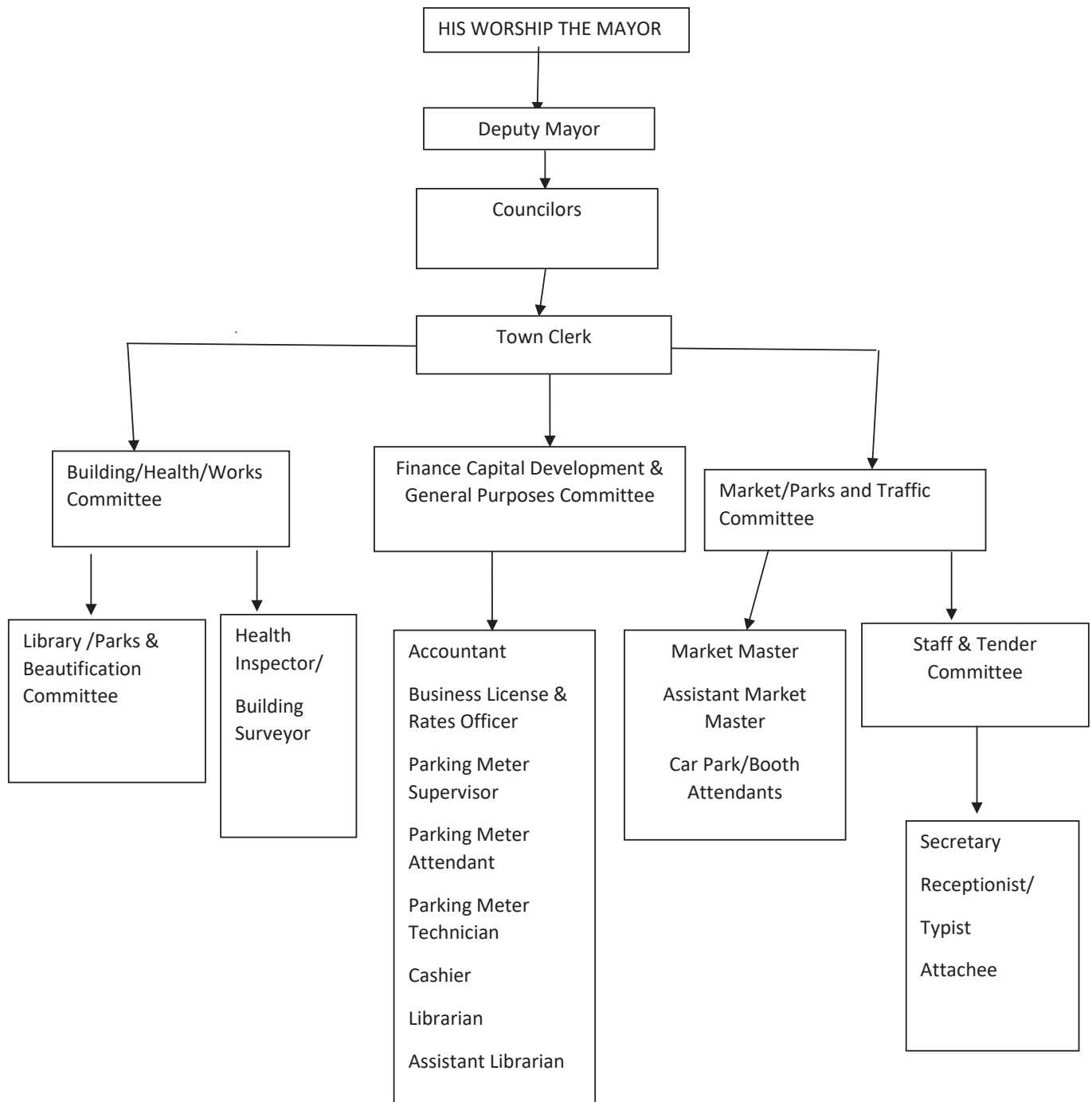
The operating hours are:

- Monday - Thursday - 8.00 am – 4.30 pm
- Friday - 8.00 am – 4.00 pm
- Saturday - 9.00 am – 12.00 pm

The Library Books and other Educational Material were donated by the Council, Embassies and the General Public.

Awareness and activities were organized to mark World Book Day, Library Week, Drug Abuse, Environment Week and Violence Against Women.

BA TOWN COUNCIL
ORGANISATION CHART - 2006



3.0 **OFFICIAL VISITORS TO THE COUNCIL - 2006**

21/7/2006	-	J.F. Bouffandeau French Embassy
21/7/2006	-	Hon. Chaiyanya Lakshman Minister for Local Government, Urban Development, Housing and Environment
21/7/2006	-	Mr. Poseci N. Bune Ministry of Local Government, Urban Development, Housing and Environment
28/11/2006	-	Mr. Robert A. Gordon Melbourne, Australia

4.0 **ANNUAL REPORT OF HEALTH INSPECTOR FOR THE YEAR 2006**

i. **SPECIAL REPORTS**

Food premises such as Restaurants, Refreshment Bars and Bakeries were inspected and notices were issued for improvements before renewal of Business License was carried out

Workshops, meetings and other events were carried out in regards to building and health works to enhance and improve knowledge and information.

6 Water sampling was carried out for bacteriological analysis and was forwarded to Lautoka Hospital and the results were found to be safe for drinking.

<u>ii. Summary of Inspections:</u>			
TYPE OF PREMISES	INSPECTION	REINSPECT	TOTAL
Public Health Complaints and Nuisance	1079	337	1416

iii. **Written Notices, Etc. Issued:**

intimation notice-	11
Overgrowth notice	64

iv. **Summary of Sanitary Improvements**

ITEMS	<u>ORDERED</u>	<u>COMPLETED</u>
Sanitation works	520	327

House to house inspections were carried out for mosquito larval survey, presence of any nuisance and complaint investigations and re-inspections were also carried out as follow ups.

Other business premises and Industrial areas were inspected for renewal of business license and new business license approval.

Public drains, convenience, bus stand, market and parks were also inspected and orders were given for cleaning, removal of refuse, clearing of overgrown grass from vacant lots and abatement of mosquito larval. Total of 520 orders were given and 327 were completed on time.

5. i. Building Applications Received FOR YEAR 2006

Application in respect of Developments:-	No.	Approved	Value
New Buildings	14	14	\$ 1,683,500.00
Alterations and Repairs (Extension)	25	25	\$ 1,373,500.00
Miscellaneous Works (Fencing)	9	9	\$ 34,500.00
Outline Application	0	0	\$ -
TOTAL	48	48	\$ 3,091,500.00

ii.Completion Certificates Issued in Respect of:-	No.	Value
New Commercial Buildings	2	\$ 240,000.00
New Dwellings	3	\$ 123,000.00
Alterations and Repairs/ Extension	4	\$ 124,500.00
Miscellaneous Works	0	\$ -
TOTAL	9	\$ 487,500.00

There were total of 48 building applications received for the year 2006 out of which 14 applications were for construction of new building, 25 applications were for Alteration, Repair or Extension to existing buildings, and 9 applications were for Miscellaneous works which includes Fencing, Retaining Walls etc. with the total Value of **\$3,091,500.00**.

In year 2006 there were 9 under construction buildings that were completed which consists of 2 commercial building, 3 new dwelling house and 4 alteration, repair and extension to existing building with the total value of **\$487,500.00**.

iii. REZONING & SUBDIVISION

There were 5 Rezoning applications received for the year 2006 whereby 4 applications were approved and 1 is still pending which was lodged by Lands Department for New Hospital.

There was no application for subdivision in year 2006.

6.0 **ENVIRONMENT REPORT**

Anti – Litter Works

Litter Authorized Officers monitored anti-littering works. Offenders when sighted were warned and made to comply with litter laws via verbal warnings and also being served with litter notices.

7.0 **Works Supervisors Annual Report for Year 2006**

General duties carried out on daily basis such as market cleaning, street sweeping, public convenience cleaning and drain cleaning.

Through Market cleaning and washing carried out once every week on Sundays. Maintenance of all council properties were carried out when required.

Road patching works were carried out when required. Streetlights maintenance were carried out throughout the year. Contract works were supervised and monitored such as garbage collection and grass cutting.

Special works carried out for year 2006 - installation of monuments at Tabua Park.

Property Management

- Board of survey was carried out by the team. Maintenance of properties were carried out after the inspections carried out by Works Supervisor and Building Inspector.

8. (A). **ANNUAL ACCOUNTS AUDIT**

The Auditor-General of Fiji was the Council's Auditor.

i. **FINANCE**

Analysis of Rate Valuation were as follows:-

a]	Total Valuation	-	\$ 40,575,080
b]	Valuation on Properties Exempted from all Rates	-	\$ 1,398,400
c]	Valuation of Properties Exempted from General Rates	-	\$ 1,418,500
d]	Valuation of Crown Properties	-	\$ 3,396,900
e]	Valuation on Approved Agricultural Rates	-	\$ 749,000

The Rates Levy for 2006 and Rates Income were estimated as follows:-

Rate	Levy Struck in the \$	Total UCV	VAT Inclusive Rate Income
General	0.0083	36,870,780	306,027
Special	0.0031	38,492,380	119,326
Agriculture	10% of General & Special	749,000	853

During the year the Council collected 54% of all rates due.

ii. LOANS

The Council met all its loan repayments for the year 2006. The outstanding loans to lending institutions by end of 2006 were as follows:-

a]	General Fund Account – Fiji National Provident Fund	-	\$ 139,002
b]	Westpac Banking Corporation	-	\$ 540,923
c]	Ba Market Complex A/c – FNPF	-	\$ 3,291,781

			\$ 3,971,706.00

Ba Market Shopping Complex project was undertaken in 2004 wherein a loan of \$3.5 million was approved by FNPF.

iii. FUND BALANCES

A summary of the results [unaudited] of each fund operations for 2006 were as follows:-

Fund	Revenue	Expenditure	Surplus
General Revenue A/c	\$1,540,938	\$1,328,057	\$212,881
Loan Repayment A/c	\$ 113,629	\$ 67,543	\$ 46,086
Parking Meter A/c	\$ 37,638	\$ 25,851	\$ 11,787

iv. CAPITAL PROJECTS

The Council carried out Capital Works during the year amounting to \$145,720:52 as follows:-

1]	Upgrading of Gardens	-	\$ 1,585.00
2]	New Depot – Civic Centre	-	\$ 4,525.00
3]	Plant / Machinery / Equipment & Furniture	-	\$ 10,359.00
4]	Ex-Servicemen’s Monument	-	\$ 177.00
5]	Bus Station Driveway	-	\$ 12,402.87
6]	New Car Park	-	\$ 1,382.00
7]	Market Ground Upgrading	-	\$ 3,440.00
8]	Computer / TV	-	\$ 6,022.00
9]	Upgrading Nabeka Street	-	\$ 21,681.00
10]	New Footpath (Meenoos Fountain)	-	\$ 2,169.11
11]	Racecourse Road	-	\$ 6,957.53
12]	New Car Park – Rarawai Road	-	\$ 5,231.11
13]	Meenoos Fountain	-	\$ 18,344.46
14]	Ba Market Complex	-	\$ 35,444.44
15]	Vehicles	-	\$ 16,000.00

			\$145,720:52
			=====

v. COUNCIL INSURANCE

A Comprehensive Insurance Cover was held with Sun Insurance on all Council’s properties and assets with effect from 4.00pm 31/12/04, which was renewed on 31/12/05.

Insurance for project under construction - Ba Market Complex was covered by the Building Contractor.

The Policies covered the consequential losses, fire, burglaries, plate glass, personal accidents and professional indemnity.

vi. PUBLIC PARKS

The Council maintained all its parks, gardens and recreational reserves to the highest level, giving the people of Ba opportunity to make best use of it.

vii. GOVIND PARK

The Govind Park ground together with part of the Air Strip was leased out to Fiji Football Association for a term of ten (10) years effective from 1st of October, 2001.

(B.) MARKET REPORT 2006

The Market consisted of three full-time Staff, Market Master and two Market Attendants. The Market is under the immediate management and control of Market Master who is appointed by and is responsible to the Council.

Ba Municipal Market is located towards the South of the Town, close to the new Complex area beside the Bus Station.

The Market is divided into two sections:-

- (i) Main Market
- (ii) Open Market.

Main Market consist of following Stalls:-

- (i) Permanent Stalls
 Temporary Stalls
 Lock-Up Stalls
 Lock-Up Canteens
 Fish Stalls
 Seafood Stalls.
- (ii) Open Market has temporary Stalls with Sale of Produce, Live Chicken and Live Stock (Goat).

(b) Total Number of Stalls in Open Market:

The Open Market has a total of 366 temporary Stalls.
Outside Market also has 9 Sweet Carts and 1 Fancy Goods Cart.

Market Charges:

Sale of vegetable per stall per day	-	\$1-10
Sale of groceries per stall per day	-	\$1-65
Sale of crabs and other shell fish per bundle	-	\$1-10
Sale of mussels and kai per stall per day	-	\$1-10
Lock Up Stall per month	-	\$220-00
Lock Up Canteen per month	-	\$480-00

Fish	-	\$0-33 per kg
Sale of Live Chicken	-	\$0-55 per head per day
Sale of Live Stock (goat) per day	-	\$2-20 per head
Sale of Tobacco per stall per day	-	\$1-65
Sale of handicraft per stall per day	-	\$1-65
Vegetable wholesale per day	-	\$1-10
Groceries wholesale per 3 ton truck	-	\$2.25 per day
General wholesale per big trucks	-	\$3.38 per day
Sweet Cart per week	-	\$9.00
Fancy Cart per week	-	\$10.69

Market Revenue:

(i)	Market Inside	-	\$108,118.47
(ii)	Market Outside	-	\$ 45,439.37
(iii)	Kai/ Others	-	\$ 3,963.31
(iv)	Fish	-	\$ 4,218.16
(v)	Poultry	-	\$ 549.51
(vi)	Crabs	-	\$ 299.77
(vii)	Goats	-	\$ 393.85
(viii)	Lock Up Stall	-	\$ 14,862.47
(ix)	Lock Up Canteen	-	\$ 8,284.09
(x)	Sweet Cart	-	\$ 3,752.00
(xi)	Fancy Cart	-	\$ 494.00

\$190,375.00

Conclusion:

2006 was a successful year for Ba Town Council as good revenue was collected from the Market alone.

(C.) PARKING METER REPORT 2006

The Department of Parking Meter consisted of three (3) Authorised Enforcement Officers.

The Officers carried out their duties as follows:

Mohammed Shafiq : Booking Officer - Parking Meter Bookings and other offence bookings, toll collection, search at LTA, office work included follow ups, serving of second notices, filing of offences in Court and updating of statistics, and also carried out Anti-Litter work.

Ravindra Kumar : Department Technician, Parking Meter Booking Officer, tolls collection and search at LTA for Vehicle Registration.

Keni Doidoi : Full-Time Parking Meter Bookings.

The Council had 152 metered spaces in Town which were as follows:-

(a)	Ganga Singh Street	-	35
(b)	Bank Street	-	20
(c)	Main Street	-	97

			152

Regulations:

The Parking Meter Department's prime function was to enforce Sections 85(1)(a) and 87 of Land Transport (Traffic) Regulations 2000 and act on related circumstances of Parking Meter Bookings.

Also the delegation of Enforcement Authority to Council Officers enabled us to enforce parts of LTA Acts and Regulations for the purpose of controlling and regulating traffic flow in Ba Town, which included:-

- (a) Parking Meter Offence
- (b) Regulations 20 and 87 of LTA Act
Illegal Parking and Stopping
- (c) Illegal Operation of Taxi, Carrier, Bus and Mini Bus Stands.
- (d) Carried out operations against illegal operators i.e. Mini Vans and Private Cars plying for hire.

Meter Maintenance:

Parking Meters on the streets were repaired and maintained on daily basis by the Parking Meter Technician. These works included:-

- (i) Clearing Blocked Meters
- (ii) Replacing Damaged Parts
- (iii) Adjusting Improper Readings
- (iv) Servicing Parking Meter Mechanism and Stripes and Reassembling Multiple Parts
- (v) Winding of all Parking Meters twice a week.

Toll Collection:

Parking Meter toll collections were carried out twice a week that is on Tuesdays and Fridays by the Technician and any one Officer from the Department.

Legal Proceedings:

The prosecution and execution of traffic cases were put on hold due to resignation of Prosecutor / Parking Meter Supervisor, Mr. Abhay Kumar who had joined Sigatoka Town Council.

Free Parking:

There were many areas of free parking within Town. Some of the vehicles were parked in these areas the whole day. To solve this problem the Council had put up 'No Parking Signs' around Town to boost the Department's revenue.

D. COUNCIL'S COMMENT ON AUDITOR GENERAL'S OPINION

Council is aware that there are some rate payers facing hardship due to which they won't be able to pay arrears of rates, therefore, there will be doubtful debts.

9. APPRECIATION AND ACKNOWLEDGEMENT

The Council wishes to show its appreciation and gratitude to the Business Houses, Ratepayers and other Stakeholders for paying their Business License Fee, Rates and other dues to meet the running cost of the town's administration.

The Council also wishes to acknowledge the dedicated services rendered by its Management, Staff and Workers

Ba Town Council also wishes to record with appreciation the assistance and support given by the Minister for Local Government, Housing, Squatter Settlement and Environment, the Permanent Secretary, the Director, Local Government and Staff, including the Director, Town and Country Planning for their assistance and guidance which greatly facilitated the effective administration of the Council.

We would also like to thank various Government Departments, Donor Agencies, Non-Government Organisations, Private Institutions and the Public for their support during the year.

DIP NARAYAN
CHIEF EXECUTIVE OFFICER



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

REPUBLIC OF THE FIJI ISLANDS
OFFICE OF THE AUDITOR GENERAL



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



ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

File: 702/1

21 October 2008

Cr. Praveen Bala
The Mayor
Ba Town Council
PO Box 184
BA

Dear Cr. Bala

**AUDIT OF BA TOWN COUNCIL ACCOUNTS FOR THE YEAR ENDING 31
DECEMBER 2006**

Two copies of the financial statements of the year ending 31 December 2006 together with the audit reports on them are enclosed. A copy of the report is being sent to the Minister for Local Government, Urban Development and Public Utilities in accordance with section 53 of the Local Government Act.

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

Yours sincerely

Eroni Vatuloka
AUDITOR GENERAL

cc. The Minister of Local Government, Urban Development and Public Utilities

Encl.

BA TOWN COUNCIL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

Contents

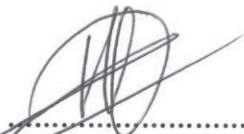
Table of contents.....	1
Council's statement.....	2
Independent Audit Report.....	3
Statement of financial position - General Fund.....	4
Statement of financial position - Parking Meter Fund.....	5
Statement of income and expenditure - General Fund.....	6-7
Statement of income and expenditure - Loan Fund.....	8
Statement of income and expenditure - Parking Meter Fund.....	9
Statement of cash flows - General Fund.....	10
Statement of cash flows - Parking Meter Fund.....	11
Notes to the financial statements.....	12-19

**BA TOWN COUNCIL
GENERAL FUND**

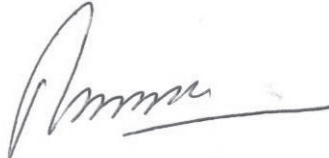
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2006

COUNCIL'S STATEMENT

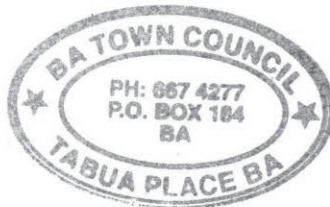
In our opinion the Financial Statements have been properly drawn up so as to show a true and fair view of the Ba Town Council's operations for the year ended 31st December 2006 and of the state of affairs as at that date.



.....
TULSI RAM
TOWN CLERK / CEO



.....
CR. PRAVEEN BALA [JP]
MAYOR OF BA



REPUBLIC OF THE FIJI ISLANDS
OFFICE OF THE AUDITOR GENERAL



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



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



ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

INDEPENDENT AUDIT REPORT

Scope

I have examined the financial statements of the Ba Town Council for the year ended 31 December 2006 in accordance with the provisions of the Local Government Act and section 13 of the Audit Act. The Ba Town Council is responsible for the preparation and presentation of the financial statements and the information they contain.

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

My audit was conducted in accordance with the Fiji Standards on Auditing to provide reasonable assurance as to whether the financial statements are free of material misstatements. My audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are fairly stated in accordance with Fiji Accounting Standards and statutory requirements so as to present a view which is consistent with my understanding of the Council's financial position, the results of its operations and its cash flows.

Qualifications

(a) As discussed in Note 4, The Council has recorded Receivables of \$1,085,741. I consider that a provision of \$282,176 is required to fully account for the Council's doubtful debts at year end. This provision, if recorded, would decrease the net surplus of the General fund of the Council for the year by \$282,176 and decrease the accumulated General fund balance by the same amount.

(b) Although the Council has presented accrual 2006 financial statements, it has not made necessary accounting treatments and actions for the accrual accounts such as opening reversals, asset recognitions and measurement and creditor confirmation.

Qualified Audit Opinion

In my opinion, except for the matters referred to in the qualification paragraphs, the financial statements do present fairly the financial position of the Council as at 31 December 2006 and the result of its operations and cashflows for the year then ended.


Eroni Vatuloka
AUDITOR GENERAL

Suva, Fiji

14/10/2008



**BA TOWN COUNCIL
GENERAL FUND ACCOUNT**

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2006

	Notes	2006	2005
		\$	\$
CURRENT ASSETS			
Cash	2	553,609	463,345
Term deposit	3	100,000	91,301
Receivables	4	1,085,741	2,047
Advance	5	200,049	220,049
Total current assets		1,939,399	776,742
NON CURRENT ASSETS			
Property, plant and equipment	6	19,502,688	3,327,603
Total non current assets		19,502,688	3,327,603
TOTAL ASSETS		21,442,087	4,104,345
CURRENT LIABILITIES			
Creditors and borrowings	7	119,512	55,247
Term loans	8	235,045	215,420
Provisions	9	11,674	-
Total current liabilities		366,231	270,667
NON CURRENT LIABILITIES			
Term loans	8	3,736,661	3,800,606
Total non current liabilities		4,102,892	4,071,273
TOTAL LIABILITIES			
NET ASSETS		17,339,195	33,072
MUNICIPAL FUNDS			
Accumulated general fund (Page 6)		6,451,836	454,254
Loan rate fund (Page 7)		(129,259)	(421,182)
Reserves	10	11,016,618	-
TOTAL MUNICIPAL FUNDS		17,339,195	33,072

(The accompanying notes are to be read in conjunction with the Financial Statements)

Council's Statement

In our opinion, the financial statements have been drawn up as to give a true and fair view of the state of affairs, operations and cash flows of the Ba Town Council for the year ended 31 December 2006.

.....
Tulsi Ram

Town Clerk

Date: 4/9/2008

.....
Cr Praveen Bala

Mayor

Date: 4/9/2008

BA TOWN COUNCIL**STATEMENT OF FINANCIAL POSITION - PARKING METER FUND****AS AT 31 DECEMBER 2006**

	Notes	2006 \$	2005 \$
CURRENT ASSETS			
Cash	2	15,155	25,400
Receivables	4	-	(407)
Total current assets		<u>15,155</u>	<u>24,993</u>
NON CURRENT ASSETS			
Property, plant and equipment	6	<u>29,981</u>	-
Total non current assets		<u>29,981</u>	-
TOTAL ASSETS		<u>45,136</u>	<u>24,993</u>
CURRENT LIABILITIES			
Creditors and borrowings	7	200,049	220,049
Provisions	9	596	-
Total current liabilities		<u>200,645</u>	<u>220,049</u>
TOTAL LIABILITIES		<u>200,645</u>	<u>220,049</u>
NET ASSETS		<u>(155,509)</u>	<u>(195,056)</u>
Capital employed			
ACCUMULATED FUNDS (Page 9)		(185,490)	(195,056)
Asset revaluation reserve	10	<u>29,981</u>	-
		<u>(155,509)</u>	<u>(195,056)</u>

The accompanying notes form an integral part of this balance sheet.

For and on behalf of the board and in accordance with a resolution of the Council.

.....
Tulsi Ram

Town Clerk

.....
Cr Praveen Bala [JP]

Mayor

BA TOWN COUNCIL**STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND****FOR THE YEAR ENDED 31 DECEMBER 2006**

INCOME	2006	2005
	\$	\$
Building and subdivision	15,855	5,564
Bus station	30,035	29,664
Business, trading and other licenses	93,981	93,461
Hire auditorium fees	4,653	1,600
Government grant	7,500	8,750
Garbage dump	-	8,533
General rate	256,508	220,235
Interest - overdue rates	113,829	5,159
Market	190,375	212,622
Municipal car park	137,295	127,516
LICI Commission	2,705	275
Sports grounds	15,020	15,138
Deposit	578	-
Rent from council properties	636,172	550,615
Sundries	36,432	61,438
Total income	1,540,938	1,340,570
EXPENDITURE		
Administration	187,307	104,040
Bus station, civic building, depot & staff quarters	17,488	13,841
Interest on loan	206,787	-
Library services	5,666	5,515
Property expense	48,602	59,330
Council expenses	46,575	27,419
Election expense	150	14,577
Health and building	84,320	80,745
Ba market complex	-	64,341
Market	105,125	88,500
Miscellaneous	9,147	-
Mayoral expense	400	400
Municipal car park	41,016	39,477
Parks and gardens	52,682	43,415
Capital development expense	217,820	235,292
Municipal hall	15,688	6,992
Public works	226,343	251,673
Sick, accident and holiday pay	18,012	-

BA TOWN COUNCIL**STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2006**

	Notes	2006 \$	2005 \$
Bank fees and charges		2,621	2,642
Streetlights		38,353	32,622
Town decoration		3,955	18,321
Total expenditure		<u>1,328,057</u>	<u>1,089,142</u>
Surplus for the year		212,881	251,428
Prior year adjustment	11	5,784,701	-
Net surplus for the year		<u>5,997,582</u>	<u>251,428</u>
Accumulated funds at the beginning of the year		454,254	202,826
Accumulated funds at the end of the financial year		<u><u>6,451,836</u></u>	<u><u>454,254</u></u>

The accompanying notes form an integral part of this income statement.

BA TOWN COUNCIL
STATEMENT OF INCOME AND EXPENDITURE - LOAN RATE FUND
FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006 \$	2005 \$
INCOME			
Loan rate		113,629	105,351
Total income		<u>113,629</u>	<u>105,351</u>
EXPENDITURE			
Interest		67,543	260,262
Principal repayment		-	104,562
		<u>67,543</u>	<u>364,824</u>
Surplus/(deficit) for the year		46,086	(259,473)
Prior year adjustment	11	245,837	-
Net surplus/(deficit) for the year		<u>291,923</u>	<u>(259,473)</u>
Accumulated funds at the beginning of the year		(421,182)	(161,709)
Accumulated fund at the end of the financial year		<u>(129,259)</u>	<u>(421,182)</u>

The accompanying notes form an integral part of this income statement.

BA TOWN COUNCIL
STATEMENT OF INCOME AND EXPENDITURE - PARKING METER FUND
FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006 \$	2005 \$
INCOME			
Traffic offence		263	-
Infringement fines		8,933	7,578
Meter tolls		28,077	19,652
Warrant fees		365	217
Total income		<u>37,638</u>	<u>27,447</u>
EXPENDITURE			
Verification and license		2,501	2,584
Towing fees		84	-
Meter maintenance		1,564	5,759
Miscellaneous		311	1,110
Telephone		112	284
Postage		634	129
Printing & stationery		2,285	1,594
Salaries, wages and related payments		18,360	31,301
Legal and search fees		-	730
Total expenditure		<u>25,851</u>	<u>43,491</u>
Net surplus for the year		11,787	(16,044)
Prior year adjustment	11	(2,221)	-
Accumulated funds at the beginning of the year		<u>(195,056)</u>	<u>(179,012)</u>
Accumulated fund at the end of the financial year		<u>(185,490)</u>	<u>(195,056)</u>

The accompanying notes form an integral part of this income statement.

BA TOWN COUNCIL
STATEMENT OF CASH FLOWS - GENERAL FUN
FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006 Inflows/ (Outflows)	2005 Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from customers		1,472,552	1,340,570
Payments to trade creditors, other creditors and employees		(1,214,584)	(1,118,369)
Interest paid		(67,543)	(260,262)
Net cash provided by Operating Activities	16 (a) (i)	<u>190,425</u>	<u>(38,061)</u>
Cash flows from investing activities			
Acquisition of property, plant & equipment		(28,415)	(231,693)
Net cash used in Investing Activities		<u>(28,415)</u>	<u>(231,693)</u>
Cash flows from financing activities			
(Repayment)/proceeds of borrowings		(44,320)	552,538
Receipt/(advance) to Parking Meter		20,000	(31,865)
Net cash provided by Financing Activities		<u>(24,320)</u>	<u>520,673</u>
Net decrease in cash and cash equivalents		137,690	250,919
Cash and cash equivalent at the beginning of the year		<u>501,899</u>	<u>250,980</u>
Cash and cash equivalent at the end of the year	16 (a) (ii)	<u>639,589</u>	<u>501,899</u>

The accompanying notes form an integral part of this cash flow statement.

BA TOWN COUNCIL
STATEMENT OF CASH FLOWS - PARKING METER FUND
FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006 Inflows/ (Outflows)	2005 Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from customers (meter tolls and other revenues)		37,638	27,447
Payments to suppliers and employees		(27,883)	(43,117)
Net cash provided by Operating Activities	16 (b) (i)	<u>9,755</u>	<u>(15,670)</u>
Cash flows from investing activities			
(Decrease)/Increase in advance from general fund		(20,000)	31,865
Net cash used in Investing Activities		<u>(20,000)</u>	<u>31,865</u>
Net (decrease)/increase in cash and cash equivalents		(10,245)	16,195
Cash and cash equivalent at the beginning of the year		<u>25,400</u>	<u>9,205</u>
Cash and cash equivalent at the end of the year	16 (b) (ii)	<u>15,155</u>	<u>25,400</u>

The accompanying notes form an integral part of this cash flow statement.

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Set out hereunder are the significant accounting policies adopted by the Council in the preparation of the Accounts for the year ended 31 December 2006 unless otherwise stated similar policies were followed in the previous year. All amounts are stated in Fijian currency.

(a) Basis of Accounting

The accrual basis of accounting is adopted for all financial transactions with the exception of parking meter infringement fines. The financial statements have been prepared on the basis of historical cost and do not take into account changing money values. However, assets were revalued as at 31st December 2006 and recorded accordingly. The Council has adopted the cash basis of accounting up to the financial year ended 31 December 2005.

(b) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation as at the balance date. When assets are retired or otherwise disposed, the related cost is removed from the accounts and any profit or loss arising there from is included in the statement of income and expenditure.

(c) Depreciation

Property, Plant and Equipment are depreciated over their estimated useful lives using the diminishing value method at the following rates:-

	<u>Rate</u>
Leasehold land	over life of lease
Buildings	1% to 5%
Furniture and fittings	10% to
Plant and equipment	10% to
Motor vehicles	15% to
Road, footpath and drains	10%

(d) Receivables

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

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2006

(e) Expenditure relating to Roads, Footpaths and Drains

The valuation of the above items had been carried out by Fairview Valuations of Suva, Fiji.

(f) Revenue

Revenue is recognised in the Statement of Income and Expenditure when charged to the ratepayers by the Council. The major sources of revenue are collections in the form of General rates, Loan rates and rental income from the Council's properties.

(g) Fund Accounting

The Council has adopted a fund accounting system as a considerable part of annual revenues comprises rates for different purposes and special purpose funds as required by the Local Government Act. Accordingly it is necessary to establish separate fund to recover the amounts received, expenditure incurred and the net balance of funds available to be carried forward into the next financial period.

The identification of funds is maintained throughout the accounting system, thus providing the control necessary to ensure that each fund is used only for the purpose for which it is received.

Details of Special Purpose Funds maintained by the council are:-

Parking Meter Fund

The Council, in compliance with the Land Transport Act, has to maintain a separate account for the operation of Parking Meters in designated areas of roads within the city. At year end there was approximately 9332 tickets outstanding for 2006 which was not taken into the accounts.

(h) Income Tax

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

(i) Comparatives

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

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2006

(i) Leave Entitlement

The Council provides for long service leave entitlements for all salaried staff who have served the Council continuously for 15 years or more at the rate of 10 days per year of service.

For labourers 5 days after completion of 15 years of service plus another 10 days after 20 years of service

NOTE 2. CASH AT BANK AND ON HAND		2006	2005
		\$	\$
General Fund			
Cash on hand		200	-
Cash at bank	Civic Building Account	6,916	9,551
	Ba Market Complex Acc	241,214	166,777
	Reserve Account	22,064	1,064
	Capital Works Account	283,215	285,953
		<u>553,609</u>	<u>463,345</u>
Parking Meter Fund		\$	\$
Cash at bank		<u>15,155</u>	<u>25,400</u>
		<u>15,155</u>	<u>25,400</u>
NOTE 3. TERM DEPOSITS		\$	\$
General Fund			
Term deposit		<u>100,000</u>	<u>91,301</u>
		<u>100,000</u>	<u>91,301</u>
Interest earned from the above term deposit added to the principal amount			
NOTE 4. RECEIVABLES		\$	\$
General Fund			
Rate debtors		1,085,194	-
Other sundry debtors		<u>547</u>	<u>2,047</u>
		<u>1,085,741</u>	<u>2,047</u>
Parking Meter Fund			
Other sundry debtors		<u>-</u>	<u>(407)</u>

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2006

	2006	2005
NOTE 5. ADVANCE	\$	\$
Advance to parking meter	200,049	220,049
NOTE 6. PROPERTY, PLANT AND EQUIPMENT	\$	\$
General fund		
Leasehold land - at valuation	4,056,950	-
Building - at valuation	12,886,923	
Plant and equipment - at valuation	161,473	-
Roads and drainage - at valuation	2,264,950	-
Motor vehicles - at valuation	132,392	-
Property, plant and equipment	-	3,327,603
Total property, plant and equipment, net - General Fund	19,502,688	3,327,603
<u>Parking Meter account</u>		
Office equipment and fixtures - at valuation	1,141	-
Plant, machinery and tools - at valuation	28,840	-
Total property, plant and equipment, net - Parking meter	29,981	-

Property, plant and equipment were revalued as at 31 December 2006 by Fairview Valuations, Suva.

(a) Movements in Carrying Amounts - General Fund

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

General Fund	\$	\$
<u>Leasehold land - valuation</u>		
Carrying amount at beginning	4,056,950	-
<u>Building - valuation</u>		
Carrying amount at beginning	12,886,923	-
<u>Plant and equipment - at valuation</u>		
Carrying amount at beginning	161,473	-
<u>Roads and drainage - at valuation</u>		
Carrying amount at beginning	2,264,950	-
<u>Motor Vehicles - at valuation</u>		
Carrying amount at beginning	132,392	-
Property, plant and equipment	-	3,327,603
Total balance as at 31 December 2006	19,502,688	3,327,603

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2006

(a) Movements in Carrying Amounts - Parking Meter Fund		
<u>Parking Meter</u>		
Office equipment and fixtures - at valuation	\$	\$
Carrying amount at beginning	1,141	-
<u>Plant, machinery and tools - at valuation</u>		
Carrying amount at beginning	28,840	-
Total balance as at 31 December 2006	29,981	-
<hr/>		
NOTE 7. CREDITORS AND BORROWINGS	\$	\$
<u>General Fund</u>		
Bank overdraft	14,020	52,747
Sundry creditors and accruals	43,955	-
Other creditors	6,338	-
Sundry Deposits	2,700	2,500
VAT payable	52,499	-
	119,512	55,247
<hr/>		
	\$	\$
<u>Parking Meter Fund</u>		
Advance from general fund	200,049	220,049
Other creditors	554	-
	200,603	220,049
<hr/>		
NOTE 8. TERM LOANS	\$	\$
<u>General Fund</u>		
Westpac Banking Corporation	540,923	570,217
Fiji National Provident fund (1)	139,002	167,102
Fiji National Provident fund (2)	3,291,781	3,278,706
	3,971,706	4,016,025
<hr/>		
Loan principal commitment at balance date:		
Payable within one year	235,045	215,420
Payable later than one year, not later than two years	253,136	234,771
Payable later than two years, not later than five years	841,022	840,015
Payable later than five years	2,642,503	2,725,819
	3,971,706	4,016,025
<hr/>		
Represented in the balance sheet as:		
Current	235,045	215,420
Non-current	3,736,661	3,800,605
	3,971,706	4,016,025
<hr/>		

Loans raised by the Council bear interest charges ranging from 6.80% to 10.49% per annum. All loans are secured by Pari Passu Debenture Deeds covering the present and future assets of the Council.

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2006

NOTE 9. PROVISIONS

General Fund

Annual leave

2006

\$

2005

\$

11,674

-

Parking Meter Fund

Annual leave

596

-

NOTE 10. RESERVES

Current account

Asset revaluation reserve

\$

\$

11,016,618

-

Asset Revaluation Reserve comprise of :

Revaluation increment on assets

11,016,618

-

11,016,618

-

Parking meter account

Asset revaluation reserve

29,981

-

Asset Revaluation Reserve comprise of :

Revaluation increment on assets

29,981

-

29,981

-

NOTE 11. PRIOR YEAR ADJUSTMENT

This represents the capital expenditure previously being expensed and other accrued income.
 It is represented as follows:

	2006	2005
	\$	\$
Assets expensed in prior years	5,129,862	-
Rates - general	337,129	-
Interest	375,349	-
Miscellaneous	10,907	-
Creditors and accruals	(24,355)	-
Prior year expenses	(44,191)	-
	<u>5,784,701</u>	<u>-</u>
Rates - special	245,837	-
Parking Meter	(2,221)	-
	<u>6,028,317</u>	<u>-</u>

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2006

NOTE 12. CAPITAL COMMITMENTS

Capital commitment at balance date is NIL (2005 - NIL)

NOTE 13. CONTINGENT LIABILITIES

An amount of \$71,818 is held at WBC as a guarantee in respect of FEA for Civic building and Ba market Complex Building.

NOTE 14. PRINCIPAL ACTIVITY

The Ba Town Council was established under the Local Government Act to provide for the health, welfare and convenience of the inhabitants of the Ba Town Municipality and to preserve the amenities or credit thereof.

NOTE 15. SUBSEQUENT EVENTS

Since the end of the financial year, the Council is not aware of any matter or circumstance not otherwise dealt with in the report or financial statements that has significantly or may significantly affect the operations of the Council, the results of those operations or state of affairs of the Council in subsequent years.

NOTE 16. NOTES TO THE STATEMENT OF CASH FLOWS

(i) Reconciliation of Net Cash provided by Operating Activities to Net Surplus	2006	2005
	\$	\$
Net surplus/(deficit) for the year - General fund	5,997,582	251,428
Net surplus/(deficit) for the year - Loan rate fund	291,923	(259,473)
Loan repayment	-	104,562
Prior year adjustment	(6,099,274)	-
Net cash provided by operating activities before changes in assets and liabilities	190,231	96,517
Change in assets and liabilities:		
Increase in other assets	(114,472)	-
Increase in provisions	11,674	-
Increase in creditors and borrowings	102,992	(134,578)
Net cash inflows from operating activities	190,425	(38,061)

(ii) **Cash and Cash Equivalents**

For the purpose of the statement of cash flows, cash comprises of cash on hand and at bank. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

BA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2006

NOTE 16. NOTES TO THE STATEMENT OF CASH FLOWS (Continued)

(ii) Cash and Cash Equivalents (continued)

	2006	2005
	\$	\$
Cash on hand and at bank	553,609	463,345
Bank overdraft	(14,020)	(52,747)
Term deposit	100,000	91,301
	<u>639,589</u>	<u>501,899</u>

(b) Parking Meter Fund

(i) Reconciliation of Net Cash provided by Operating Activities to Net Surplus

	\$	\$
Net (deficit)/surplus for the year	9,566	(16,044)
Depreciation	-	-
Net cash provided by operating activities before changes in assets and liabilities	<u>9,566</u>	<u>(16,044)</u>
Change in assets and liabilities:		
(Decrease)/increase in sundry creditors	(407)	374
Increase/(decrease) in provisions	<u>596</u>	<u>-</u>
Net cash inflows from operating activities	<u>9,755</u>	<u>(15,670)</u>

(ii) Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash comprises of cash on hand and at bank, net of outstanding bank overdraft. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	\$	\$
Cash on hand	-	-
Cash at bank	<u>15,155</u>	<u>25,400</u>
	<u>15,155</u>	<u>25,400</u>

