



SAVUSAVU TOWN COUNCIL



ANNUAL REPORT

2006



PARLIAMENT OF FIJI
PARLIAMENTARY PAPER NO. 127 OF 2020



SAVUSAVU TOWN COUNCIL

ANNUAL REPORT FOR THE YEAR 2006





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The Honorable Premila Kumar
Minister for Local Government, Housing & Community Development
Gladstone Road
Suva

Dear Madam

I have much pleasure in submitting the Savusavu Town Council Annual Report 2006.

The report provides activities of the Council throughout the year.

The Annual Report 2006 has been prepared in the accordance with the provisions of section 19 (1) (a), (b) and (c) of the Local Government Act Cap.125.

Yours Faithfully

Seema Shiwani Dutt
Chief Executive Officer
Savusavu Town Council

FORWARD

I am pleased to present the 2006 Annual Report for Savusavu Town Council. This provides us opportunity to reflect on the highlights and events that have transpired through the course of the Council's operation.

For the past year, the Savusavu Town Council has earnestly endeavored to pursue its mandate of providing effective and efficient basic services to our people. This year has brought many challenges with revenues from only 578 ratepayers, business licenses and taxi, carrier and bus operators. I hope all of this year's hard work is appreciated by our ratepayers and clients regardless of the financial difficulties faces by the council.

As I present to you our council's Annual Report for the year 2006, may all of us realize that we are part of the progress of our town, and each of us play a vital role in its growth and development. Opportunities are open for us to capitalize on our strengths and strengthen our weaknesses.



Seema Shiwani Dutt
For Chief Executive Officer
Savusavu Town Council

ANNUAL REPORT FOR THE YEAR 2006



1. Mayor & Councilors

The Mayor is elected on a year term and Councilors were each elected for a three year term.

Each members were elected by the Councilors of the year as follows:

Cr. Ram Pillai - His Worship the Mayor
Cr. Shiu Shankar Singh - Deputy Mayor
Cr. Peni Naulu(JP)
Cr. Vimal Prasad
Cr. Ali Hussein
Cr. Ravi C Maharaj
Cr. Pettine Simpson
Cr. Manoj Kumar
Cr. Ashok Kumar

2. Appointment of Committees

- a. Ordinary Full Council
- b. Finance, Administration, General Purpose
- c. Building , Health, Civic Amenities & Environment
- d. Subdivision of Land, Foreshore Development & Squatter Settlement

3. Meetings

Meetings held during the year by the Council were as follows:

<i>a. Full Council</i>	<i>.....11</i>
<i>b. Special Full Council</i>	<i>.....6</i>
<i>c. Building & Health</i>	<i>.....10</i>
<i>d. Finance</i>	<i>.....10</i>
<i>e. Subdivision of Land</i>	<i>.....10</i>

4. Officers In the Council

<i>Town Clerk/ C.E.O</i>	<i>- Mr. Dharmendra Lal(JP)</i>
<i>Accounts Clerk</i>	<i>- Mr. Shiu Chand</i>
<i>Cashier</i>	<i>- Miss Mere Ravisa</i>
<i>Enforcement Officer</i>	<i>- Mr. Wame Nabete</i>
<i>Health Inspector/ Building Surveyor</i>	<i>- Mr. James Billings</i>
<i>Typist Clerk</i>	<i>- Mrs. Unaisi Ibetabakaucere</i>
<i>Recorder Clerk</i>	<i>- Miss Minu Rita</i>
<i>Market Master</i>	<i>- Mr. Tandraiya Goundar</i>
<i>Rates Clerk</i>	<i>- Mr. Sanjesh Gounden</i>
<i>Total Labourers</i>	<i>- 9 Labors</i>

5. Council Solicitor

- Munro Leys
- Siwatibau & Sloan

6. Council Auditors

ERNST & YOUNG – Contracted by Auditor General's office



7. Finance

The finance and other records and improvements carried out during the year were as follows:

8. Town Rates Levy

General Rates : 0.0145

Special Loan Rate : 0.0053

Total Cents in the \$: 0.0198

December 2005

Bank balance as at 31/12/05- \$66,253.00

9. Town Rates Valuation

The unimproved capital value of ratable land within the town was \$12,373,950.00. These comprised of 495 ratable properties with area of 249:4599 hectares and serving an estimated population of 3,000 people. The increase in valuation – u.c.v. 2004: 15,703,060.00 of 567 properties, 26.9% increase. The Council went to the Ministry of Local Government to defer the implementation of the valuation.

10. Budget

10.1 Recurrent Revenue & Expenditure

The total current revenue and expenditure of the Council for final year ending 31st December, 2006 were as follows:

Revenue - \$554,861.00

Expense – \$498,355.00

Deficit – \$52,006.00

The rate levy for 2006 and rates income were estimated as follows on 2004 valuation:

RATE	LEVY STRUCK IN THE \$	TOTAL U.C.V	RATE INCOME
GENERAL	11,510,285	0.0145	166,899
LOAN	11,510,285	0.0053	61,005

The Savusavu Town Council has three (3) major sources of revenue:

1. *Town rates*
2. *Market fees*
3. *Business License*

During the year the Council collected: \$233,845.00 of 2006 rates.

: \$0.00 Arrears of rates

11. CAPITAL PROJECTS

Nil

12. PARKS & RECREATIONAL FACILITIES – GANILAU PARK

The Council continued to serve the needs of the sports people from the rural areas. Soccer and Rugby remains the major games played in town.

13. PUBLIC PARKS

The Council continued to maintain the parks to an acceptable standard.

14. BUSINESS LICENSE

The Council is the Licensing Authority under Business Licensing Act, Cap 204.

The following survey was executed regarding the business license:

- *Regular inspections before renewal of license*
- *Inspection on fire safety by National Fire Authority*

15. FIELD WORK

15.1 Labourers

The Council has nine (9) unestablished labourers carrying out all field works as follows:

Garbage Collection- Monday, Wednesday & Friday

Weeding/ Drainage

Raking (Main town) – from 6.00a.m

Flower Garden

Clearing of garbage Dump

Repair & Maintenance work of Council properties

16. MARKET

The market was under the management of a Market Master and controlled by the Market By-Laws.

16.1 Market Collection/2006 - \$86,246.00

16.2 Market Washing

The washing of the market is carried out once a month as required by the Health Department.

17. Number of Visitors to the Council during the Year

18. PUBLIC HEALTH

The Council continued to promote the Health Welfare and convenience of the inhabitants of the municipality within the limits of its resources.

Health Inspector's Report for the year.

HEALTH INSPECTOR/BUILDING SURVEYORS REPORT FOR THE MONTH OF DECEMBER 2006

APPLICATION RECEIVED FOR CONSIDERATION

STC REF NO.	OWNER	PROPOSAL	VALUE (\$)	BLDG FEES (\$)	COMMENTS
81/06	JOSEPH ANTONIO	EXTENSION AND RENOVATION	15,000.00	22.00	LOT 40 DP. 4387 CT.18631 NAQERE

APPLICATION APPROVED

STC RE F NO .	OWNER	PROPOSAL	VALUE (\$)	BLDG FEES (\$)	COMMENTS
4/02	RUSIATE V. VOSAVAKADUA	EXTENSION TO EXISTING DWELLING HOUSE	10,000.00	22.00	DP. 4664 NAQERE
69/06	L.D.S.	PROPOSED RELIGIOUS AND EDUCATIONAL BUILDING	120,000.00	113.00	DP. 9368 CT.3692 LOT 1
79/06	DHIRENDRA LAL	PROPOSED DRIVEWAY	1,500.00	22.00	LOT 17 DP.4664 CL.5236 MIZPAH AVENUE
80/06	ROGASIANO MATAI	NEW FIRE ESCAPE	5,000.00	22.00	LOT 7 DP. 2196 CT. 10351 MAIN STREET

BUILDING APPLICATION REFUSED

NIL

BUILDINGS UNDER INSPECTION

<u>STC REF NO.</u>	<u>DATE</u>	<u>APPLICANT</u>	<u>NATURE</u>	<u>TIME</u>	<u>COMMENTS</u>
					•
39/06	15/12/06	CAKAUDROVE PROVINCIAL HOLDINGS LIMITED	1 ST FLOOR SLAB INSPECTION	0840HRS-0940HRS	• WORK BEING DONE AS PER PLANS. TO REINSPECT BEFORE FILLING PROPER.
39/06	15/12/06	CAKAUDROVE PROVINCIAL HOLDINGS LIMITED	1 ST FLOOR SLAB INSPECTION	0940 HRS – 1030HRS	STAISFACTORY-FILLING TO PROCEED
K/5	08/12/06	SAVUSAVU HARBOUSIDE LTD	PROGRESSIVE INSPECTION	0800HRS	PLASTERING WORKS IN PROGRESS
38/06	27/12/06	MOD NARAYAN	PROGRESSIVE INSPECTION	0800HRS	WORKS PROCEEDING ACCORDING TO PLANS

BUILDING COMPLETED

STC REF NO.	OWNER	PROPOSAL	VALUE (\$)	BLDG FEES (\$)	COMMENTS
69/05	DHARMENDRALAL	EXTENSION TO DWELLING HOUSE	20,000.00	22.00	CC#. 25226

GRASS CUTTING INSPECTION

WARDS	COMMENTS
DAKU	DONE
TOWN AREA	DONE
NAKAMA	DONE
NAQERE	DONE
NARAINS HEIGHTS	DONE
HOSING ROAD	DONE
INDUSTRIAL ROAD	DONE
NAQELEKULA ROAD	DONE
SHIU CAHAND ROAD	DONE

- Laborers need to follow-up and have the drains and roadsides properly/nicely raked.

• **COMPLAINTS RECEIVED FOR THE MONTH OF DECEMBER 2006**

DATE OF COMPLAINT	NAME & ADDRESS	NATURE OF COMPLAINT	DATE OF INSPECTION	ACTION TAKEN	REMARKS
04/12/06	AJESH PRASAD LOT 35 DP. 4387 NAQERE	BLOCKED DRAIN OPPOSITE COMPOUND	05/12/06	ADVISED SIRDAR TO HAVR THE DRAIN CLEARED	DONE
15/12/06	JEREMAIA NAKAMA	FOUL ODOUR FROM RUBBISH STAND	15/12/06	ADVISED SIRDAR TO HAVE STAND REMOVED	DONE
15/12/06	SAIOSI QOMATE WATERFRFON T BLDG	NUISANCE CREATED BY PENI SITONI	15/12/06	ADVISED POLICE TO HAVE THE NUISANCE ABATED	PENDING

LITTER FINES ISSUED FOR THE MONTH OF DECEMBER 2006

<u>STC REF/DECREE#</u>	<u>DATE OF FINE</u>	<u>NAME & ADDRESS</u>	<u>NATURE OF FINE</u>	<u>EFFECTIVE DATE</u>	<u>REMARKS</u>
# 452	03/01/06	COUSTEAU RESORT LESIACEVA PT.	INDISCRIMINATE DUMPING	24/01/06	PAID
Ass 90 #455	19/04/2006	MUKESH CHAND MAIN ST.	LITTERING - F/PATH & CURB	10/05/06	PAID
Ass 224/24 # 456	20/04/06	NAREN PRASAD NAQERE	LITTERING – ROAD RESERVE	11/05/06	PAID
Ass 224/23 # 457	20/04/06	MUKESH CHAND PARADISE VIDEO LIBRARY	LITTERING – ROAD RESERVE	11/05/06	PAID
Ass 291/ # 458	20/04/06	ROGASIANO MATAI NAKAMA	BACKYARD RUBBISH	11/05/06	
Ass 281 # 459	20/04/06	RAMESH SAIGAL	BACKYARD RUBBISH	11/05/06	
Ass 293 #460	20/04/06	SATISH LAL NAKAMA	BACKYARD RUBBISH	11/05/06	PAID
Ass 232/17 # 461	19/04/06	DHIRENDRA LAL NAQERE	INDISCRIMINATE DUMPING OF REFUSE	10/05/06	
Ass 232/15 # 462	20/04/06	TIKOLI VISAWAQA NAQERE	INDISCRIMINATE DUMPING OF REFUSE	11/05/06	
Ass 232/14 # 463	20/04/06	PETER THAGGARD NAQERE	INDISCRIMINATE DUMPING OF RUBBISH	11/05/06	
Ass 232/16 # 464	20/04/06	MANAINI TUIBUA NAQERE	INDISCRIMINATE DUMPING OF RUBBISH	11/05/06	
Ass. 178 # 477	14/12/06	GURBACHAN SINGH & CO. LTD LOT 46 DP. 2196 NAVERIA- BALAGA & BUCA BAY RD	INDISCRIMINATE DUMPING AND BURNING OF RUBBISH WITHIN THE LOT	5 TH JANUARY 2007	ADDED TO TOWN RATES

PURE FOOD CONDEMNATIONS FOR THE MONTH OF DECEMBER 2006

NIL

INTIMATION NOTICES SERVED FOR THE MONTH OF DECEMBER 2006

<u>STC REF</u>	<u>DATE SERVED</u>	<u>SERVED TO</u>	<u>WORKS TO BE CARRIED OUT</u>	<u>EFFECTIVE DATE</u>	<u>REMARKS</u>
14/06 (Ass 209)	06/12/06	GULABDAS NAVATU INVESTMENT NAKAMA	REMOVAL OF OVERGROTH OF GRASS PREVENT THE RECURRENCE OF THE SAME	7 DAYS	50% COMPLETE
15/06 Ass 60/61)	06/12/06	WINA HOLDINGS LTD NAKAMA	REMOVAL OF OVERGROTH OF GRASS PREVENT THE RECURRENCE OF THE SAME	7 DAYS	50% COMPLETE
16/06 (Ass 49)	06/12/06	PAUL SAVENKOV NAVERIA-BALAGA RD	REMOVAL OF OVERGROTH OF GRASS PREVENT THE RECURRENCE OF THE SAME	7 DAYS	50% COMPLETE
17/06 (Ass 41)	06/12/06	PATTERSON BROS SHIPPING LOT 2 NAVERIA BALAGA RD	REMOVAL OF OVERGROTH OF GRASS PREVENT THE RECURRENCE OF THE SAME	7 DAYS	PENDING
18/06 (Ass 40)	06/12/06	PATTERSON BROS SHIPPING LOT 3 NAVERIA BALAGA RD	REMOVAL OF OVERGROTH OF GRASS PREVENT THE RECURRENCE OF THE SAME	7 DAYS	PENDING
19/06 (Ass 39)	06/12/06	ISHWAR LINGAM NAVERIA-BALAGA RD	REMOVAL OF OVERGROTH OF GRASS PREVENT THE RECURRENCE OF THE SAME	7 DAYS	PENDING
20/06 (Ass 38/1)	06/12/06	DIRECTOR OF LANDS LOT 1&2 DP.4780 NAVERIA-BALAGA RD	REMOVAL OF OVERGROTH OF GRASS PREVENT THE RECURRENCE OF THE SAME	14 DAYS	PENDING
21/06 (Ass 37)	06/12/06	DIRECTOR OF LANDS LOT 1 DP.2270 NAVERIA-BALAGA RD	REMOVAL OF OVERGROTH OF GRASS PREVENT THE RECURRENCE OF THE SAME	14 DAYS	PENDING
22/06 (Ass 269)	06/12/06	BERTIE BROWN LOT 15 NAQRER INDUSTRIAL	REMOVAL OF OVERGROTH OF GRASS PREVENT THE RECURRENCE OF THE SAME	14 DAYS	PENDING
23/06 (Ass 276)	RAHIM BUKSH NAKAMA	REMOVAL OF DUCKS FROM WITHIN YOUR COMPOUND COVERING YOUR BACKYARD WITH A SUITABLE COVER – SAND OR OTHERWISE TO ALLEVIATE THE STENCH NUISANCE		7 DAYS	ONGOING

19. CONCLUSION

The Council also wishes to record sincere appreciation to the Minister and the staff of the Ministry of Local Government, Urban Development, and Housing & Environment for their continued support to the town of Savusavu.

We also wish to record with pleasure the support of the ratepayers continued interest in the town's progress.

**FOR CR. RAM PILLAI
MAYOR**



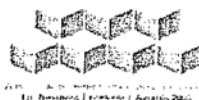
Chief Executive Officer
Seema Shiwani Dutt
03/08/2020



Special Administrator (Chair)
Justin Hunter
03/08/2020

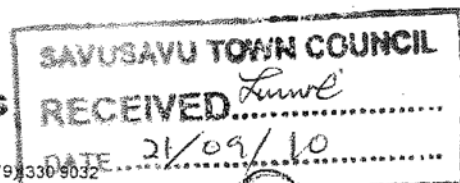


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ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

File: 955/1

14 September 2010

Mr. Vijay Chand
The Administrator
Savusavu Town Council
P.O. Box 201
SAVUSAVU

Dear Mr. Chand

AUDIT OF THE ACCOUNTS OF THE SAVUSAVU TOWN COUNCIL FOR THE YEAR ENDED 31
DECEMBER 2006

Two copies of the audited financial statements of the Savusavu Town Council for the year ended 31 December 2006 together with an audit report on them are enclosed.

A copy of the audit report is being sent to the Minister for Local Government, Urban Development, Housing and Environment in accordance with section 53 of the Local Government Act.

Particulars of errors and omissions arising from the audit have been forwarded to the Chief Executive Officer for necessary action.

Yours sincerely

76

Tevita Bolanavanua
AUDITOR GENERAL

cc: Minister for Local Government, Urban Development, Housing & Environment
Mr. Dharmend Lal, Chief Executive Officer for Savusavu Town Council

Encl.

Noted
31/9/10

REPUBLIC OF THE FIJI ISLANDS
OFFICE OF THE AUDITOR GENERAL



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ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

SAVUSAVU TOWN COUNCIL
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006

INDEPENDENT AUDIT REPORT

Scope

I have audited the financial statements of the Savusavu Town Council for the year ended 31 December 2006 in accordance with section 57(2) of the Local Government Act and section 13 of the Audit Act. The Savusavu Town Council is responsible for the preparation and presentation of the financial statements and the information they contain. My responsibility is to express an opinion on these financial statements based on my audit.

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

The audit opinion expressed in this report has been formed on the above basis.

Qualifications

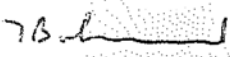
- a) The Council has recorded total receivables of \$317,757, however no provision for doubtful debts was provided. Moreover the Council has not disclosed in the financial statements an amount owed to the Government of \$19,101 for health services provided to the Council from 1982 to 1990. The additional provision and expenditures incurred for health services, if recorded, would increase the net deficit of the General Fund of the Council and decrease the Accumulated Fund balance by the same amount.
- b) There were no records to substantiate the amounts of \$448,142 for Deposits received on Sale of Land, \$177,127 for Rates Receivable, \$12,441 for Sundry Debtors and \$3,107 for Interest charged on Overdue Rates. Thus, audit was unable to apply necessary audit procedures to obtain an opinion on the accuracy of the amount stated.
- c) The Council did not provide a Fixed Assets Register for audit; therefore the Property Plant and Equipment figure totaling \$319,304 and depreciation expense figure of \$25,370 reported in the financial statements could not be substantiated. In addition Property, Plant and Equipment have not been accounted for and depreciated in accordance with FAS 16

and assets purchased from government grants have not been accounted for in accordance with FAS 20 'Accounting for Government Grants'.

- d) Attention is drawn to Note 1 of the Financial Statements. At 31 December 2006 the Council's liabilities exceeded its assets by \$110,125 (2005: \$209,438). Accordingly there is a significant uncertainty as to whether the Council will be able to continue as a going concern and whether it will be able to pay its debts as they become due and payable and realise its assets and extinguish its liabilities in the normal course of business and at the amount stated in the Financial Statements. The Financial Statements do not include any adjustments relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the entity not be able to continue as a going concern.

Qualified Audit Opinion

In my opinion, because of the effects of the matters referred to in the qualification paragraphs, the financial statements do not present fairly the financial position of the Council as of 31 December 2006 and the result of its operations and cash flows for the year then ended.


Tevita Bolanavanua
AUDITOR GENERAL

Suva, Fiji

14 September 2010





ACCOUNTABILITY IN THE PUBLIC SECTOR
THROUGH QUALITY AUDIT SERVICES

SAVUSAVU TOWN COUNCIL

2006 AUDITED ACCOUNTS



SAVUSAVU TOWN COUNCIL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

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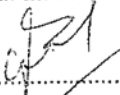
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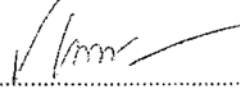
**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2006**

	Notes	2006 \$	2005 \$
CURRENT ASSETS			
Cash	2	3,201	86,194
Receivables	6	381,639	364,746
Total current assets		<u>384,840</u>	<u>450,940</u>
NON CURRENT ASSETS			
Property, plant and equipment	3	<u>319,304</u>	<u>347,399</u>
Total non current assets		<u>319,304</u>	<u>347,399</u>
TOTAL ASSETS		<u>704,144</u>	<u>798,339</u>
CURRENT LIABILITIES			
Bank overdraft		58,609	156,154
Creditors and other accruals	4	488,107	552,917
Deferred income	1(e)	117,079	131,252
Loans	5	21,401	19,423
Provision for long service leave		-	4,601
Total current liabilities		<u>685,196</u>	<u>864,347</u>
NON CURRENT LIABILITIES			
Loans	5	119,573	133,930
Other loans		9,500	9,500
Total non current liabilities		<u>129,073</u>	<u>143,430</u>
TOTAL LIABILITIES		<u>814,269</u>	<u>1,007,777</u>
NET (DEFICIT)		<u>(110,125)</u>	<u>(209,438)</u>
ACCUMULATED FUNDS			
Accumulated general fund (Page 7)		69,313	17,307
Fire service fund		1,736	1,736
Loan rate fund (Page 8)		(158,994)	(206,301)
Street lighting fund (Page 9)		(22,180)	(22,180)
TOTAL (DEFICIT)		<u>(110,125)</u>	<u>(209,438)</u>

The accompanying notes form an integral part of this Statement of Financial Position.

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


.....
D. Lak
Town Clerk/CEO


.....
Vijay Chand
Special Administrator

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

	Notes	2006	2005
		\$	\$
INCOME			
Amortisation of deferred income		14,173	6,566
Arrears of rates recovered		-	105,287
Backhoe hire		1,765	-
Building fees		4,533	2,998
Business, trading and other licenses		34,931	28,987
Garbage dump charges		6,008	7,387
Gate takings		3,832	9,921
General rates		171,250	118,895
Grant		-	15,956
Interest - overdue rates		3,107	18,770
Land sales		183,309	65,846
Market fees and charges		86,246	85,499
Market kiosk rent		14,340	12,837
Miscellaneous		10,991	13,367
Taxi, bus and carrier stand Fees		20,376	20,490
Total income		554,861	512,806
EXPENDITURE			
Audit and accounting fees		6,200	19,799
Back hoe - maintenance		19,591	-
Civic areas		-	2,724
Civic reception		4,846	2,065
Computer networking		-	2,943
Depreciation		25,370	16,667
Election expenses		-	10,255
Footpath way		-	370
Flea market		255	21,714
FNTC levy		873	2,141
Freight and cartage		485	-
Garbage services		25,925	27,780
General expenses		16,337	12,357
Ground maintenance		-	25,814
Incidental & emergency		375	2,592
Insurance		10,089	8,910
Interest and bank charges		13,295	16,868
Land rent		612	689
Land dealing expenses		22,615	-
Legal expenses		4,208	21,549
Loss on disposal		-	2,249
Mayoral allowance		2,500	5,000
Miscellaneous		8,735	18,248

SAVUSAVU TOWN COUNCIL

STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND (CONT'D)

FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006	2005
		\$	\$
Park and Beautification		4,055	-
Office equipment - maintenance		3,743	5,901
Office and market - maintenance		3,174	20,062
Office stationery, postage, printing and advertising		13,263	16,042
Public toilet - maintenance		1,922	1,543
Roads and drains - maintenance		14,484	19,874
Rubbish bins and dump		3,987	5,819
Salaries, wages and allowances		192,389	173,517
Sitting allowance		5,690	10,130
Staff training and welfare		1,482	1,176
Street light charges and maintenance		24,286	13,997
Subscriptions - FLGA		700	876
Survey and engineering fees		-	2,023
Taxi stand		2,050	584
Town planing fees		12,237	-
Traveling and incidental expenses		21,416	25,235
Utilities		30,499	31,398
Valuation fees		667	470
		<u>498,355</u>	<u>549,381</u>
Capital Expenditure			
Bus shelter		-	2,233
Foreshore development		4,500	2,219
Narain & Nakama road upgrading		-	75,532
New market extension		-	66,050
Window grill		-	1,960
		<u>4,500</u>	<u>147,994</u>
Total expenditure		<u>502,855</u>	<u>697,375</u>
Net deficit for the year		52,006	(184,569)
Accumulated funds at the beginning of the year		<u>17,307</u>	<u>201,876</u>
Accumulated funds at the end of the financial year		<u>69,313</u>	<u>17,307</u>

The accompanying notes form an integral part of this Statement of Income & Expenditure.

SAVUSAVU TOWN COUNCIL

STATEMENT OF INCOME AND EXPENDITURE - LOAN RATE FUND

FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006 \$	2005 \$
INCOME			
Loan rate		62,595	88,904
Total income		<u>62,595</u>	<u>88,904</u>
EXPENDITURE			
Principal repayment		15,288	3,813
		<u>15,288</u>	<u>3,813</u>
Net surplus for the year		47,307	85,091
Accumulated deficit at the beginning of the year		<u>(206,301)</u>	<u>(291,392)</u>
Accumulated deficit at the end of the financial year		<u><u>(158,994)</u></u>	<u><u>(206,301)</u></u>

The accompanying notes form an integral part of this Statement of Income & Expenditure.

SAVUSAVU TOWN COUNCIL

STATEMENT OF INCOME AND EXPENDITURE - STREET LIGHTING FUND
FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006 \$	2005 \$
INCOME			
Street lighting rate		-	-
Total income		-	-
EXPENDITURE			
Street lights and maintenance		-	-
		-	-
Net surplus/(deficit) for the year		-	-
Accumulated deficit at the beginning of the year		(22,180)	(22,180)
Accumulated deficit at the end of the financial year		(22,180)	(22,180)

The accompanying notes form an integral part of this Statement of Income & Expenditure.

SAVUSAVU TOWN COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006 Inflows/ (Outflows)	2005 Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from customers		585,160	676,628
Payments to trade creditors, other creditors and employees		(548,773)	(632,729)
Interest received		3,107	18,770
Net cash used in Operating Activities	7(i)	<u>39,494</u>	<u>62,669</u>
Cash flows from investing activities			
Acquisition of property, plant & equipment		<u>(12,563)</u>	<u>(91,757)</u>
Net cash used in Investing Activities		<u>(12,563)</u>	<u>(91,757)</u>
Cash flows from financing activities			
Repayment of borrowings		<u>(12,379)</u>	<u>66,186</u>
Net cash used in Financing Activities		<u>(12,379)</u>	<u>66,186</u>
Net decrease in cash and cash equivalents		14,552	37,098
Cash and cash equivalent at the beginning of the year		<u>(69,960)</u>	<u>(107,058)</u>
Cash and cash equivalent at the end of the year	7(ii)	<u>(55,408)</u>	<u>(69,960)</u>

The accompanying notes form an integral part of this Statement of Cashflows.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Financial Statements have been prepared on a going concern basis, which contemplates the continuity of business activities. At 31 December 2006 the Council's liabilities exceeded its assets by \$110,125 (2005: \$209,438). To be able to meet its obligations the Council will need to continue to realise assets, obtain additional funds and obtain the support of creditors to a debt repayment plan.

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 interest. The financial statements have been prepared on the basis of historical cost and do not take into account changing money values, or current valuation of non-current assets.

(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. Assets financed from Government Grants are expensed rather than capitalised by the Council.

(c) Depreciation

The Council has adopted the policy of depreciating the assets purchased using straight line method of depreciation at the rate of 10% per annum. Assets financed from loan funds are written down in value by the actual amount of principal repaid.

(d) Income Tax

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

(e) Deferred income

Donations received in the form of property, plant and equipment is treated as deferred income which are recognised as income on a systematic basis over the useful life of the asset.

(f) Comparatives

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

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

NOTE 2. CASH ON HAND & AT BANK		2006	2005
		\$	\$
	ANZ - Land dealings account	2,501	19,935
	Grant account	416	65,253
	Petty cash	284	1,006
		<u>3,201</u>	<u>86,194</u>
NOTE 3. PROPERTY, PLANT AND EQUIPMENT		2006	2005
		\$	\$
	Land - at cost	153,354	190,869
	Less: Write down of assets representing actual principal amount	(15,288)	(37,515)
	Add: Interest	2,909	-
		<u>140,975</u>	<u>153,354</u>
	Motor Vehicle - at cost	195,831	195,830
	Less: Accumulated depreciation	(57,964)	(38,380)
		<u>137,867</u>	<u>157,450</u>
	Office Furniture - at cost	22,500	22,500
	Less: Accumulated depreciation	(11,095)	(8,845)
		<u>11,405</u>	<u>13,655</u>
	Office equipment - at cost	39,836	30,182
	Less: Accumulated depreciation	(10,779)	(7,242)
		<u>29,057</u>	<u>22,940</u>
	Total property, plant and equipment, net - General Fund	<u>319,304</u>	<u>347,399</u>

SAVUSAVU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2005

NOTE 3.	PROPERTY, PLANT AND EQUIPMENT (Continued)	2006 \$	2005 \$
(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>Land and buildings - at cost</u>		
	Carrying amount at beginning	153,354	84,359
	Additions	2,909	70,000
	Repayment of loan	(15,288)	(1,005)
	Balance as at 31 December	140,975	153,354
	<u>Motor vehicles - at cost</u>		
	Carrying amount at beginning	157,450	55,325
	Additions	-	114,101
	Depreciation expense	(19,583)	(11,976)
	Balance as at 31 December	137,867	157,450
	<u>Office Furniture - at cost</u>		
	Carrying amount at beginning	13,655	8,250
	Additions	-	7,500
	Depreciation expense	(2,250)	(2,095)
	Balance as at 31 December	11,405	13,655
	<u>Office Equipment - at cost</u>		
	Carrying amount at beginning	22,940	17,845
	Additions	9,654	9,942
	Disposal	-	(4,090)
	Depreciation expense	(3,537)	(757)
	Balance as at 31 December	29,057	22,940
	Total property, plant and equipment, net - General Fund	319,304	347,399

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

		2006	2005
		\$	\$
NOTE 4.	CREDITORS AND OTHER ACCRUALS		
	Land sales deposits	448,142	448,142
	Accounts payable and accruals	39,465	104,775
	Deposits	500	-
		<u>488,107</u>	<u>552,917</u>
NOTE 5.	LOAN FUND LESS REPAYMENTS		
	The loan raised under the provisions of the Local Government Act is covered by registered mortgage No. 307227 by the Town Council over crown lease no. 11197 and limited guarantee by The Government of Fiji.		
		\$	\$
	Opening balance	153,353	84,359
	Add: Additional drawdown	-	70,000
	Add: Interest	2,909	-
	Less: Loans repaid	(15,288)	(1,006)
	Closing balance	<u>140,974</u>	<u>153,353</u>
	Disclosed as:		
	Current portion	21,401	19,423
	Non current portion	119,573	133,930
		<u>140,974</u>	<u>153,353</u>
NOTE 6.	RECEIVABLES	\$	\$
	Nakama tenants	85,282	85,380
	Navaqiqi tenants	41,469	42,875
	Rates arrears	177,127	147,230
	Rent Arrears	1,438	-
	Sundry debtors	12,441	12,441
		<u>317,757</u>	<u>287,926</u>
	VAT receivable	63,882	76,820
		<u>381,639</u>	<u>364,746</u>

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

NOTE 7. NOTES TO THE STATEMENT OF CASH FLOWS

(i) Reconciliation of Net Cash provided by Operating Activities to Net Surplus		2006	2005
		\$	\$
Net (deficit)/surplus for the year		99,313	(99,478)
Depreciation		25,370	16,667
Provision for employee entitlements		-	361
Loan principal repayment		15,288	3,813
Net cash provided by operating activities before changes in assets and liabilities		139,971	(78,637)
Change in assets and liabilities:			
Increase in receivables		(16,893)	105,399
Decrease/(increase) in creditors and borrowings		(83,584)	35,907
Net cash inflows used in operating activities		39,494	62,669

(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:

		2006	2005
		\$	\$
Cash at bank and on hand		3,201	86,194
Bank overdraft	(a)	(58,609)	(156,154)
		(55,408)	(69,960)

- (a) The bank overdraft is secured over the Registered Mortgage No. 307227 by the town council over Crown Lease No. 11197

NOTE 8. EXPENDITURE COMMITMENTS

- (a) Capital Expenditure Commitments - Nil (2005 - Nil)
(b) Operating Leases - Nil (2005 - Nil)

