



# SAVUSAVU TOWN COUNCIL



## ANNUAL REPORT

# 2010



PARLIAMENT OF FIJI  
PARLIAMENTARY PAPER NO. 131 OF 2020





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# **SAVUSAVU TOWN COUNCIL**

## **ANNUAL REPORT FOR THE YEAR 2010**

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PARLIAMENT OF FIJI  
PARLIAMENTARY PAPER NO. 131 OF 2020







**SAVUSAVU TOWN COUNCIL**  
**P.O.BOX 201**  
**MAIN STREET**  
**SAVUSAVU**

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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 2010.

The report provides activities of the Council throughout the year.

The Annual Report 2010 has been prepared in the accordance with the provisions of section19  
(1) (a), (b) and (c) of the Local Government Act Cap.125.

Yours Faithfully

Seema Shiwani Dutt  
Chief Executive Officer  
**Savusavu Town Council**

## **Forward**

One of the major outputs of the Council is that the town should be provided with upgraded infrastructure and facilities necessary for it to function physically and effectively.

The Year 2010 for Savusavu Town Council was indeed a challenging year as various projects Council has encountered to be carried out to diversify the economy and improve the lifestyle of the community especially from the rural areas. There is a need of promoting recreational activities for all ages and citizens of Savusavu & Cakaudrove and the effort of the Council is to identify, develop and maintain recreational parks within the main CBD.

The Council is also trying the very best to upgrade the existing roads, footpaths, drainage, streetlights, etc within the town boundary to provide and ensure safety of quality road and infrastructure suitable to our community.

We are overwhelmingly convinced by the performance of the staff/laborers and would like to place on record our appreciation for their dedication and sacrifice which has seen success to the Council in year 2010.

Vinaka vakalevu.



Seema Shiwani Dutt  
For Chief Executive Officer  
Savusavu Town Council

## **Our Vision**

Creating Savusavu, a Healthy and Safer place to live in.

## **Our Mission**

Savusavu to be a model tourist town that promotes civic pride through community participation to preserve eco-tourism, nature, wild life & maritime resources.

## **Our Slogan**

‘A fast developing tourist hot spot.’

# Annual Report for the Year 2010



## **1. THE COUNCIL**

The Ministry of Local Government, Urban Development, Housing and Environment appointed **Mr. Vijay Chand JP** as the Special Administrator of Labasa & Savusavu Town Council's on the 11<sup>th</sup> of February, 2009.

This appointment was as in Section 9A(1) of the Local Government (Amendment) Promulgation 2008 (Promulgation no. 29 of 2008).

The Special Administrator under subsection 1 shall be deemed to the duly constituted council of the assigned municipality and shall subject to any general or specific directions issued by the Minister, have the power to perform and discharge all rights, privileges, powers, duties and functions vested in or conferred or imposed on the council, and any officer of the council by the Act or any other written Law.

### **SENIOR OFFICERS OF THE COUNCIL**

Chief Executive Officer	-	Mr Dharmendra Lal
Properties Manager/Revenue HOD	-	Mr Shiu Chand
Health Inspector/Building Surveyor	-	Mr Timoci Vakabua
Market Master	-	Mr Wame Nabete
Works Supervisor/Depot Manager	-	Mr Sanjesh Goundan
Accountant,Savusavu/Labasa Town Council	-	Mr. Anit Solanki

### **Staff**

Cashier	- Miss Mere Ravisa
Typist Clerk	- Mrs. Unaisi Ibetabakauere
Accounts Clerk	- Miss Minu Rita
Recorder Clerk	- Miss Pritika Narayan

#### **• Meetings**

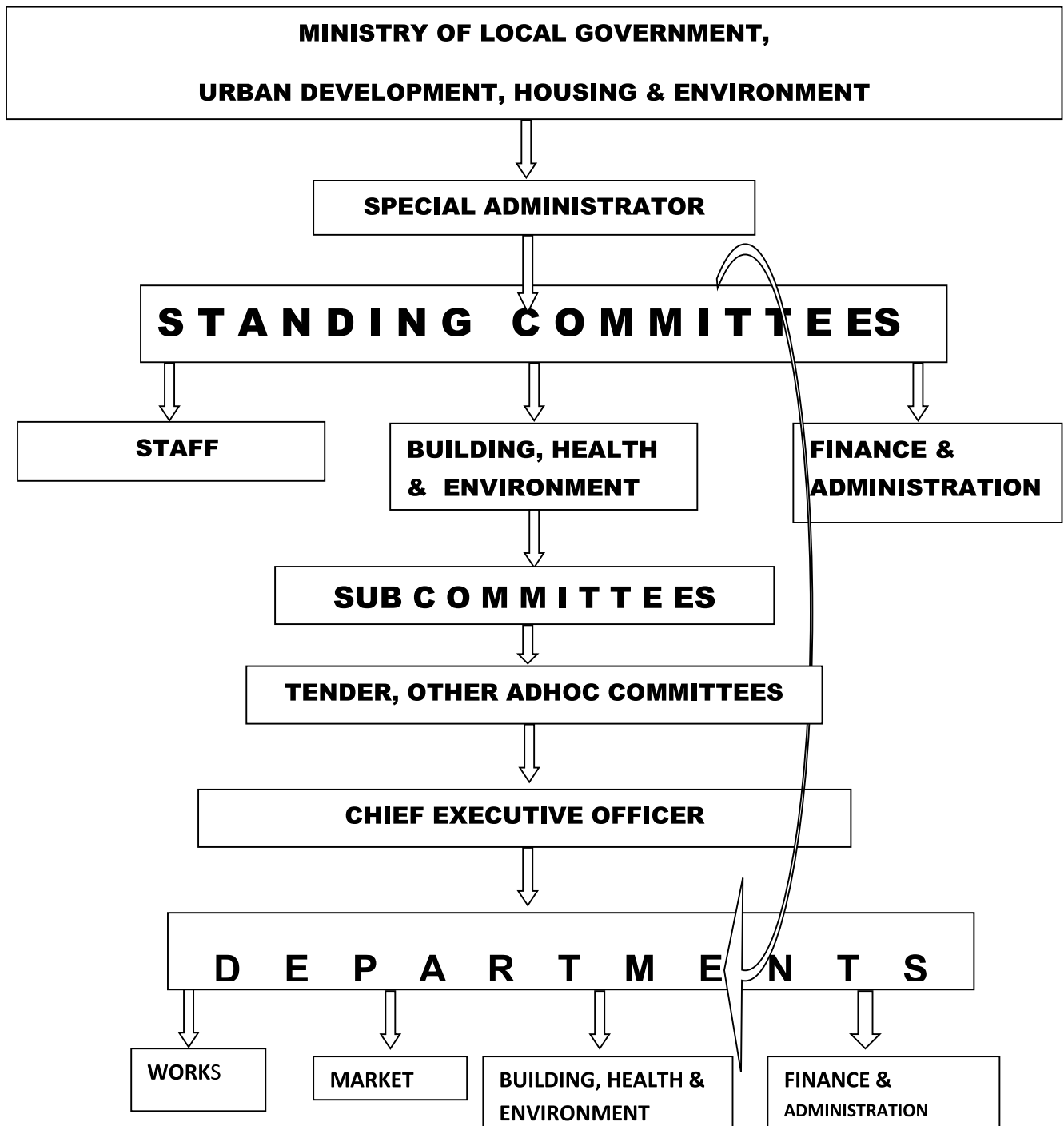
Meetings held during the year by the Council were as follows:

- a. Full Council.
- b. Special Full Council
- b. Building & Health
- c. Finance
- d. Task Force
- e. Staff Board
- f. Tender Sub-Committee
- g. Newsletter
- h. Open Day
- i. Carnival

- Public Consultation – Nil
- Library Report – N/A

2.

ORGANISATION STRUCTURE



### **3. Official Visitors to the Council**

Number of Visitors to the Council during the Year : 63

### **4. Health Report**

#### **a. Important Health Activities carried Out by the Council**

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

#### **b. Squatter Control**

The Unit facilitate formation of Squatter Committee to assist squatters on the Council property at Nakama Stage 3 improve their living standard and also to control illegal development of land. A total of 26 tenants were registered with the Council and paid ground rentals following the MOU between Council and squatter committee.

#### **c. Food Control & Surveillance**

The unit continued to conduct food surveillance in consultation with Ministry of Health Unit and Local Health Authorities. Food handlers Training was also conducted by the Unit to ensure consumers protection against food borne illness.

Registration of food premises were also conducted in compliance with Food Safety Act.

#### **d. Vector and Disease Control**

Chemical spraying were conducted to control flies and mosquitoes at the dump on monthly basis and where the need arise.

### **5. BUILDING/ DEVELOPMENT PERMIT SUMMARY REPORT**

Residential	Commercial	Civic	Total
33	35	10	78

### **REZONING & SUBDIVISION**

No. Received	Rezoning		Subdivision	
	Approved	Declined	Approved	Declined
6	4	1	1	

## **6. ENVIRONMENT REPORT**

### **6. ENVIRONMENT REPORT**

#### **a. 2010 Environment Activities**

- Environmental Waste & Management programme – 2010

<b>Clean Up Campaign Programme</b>	
<b>Date of Collection</b>	<b>Area</b>
26.01.2010	Daku to Vunikoka
28.01.2010	Valeci to Naqere
23.02.2010	Daku to Vunikoka
25.02.2010	Valeci to Naqere
23.03.2010	Daku to Vunikoka
25.03.2010	Valeci to Naqere
27.04.2010	Daku to Vunikoka
29.04.2010	Valeci to Naqere
25.05.2010	Daku to Vunikoka
27.05.2010	Valeci to Naqere
22.06.2010	Daku to Vunikoka
24.06.2010	Valeci to Naqere
27.07.2010	Daku to Vunikoka
29.07.2010	Valeci to Naqere
24.08.2010	Daku to Vunikoka
26.08.2010	Valeci to Naqere
26.10.2010	Daku to Vunikoka
28.10.2010	Valeci to Naqere
23.11.2010	Daku to Vunikoka
25.11.2010	Valeci to Naqere
21.12.2010	Daku to Vunikoka
23.12.2010	Valeci to Naqere

b. Drainage Works

**Shiu Chand road, Narains Height,**

**Hooper Street, Vunikoka, Fenton, Nakama Subdivision & Main Street**

c. 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.

d. Public Parks

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

**7. ENGINEERING/WORKS REPORT**

a. Service Delivery Summary report

- Garbage Collection: Takes place every Mondays, Wednesdays & Fridays with town area and seven (7) days within main CBD.
- Repair & Maintenance work on Council properties  
(On drainage, streetlight, footpath, public convenience, Council roads/streets)

b. Beautification Projects Carried out

- Parks & gardens

c. Capital Projects

a. Road maintenance /Upgrading

With the assistance of Public Works Department, the Council managed to carryout upgrading and maintenance works at Fenton road, Narains Height, Nakama, Naqelekula, Shiu Chand/Housing road, in-front of Savusavu Hardware

b. Drainage Works

With the assistance of Public Works Department, the Council managed to carryout upgrading and maintenance works at Fenton road, Narains Height, Shiu Chand/Housing road, Hooper Street, Vunikoka, Nakama Subdivision & main CBD.



## **8. Annual Accounts Audit**

### **a. Rates Summary**

#### **- Total Rates Collected**

Total Levy	\$355,837.35
Current Town Rate Collected 2010	\$190,428.43
Percent Collected	53%
Arrears As at 31st December 2010	\$142,930.98
Arrears Town Rate Collected as at 31 December, 2009	\$37,587.30
Percent Collected	26%

### **b. Business License**

<u>License holders</u>	<u>Total No. of Holders</u>	<u>Total Amount Collected</u> \$
1. Shops & Others	209	<b>39,083.00</b>
2. Carrier	38	
3. Taxi	99	
4. Bus	2	

### **c. Management of Council Properties**

Savusavu Town Council has the following properties:

1. Whole of Savusavu Market
2. Savusavu Town Council Office
3. Kiosk
4. Flea Markets
5. Rental Booths
6. Ratu Ganilau Stadium
7. Council Depot
8. Bus Stand Passenger Shelter

All these properties are managed by the council. Savusavu Town Council has insured all of their properties with Dominion Insurance. All day-to-day activities of the properties are also

monitored by the council. In addition, general repairs and maintenance of all council properties are the major expenses that council has to deal with.

Any upgrading works for council properties is first approved by the council before it's carried out. The Council also keeps records of the rents received from the tenants of Kisok, flea markets and rental booths.

#### **Auditor General Opinion Measures Taken to Address Audit Opinion**

The audit opinions in 2009 & 2010 stated that the financial statements had been presented fairly in all material respects, the financial position and operations of Savusavu Town Council and its cash flows were accordance with the Fiji Accounting Standards and the Local Government Act.

Furthermore, Savusavu Town Council has plans to improve on its current operations. The council will upgrading its software system to MYOB accounting software with trainings provided to staffs. The MYOB software will help the council to present more accurate reconciliations of its income and expenses. Moreover, the council will employed an accounting graduate for the position of Accountant to prepare, examine and analyze accounting records, financial statements, and other financial reports according to IFRS standards.

## **9. Appreciation and Acknowledgement**

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 Dharmendra Lal (JP)**  
**Chief Executive Officer**  
**Savusavu Town Council**



Chief Executive Officer

Seema Shiwani Dutt

03/08/2020



Special Administrator (Chair)

Justin Hunter

03/08/2020

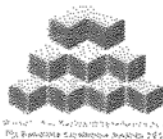


# OFFICE OF THE AUDITOR GENERAL

*Excellence in Public Sector Auditing*



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Website: <http://www.oag.gov.fj>



File: 955/1

12 January 2016

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

Dear Mr. Chand

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**SAVUSAVU TOWN COUNCIL**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010**

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Audited financial statements for Savusavu Town Council for the year ended 31 December 2010 together with my audit report on them are enclosed.

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

Yours sincerely

Atunaisa Nadakuitavuki  
for **AUDITOR GENERAL**

SAVUSAVU TOWN COUNCIL  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010

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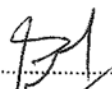
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**SAVUSAVU TOWN COUNCIL  
STATEMENT BY THE COUNCIL  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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**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 Savusavu Town Council's operations for the year ended 31 December 2010 and of the state of affairs and cash flows as at that date.

  
.....  
**DHARMENDRA LAL**  
**TOWN CLERK / CEO**  
**DATE: 17/12/15**

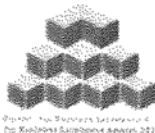
  
.....  
**VIJAY CHAND**  
**SPECIAL ADMINISTRATOR**  
**DATE: 17/12/15**

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## INDEPENDENT AUDIT REPORT

### SAVUSAVU TOWN COUNCIL

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

#### Scope

I have audited the financial statements of Savusavu Town Council for the year ended 31 December 2010 in accordance with section 57(2) of the Local Government Act and section 13 of the Audit Act (Cap. 70). The financial statements consist of the Statement of Financial Position, Statement of Income and Expenditure, Statement of Cash Flows and accompanying notes. The Savusavu Town Council is responsible for the preparation and presentation of the financial statements and the information contained therein. My responsibility is to express an opinion on these financial statements based on my audit.

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

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

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

#### Qualifications

- 1) Included in the current liabilities are un-identified land sales deposits amounting to \$427,456. The Council failed to provide records, listing or reconciliation to substantiate these deposits. I was also not able to verify these deposits with any other alternative audit procedures. Thus, I was not able to verify the existence and accuracy of the deposits. Accordingly, I am not able to satisfy myself if current liabilities are fairly stated in the financial statements.
- 2) Included in the rate debtor's amount (Note 3) is Native Land Trust Board (NLTB) rates of \$64,631. A letter dated 30 June 2005 from the Ministry of Local Government, Housing, Squatter Settlement and Environment to all the Town Clerks required that all rates outstanding in relation to NLTB be waived. The directive was given following the amendments made to Local Government Act and specifically with reference to section 60 (1) (a) "Rateable land" which exempts NLTB land not leased or licensed from paying general rates. The Council has not made any adjustments to the rate debtors account to comply with the directive of the Ministry.

Additionally, the Council did not provide documentary evidence to substantiate accounts receivables from tenants totaling \$46,183 and sundry debtors of \$16,237 (note 3) therefore I was unable to satisfy myself on the existence and valuation of these balances. Consequently, total receivable of \$341,324 may not be fairly reported in the financial statements.


- 3) Un-reconciled variance of \$57,200 and \$17,674 exists in the general rates and loan rate income between income statement and rates listing. Consequently, I am unable to satisfy myself if these rates revenue is fairly stated in the financial statements.



**Qualified Audit Opinion**

In my opinion, except for the matters discussed in the qualification paragraphs, the financial statements present fairly, in all material respects, the financial position of Savusavu Town Council as at 31 December, 2010, and the result of its operation and its cash flows for the year then ended in accordance with Fiji Accounting Standards and the Local Government Act.



  
Atunaisa Nadakuitavuki  
for **AUDITOR GENERAL**

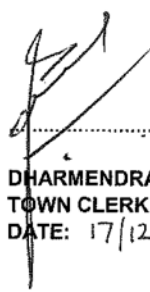
Suva, Fiji  
12 January 2016


**SAVUSAVU TOWN COUNCIL  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2010**

	Notes	2010 \$	2009 \$
<b>CURRENT ASSETS</b>			
Cash at bank and on hand	2	5,634	52,352
Receivables	3	341,324	293,064
VAT receivable		814	-
<b>Total current assets</b>		<u>347,772</u>	<u>345,416</u>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	4	<u>785,622</u>	<u>665,016</u>
<b>Total non current assets</b>		<u>785,622</u>	<u>665,016</u>
<b>TOTAL ASSETS</b>		<u><b>1,133,394</b></u>	<u><b>1,010,432</b></u>
<b>CURRENT LIABILITIES</b>			
Accounts payable & accruals		148,172	153,640
Advances		3,480	3,480
Bank overdraft		141,637	128,640
Land sales deposits	5	447,357	447,357
Refundable deposits		2,682	2,682
Term loans	7	29,028	29,028
VAT payable		-	647
<b>Total current liabilities</b>		<u>772,356</u>	<u>765,474</u>
<b>NON CURRENT LIABILITIES</b>			
Deferred income	6	211,267	122,520
Other loan		9,500	9,500
Term loans	7	27,828	53,088
<b>Total non current liabilities</b>		<u>248,595</u>	<u>185,108</u>
<b>TOTAL LIABILITIES</b>		<u><b>1,020,951</b></u>	<u><b>950,582</b></u>
<b>NET ASSETS</b>		<u><b>112,443</b></u>	<u><b>59,850</b></u>
<b>MUNICIPAL FUNDS</b>			
Reserves	8	235,641	235,641
Accumulated funds	9	(123,198)	(175,791)
<b>TOTAL MUNICIPAL FUNDS</b>		<u><b>112,443</b></u>	<u><b>59,850</b></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 2010 and of the state of affairs as at that date.

  
DHARMENDRA LAL  
TOWN CLERK / CEO  
DATE: 17/12/15

  
VIJAY CHAND  
SPECIAL ADMINISTRATOR  
DATE: 17/12/15

**SAVUSAVU TOWN COUNCIL**  
**STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

<b>INCOME</b>	<b>2010</b> <b>\$</b>	<b>2009</b> <b>\$</b>
Amortisation of deferred income	18,969	14,173
Backhoe hire	6,662	2,981
Building fees	4,159	2,498
Business, trading and other licenses	37,935	39,083
Caravan lease	600	600
Donation	-	1,450
Garbage dump charges	12,898	11,365
Gate takings	1,926	4,144
General rates	205,528	200,832
Grant	-	35,000
Interest - overdue rates	27,607	19,915
Jetty lease	1,000	1,000
Land rent and dealings account	5,131	-
Litter fine	-	1,902
Market fees and charges	73,844	89,128
Rent from property and market kiosk rent	35,479	16,049
Miscellaneous	9,080	9,639
Northern carnival	-	3,165
Tender Deposit and Bond	7,039	-
Refund	5,441	3,000
Sale of food items	-	4,191
Taxi, bus and carrier stand fees	26,023	25,533
Webster lease	500	500
<b>Total income</b>	<b>479,821</b>	<b>486,148</b>
<b>EXPENDITURE</b>		
Advertising	1,456	1,566
Audit and accounting fees - current	11,467	10,600
Back hoe - maintenance	24,897	23,789
Civic reception	3,708	4,439
Depreciation	22,744	38,827
Discount	6,735	-
FLGA subscription	2,472	450
FNPF	31,088	15,347
TPAF levy	3,104	1,917
Garbage services	-	8,690
General	806	6,307
Health & safety	3,770	3,726
Incidental & emergency	9,097	8,896
Insurance	11,449	5,852
Interest and bank charges	8,028	8,970
Land rent	612	612
Land dealing	-	4,506
Legal	(969)	11,983
Motor vehicle maintenance	37,518	4,075
Park and beautification	2,491	2,189
Office equipment - maintenance	5,034	3,379
Office and market - maintenance	4,571	4,865
Office stationery, postage, printing and advertising	12,464	6,186
Public toilet - maintenance	2,811	5,249
<b>Sub total c/d</b>	<b>205,353</b>	<b>182,420</b>

**SAVUSAVU TOWN COUNCIL**  
**STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	2010 \$	2009 \$
<b>Sub total b/f</b>		<b>205,353</b>	<b>182,420</b>
Roads and drains - maintenance		34,523	6,354
Refund		5,360	-
Rezoning fees		3,380	-
Rubbish bins and dump		-	3,147
Salaries, wages and allowances		186,906	176,339
Security		3,412	2,991
Staff training and welfare		-	2,034
Taxi/ carrier stand		231	919
Travelling and incidental		16,296	15,723
Utilities		32,115	28,171
Valuation fees		(2,844)	8,834
<b>Total expenditure</b>		<b>484,732</b>	<b>426,932</b>
<b>Net surplus/(deficit) for the year</b>	9	<b>(4,911)</b>	<b>59,216</b>

*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 2010**

	Notes	2010 \$	2009 \$
<b>INCOME</b>			
Loan rate		73,797	73,407
Total income		<u>73,797</u>	<u>73,407</u>
<b>EXPENDITURE</b>			
Interest		<u>3,768</u>	<u>5,223</u>
		<u>3,768</u>	<u>5,223</u>
<b>Surplus for the year</b>	9	<u><u>70,029</u></u>	<u><u>68,184</u></u>

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

SAVUSAVU TOWN COUNCIL  
 STATEMENT OF INCOME AND EXPENDITURE - STREET LIGHT ACCOUNT  
 FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 \$	2009 \$
<b>INCOME</b>			
Street light rate		-	-
Total income		<u>-</u>	<u>-</u>
<b>EXPENDITURE</b>			
Street light expenses		<u>12,525</u>	<u>11,889</u>
		<u>12,525</u>	<u>11,889</u>
<b>Deficit for the year</b>	9	<u>(12,525)</u>	<u>(11,889)</u>

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

**SAVUSAVU TOWN COUNCIL  
STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	2010 \$ Inflows/ (Outflows)	2009 \$ Inflows/ (Outflows)
<b>Cash flows from operating activities</b>			
Receipts from customers		594,105	558,548
Payments to trade creditors, other creditors and employees		(589,161)	(367,662)
Interest paid		-	(5,223)
<b>Net cash (used)/provided by Operating Activities</b>	13 (a) (i)	<u>4,944</u>	<u>185,663</u>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant & equipment		(35,631)	(90,489)
<b>Net cash used in Investing Activities</b>		<u>(35,631)</u>	<u>(90,489)</u>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		(29,028)	(23,505)
<b>Net cash used by Financing Activities</b>		<u>(29,028)</u>	<u>(23,505)</u>
Net increase/(decrease) in cash and cash equivalents		(59,715)	71,669
Cash and cash equivalent at the beginning of the year		(76,288)	(147,957)
<b>Cash and cash equivalent at the end of the year</b>	13 (a) (ii)	<u><u>(136,003)</u></u>	<u><u>(76,288)</u></u>

*The accompanying notes form an integral part of this Statement of Cashflow.*

**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 2010. 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. The financial statements have been prepared on the basis of historical cost and do not take into account changing money values.

**(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 Councils' fixed assets are depreciated over their estimated useful lives using the diminishing value method at the following rates.

	<u>Rate</u>
Buildings	2.5%
Furniture and Equipment	10%
Plant, Machine and tools	10%
Motor vehicles	10%
Road, footpath and drains	2.5%
Street Lights	10%

**(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 and 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 2010

NOTE 2.	CASH AT BANK AND ON HAND	2010 \$	2009 \$
	ANZ Land Dealings Account	5,093	51,686
	Grant Account	176	236
	Naveria Tenants	359	419
	Petty Cash	6	11
		<u>5,634</u>	<u>52,352</u>
NOTE 3.	RECEIVABLES		
	General Fund		
	Rate debtors	271,192	222,233
	Nakama tenants	30,414	31,943
	Navaqiqi tenants	15,769	15,769
	Sundry debtors	16,237	16,237
	Rent Arrears	1,438	1,438
	Other assets	6,274	5,444
		<u>341,324</u>	<u>293,064</u>
NOTE 4.	Property, Plant & Equipment		
	(a) Land & Building	410,391	409,051
	Add: Revaluation	-	-
	Add: Additions	-	1,340
	Less: Accumulated depreciation	(44,854)	(38,327)
		<u>365,537</u>	<u>372,064</u>
	Motor Vehicle - at cost	222,498	195,831
	Add: Additions	-	26,667.00
	Less: Accumulated depreciation	(125,942)	(117,380)
		<u>96,556</u>	<u>105,118</u>
	Office Furniture - at cost	24,458	24,458
	Add: Additions	-	-
	Less: Accumulated depreciation	(18,951)	(18,340)
		<u>5,507</u>	<u>6,118</u>
	Office equipment - at cost	44,970	44,615
	Add: Additions	4,533	355
	Less: Accumulated depreciation	(26,395)	(23,829)
		<u>23,108</u>	<u>21,141</u>

SAVUSAVU TOWN COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2010

NOTE 4 (a). Property, Plant & Equipment (Cont'd)		2010	2009
		\$	\$
Plant, Machines and Tools - Costs		6,121	3,375
Add: Additions		1,250	2,746
Less: Accumulated depreciation		(1,598)	(1,015)
		<u>5,773</u>	<u>5,106</u>
Street Lights - Costs		23,246	21,824
Add: Additions		1,600	1,422.00
Less: Accumulated depreciation		(6,936)	(5,034)
		<u>17,910</u>	<u>18,212</u>
Roads and Drains - Costs		54,187	54,187
Add: Additions		28,248	-
Less: Accumulated depreciation		(4,805)	(2,815)
		<u>77,630</u>	<u>51,372</u>
<b>WIP</b>			
Nakama Stage 3			
Costs		24,025	24,025
Add: Additions		-	-
Less: Disposals		-	-
		<u>24,025</u>	<u>24,025</u>
Nakama Stage 4			
Costs		3,900	3,900
Add: Additions		-	-
Less: Disposals		-	-
		<u>3,900</u>	<u>3,900</u>
Shiu Chand Road			
Costs		57,960	-
Add: Additions		20,946	57,960
Less: Disposals		-	-
		<u>78,906</u>	<u>57,960</u>
Roads and Drains			
Costs		-	-
Add: Additions		86,770	-
Less: Disposals		-	-
		<u>86,770</u>	<u>-</u>
Total WIP		193,601	85,885
<b>Written Down Value of Property, Plant &amp; Equipment</b>		<u><b>785,622</b></u>	<u><b>665,016</b></u>

SAVUSAVU TOWN COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2010

	2010 \$	2009 \$
<b>NOTE 4 (b). Movements in Carrying Amount</b>		
Movements in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year		
<u>Land &amp; Buildings</u>		
Carrying amount at the beginning	372,064	378,209
Add: Revaluation	-	-
Add: Additions	-	1,340
Less: Depreciation expense	(6,527)	(7,485)
Balance as at 31 December 2010	<u>365,537</u>	<u>372,064</u>
<u>Motor Vehicle</u>		
Carrying amount at the beginning	105,118	98,701
Add: Additions	-	26,667
Less: Depreciation expense	(8,562)	(20,250)
Balance as at 31 December 2010	<u>96,556</u>	<u>105,118</u>
<u>Office Furniture</u>		
Carrying amount at the beginning	6,118	8,564
Add: Additions	-	-
Less: Depreciation expense	(611)	(2,446)
Balance as at 31 December 2010	<u>5,507</u>	<u>6,118</u>
<u>Office Equipment</u>		
Carrying amount at the beginning	21,141	25,280
Add: Additions	4,533	355
Less: Depreciation expense	(2,566)	(4,494)
Balance as at 31 December 2010	<u>23,108</u>	<u>21,141</u>
<u>Plant, Machines &amp; Tools</u>		
Carrying amount at the beginning	5,106	2,916
Add: Additions	1,250	2,746
Less: Depreciation expense	(583)	(556)
Less Disposals	-	-
Balance as at 31 December 2010	<u>5,773</u>	<u>5,106</u>

**SAVUSAVU TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

<b>NOTE 4 (b). Movements in Carrying Amount (Cont'd)</b>		<b>2010</b>	<b>2009</b>
		<b>\$</b>	<b>\$</b>
<u>Streetlights</u>			
Carrying amount at the beginning		18,212	19,032
Add; Additions		1,600	1,422
Less: Depreciation expense		(1,902)	(2,242)
Balance as at 31 December 2010		<u>17,910</u>	<u>18,212</u>
<u>Roads &amp; Drains</u>			
Carrying amount at the beginning		51,372	52,727
Add; Additions		28,248	-
Less: Depreciation expense		(1,990)	(1,355)
Balance as at 31 December 2010		<u>77,630</u>	<u>51,372</u>
<u>Work in progress</u>			
Carrying amount at the beginning		85,885	27,925
Add: Additions		107,716	57,960
Less: Disposals		-	-
Balance as at 31 December 2010		<u>193,601</u>	<u>85,885</u>
<b>Written Down Value of Property, Plant &amp; Equipment</b>		<b><u>785,622</u></b>	<b><u>665,016</u></b>
<b>NOTE 5. DEPOSITS</b>			
Land Sales Deposits		19,901	19,901
Unidentified Land Sales Deposits		<u>427,456</u>	<u>427,456</u>
		<b><u>447,357</u></b>	<b><u>447,357</u></b>
<b>NOTE 6. Deferred Income</b>			
(a)	This component of benefits realised represents the cost of Backhoe Digger and Garbage Truck donated. The value of the vehicles totalling \$168,200 was transferred to deferred income and to be amortised over the number of years, the two motor vehicles are used as mentioned in Note 1(e). The benefits are derived as follows:		
	Donation	74,560	88,733
	Less: Benefits realised from fixed assets	(14,173)	(14,173)
	Balance	<u>60,387</u>	<u>74,560</u>
(b)	Benefit realised is the cost of construction of Shiu Chand Road carried out by Public Works Department. The Value of the Road totalling \$57,960 less \$10,000 contribution by Council, \$47,960 to be amortised over the the useful life as mentioned in Note 1(e). Benefits derived as follows:		
	Donation	47,960	47,960
	Less: Benefits realised from fixed assets	(4,796)	-
	Balance	<u>43,164</u>	<u>47,960</u>
(c)	<b>WIP Roads &amp; Drains</b>		
	Funding from PWD for the road as a grant for road completion in 2011		
	Grant	86,770	-
	Less: Benefits realized from fixed assets	-	-
	Balance	<u>86,770</u>	<u>-</u>
(d)	<b>WIP Roads &amp; Drains</b>		
	Funding from PWD for footpath as a grant for footpath the useful life as mentioned in Note 1(e). Benefits derived as follows:		
	Grant	20,946	-
	Less: Benefits realized from fixed assets	-	-
	Balance	<u>20,946</u>	<u>-</u>
	<b>Total Deferred Income</b>	<b><u>211,267</u></b>	<b><u>122,520</u></b>

SAVUSAVU TOWN COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2010

NOTE 7.	TERM LOANS	2010 \$	2009 \$
	<b>General Fund</b>		
	Balance as at 1 January	82,116	105,621
	Loan Raised	-	-
		<u>82,116</u>	<u>105,621</u>
	Bank Fees	300	300
	Interest	<u>3,468</u>	<u>5,223</u>
		85,884	111,144
	Repayment	<u>(29,028)</u>	<u>(29,028)</u>
		<u><b>56,856</b></u>	<u><b>82,116</b></u>
	Represented in the balance sheet as:		
	Current	29,028	29,028
	Non-current	<u>27,828</u>	<u>53,088</u>
		<u><b>56,856</b></u>	<u><b>82,116</b></u>

The loan raised under the provision of the Local Government Act is covered by registered mortgage No. 307227 by the Town Council over crown lease no: 11197 and limited guarantee by the Government of Fiji.

NOTE 8.	<b>RESERVES</b>		
	<b>Asset Revaluation Reserve</b>		
	Opening Balance	235,641	235,641
	Valuation during the year	-	-
	Asset revaluation reserve	<u><b>235,641</b></u>	<u><b>235,641</b></u>

**SAVUSAVU TOWN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

<b>NOTE 9.</b>	<b>ACCUMULATED FUNDS</b>	<b>2010</b>	<b>2009</b>
		<b>\$</b>	<b>\$</b>
	Balance as at 1 January	(175,791)	(212,001)
	Prior Year Adjustment	-	(79,301)
		<u>(175,791)</u>	<u>(291,302)</u>
	Accumulated general fund (Page 5)	(4,911)	59,216
	Loan rate fund (Page 6)	70,029	68,184
	Street Light Account (Page 7)	(12,525)	(11,889)
		<u><b>(123,198)</b></u>	<u><b>(175,791)</b></u>

**NOTE 10. CAPITAL COMMITMENTS**

Capital commitment as at 31 December 2010 was Nil.

**NOTE 11. PRINCIPAL ACTIVITY**

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

**NOTE 12. 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 13. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Cash and Cash Equivalents**

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

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
Net surplus/(deficit) for the year - General fund	(4,911)	59,216
Net surplus/(deficit) for the year - Loan rate fund	70,029	68,184
Net surplus/(deficit) for the year - Street Light fund	(12,525)	(11,889)
Prior Year Adjustment	-	(79,134)
Depreciation and amortisation	3,775	38,827
Net cash provided by operating activities before changes in assets and liabilities	<u>56,368</u>	<u>154,338</u>
Change in assets and liabilities:		
Increase/ (decrease) in receivable	(49,074)	44,340
Increase/ (decrease) in receivable	814	-
(Decrease)/Increase in other liabilities	2,304	36,147
(Decrease)/Increase in creditors and borrowings	(5,468)	29,972
<b>Net cash inflows from operating activities</b>	<u><b>4,944</b></u>	<u><b>185,663</b></u>

**(ii)**

Cash on hand	5,634	52,352
Cash at Bank	(141,637)	(128,640)
	<u><b>(136,003)</b></u>	<u><b>(76,288)</b></u>