



SIGATOKA TOWN COUNCIL

Annual Report for the Year 2009





SIGATOKA TOWN COUNCIL

Annual Report AND Financial Statements 2009



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SIGATOKA TOWN COUNCIL
ANNUAL REPORT FOR THE YEAR ENDED 2009

1. Appointment of Special Administrator

Mr. Aisea Tuidraki was appointed by the Government as the Special Administrator as in line with the amended Local Government Act, Cap. 125 from February, 2009 to June 13, 2013.

Election of Mayor

No Council Election for the Mayor was done due to the appointment of the Special Administrator by the Government in line with the amended Local Government Act, Cap. 125.

Election of Deputy Mayor

No Council Election for the Deputy Mayor was done due to the appointment of the Special Administrator by the Government in line with the amended Local Government Act, Cap. 125.

Meetings Of The Council

Annual Council	-	-
Ordinary Council	-	7
Special Council	-	3
Emergency Council	-	-
Finance, Human Resource & Town Planning Committee	-	25
Management Committee	-	9
Administration Committee	-	1

Total Number of Meetings

45

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Staff Details

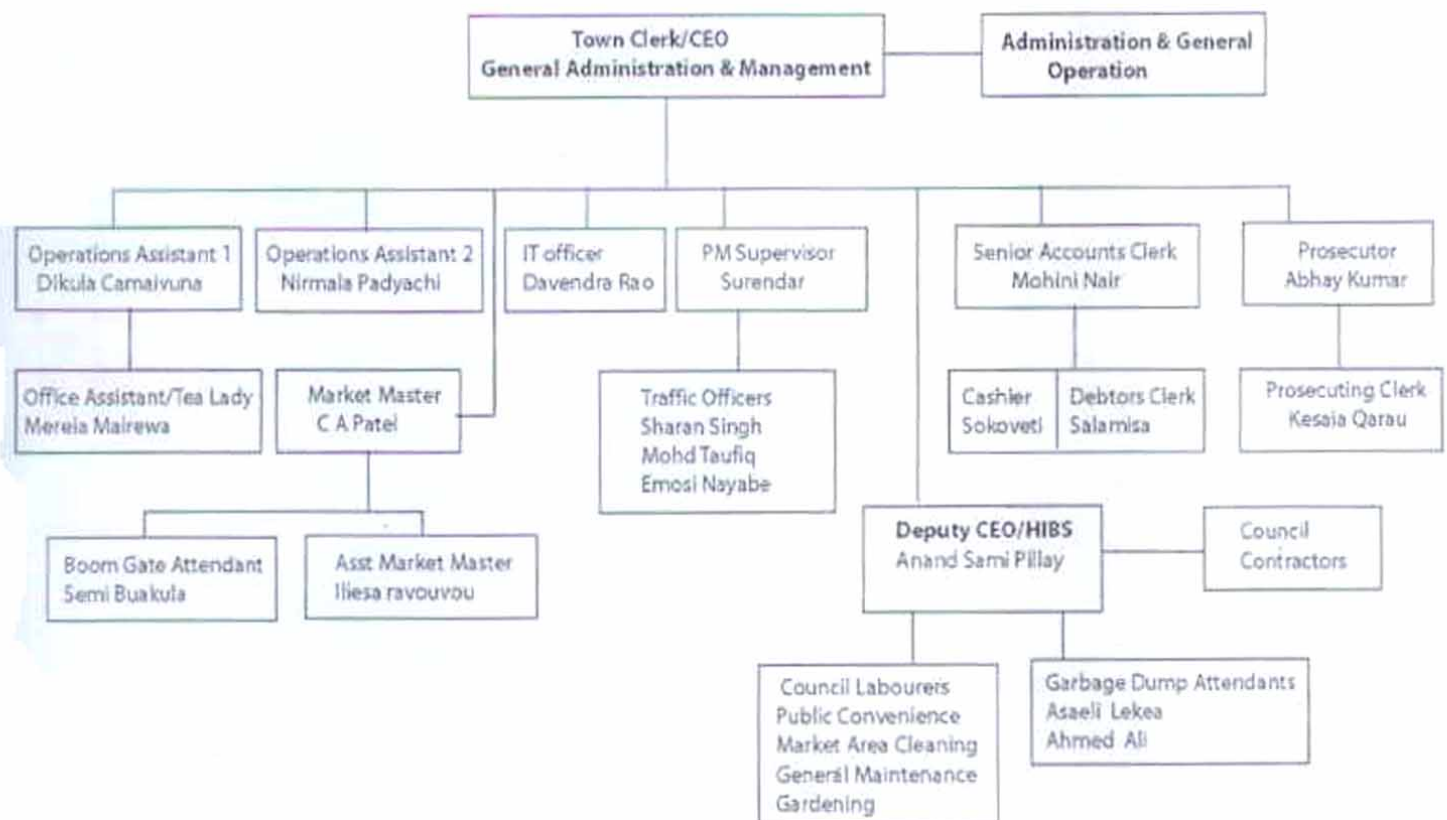
Established Staffs

<u>No.</u>	<u>Name</u>	<u>Position</u>
1.	Azam Azmat Khan	Town Clerk/Chief Executive Officer
2.	Mereoni Camaivuna	Operations Assistant 1
3.	Nirmala Pariachi	Operations Assistant II
4.	Surandar	Parking Meter Supervisor
5.	Sate Narayan	Market Master [Actg]
6.	Salamisa Waqa	Debtors Clerk
7.	Mohini Nair	Senior Accounts Clerk
8.	Livia Vereivalu	Cashier
9.	Sharan Dip Singh	Parking Meter Attendant
10.	Abhay Kumar	Prosecutor
11.	Taufiq Ameer Mohammed	Town Ranger
12.	Rajesh Ram	Town Ranger
13.	Anand Sami Pillay	AHI/Building Surveyor
14.	Emosi Nayabe	Parking Meter Attendant
15.	Mereia Mairewa	Office Assistant

Un-established Staffs

<u>No.</u>	<u>Name</u>	<u>Position</u>
1.	Epeli Tamanivalu	Gardener
2.	Mutthu Sami	Carpenter
3.	Dewan Dass	Labourer
4.	Sushil Kumar	Labourer
5.	Sireli Naoba	Assistant Gardener
6.	Limanivali	Assistant Gardener

Staff Structure 2009



Council's Service Delivery

Our Council provides a wide range of services to our ratepayers and the inhabitants of town. Services provided to them include:

1. Solid Waste Collection and Disposal Management
2. Public Areas Upkeep & Upgrade
3. Market Services
4. Street Light Services, Maintenance of Roads/Footpaths/Drains/Parks
5. Health and Building Inspections
6. Finance Management
7. General Administration of the Town
8. Parking Meter Services/Maintenance

Visiting Dignitaries

A list of Visitors who made courtesy visits to the Council Office during the ensuing year 2009 are as per the table down below:

No.	Name	Organisation
1.	Commodore J.V Bainimarama	Prime Minister of Fiji
2.	Pam Jeffrey	Grand Circle, Australia
3.	Aisea Tudriki	Narewa, Nadi
4.	Maraia Ubitau	Lami Town
5.	Moses Kama	Local Government
6.	Susie Fesaitu	Colonial National Bank
7.	Sikeli Lagilagi	LTA, Lautoka
8.	Pam Jeffrey	Grand Circle, Australia
9.	Cama Tuloma	Ministry of Public Utilities
10.	Shaun	Town Planning, Brisbane, Australia
11.	Richard Beyer	PS, Ministry of Agriculture
12.	Apisai Ucuboi	Ministry of Agriculture
13.	Sir Mojie Lourdenadin	Carpenters
14.	Peter Lee	Carpenters
15.	Daniel Whippy	Carpenters
16.	Tatsushi Matsuo	Embassy of Japan
17.	Azmat Khan	Secretary, Fiji Local Government & Association
18.	Maraia Vavaitamana	FICAC
19.	Samisoni Ralulu	FICAC
20.	Ifereimi Vau	Fiji Sports Council
21.	Selwyn Williams	Fiji Sports Council
22.	Tevita Tuimabualau	Fiji Sports Council
23.	Rupeni Manoasilimaibau	Fiji Sports Council
24.	Isimeli S. Cerelala	Fiji Sports Council
25.	Bola Tafo'ou	Fiji Sports Council
26.	Mereula Meya	Fiji Sports Council
27.	Ravi Kant Joshi	Gujarat, India
28.	Anu Patel	Solicitor, Lautoka
29.	Mohammed Sharif	Kennedy Hotel, Nadi
30.	Faiyaz Ali	Lautoka
31.	Jope Davetawalu	Department of Environment
32.	Samu Saumatua	Ministry of Local Government
33.	Moses Kama	Ministry of Local Government
34.	Kala Wati	Department of Town & Country Planning
25.	Epeli Nasome	Department of Environment
26.	Rajni Kant	Vatuwaqa, Suva
27.	Farah Aziz	Suva
28.	Alpana Maharaj	Ministry of Local Government
29.	Amit Ram	Ministry of Local Government
30.	Ravneel Nand	Ministry of Local Government

No.	Name	Organisation
31.	Jiten Patel	Vinod Patel, Suva
32.	Nilesh A. Prasad	Vinod Patel, Sigatoka
33.	Nicholash Goundar	Land Mark Advertising
34.	Hardik Patel	Suva
35.	Keshwa Reddy	Ministry of National Planning
36.	Shiu Raj Singh	Ministry of National Planning
37.	Jiten Patel	Vinod Patel, Suva
38.	Nilesh A. Prasad	Vinod Patel, Sigatoka
39.	Nicholash Goundar	Land Mark Advertising
40.	Miriama R.	Ministry of National Planning
41.	Nafiza Ali	Ministry of National Planning
42.	Peter Lomas	Fiji Sun, Suva
43.	Jill Best	Tauranga City Library
44.	Sachin Sharma	CLGF Pacific Office, Suva
45.	Jack Best	Tauranga City Library
46.	Deo Narayan	Suva
47.	Rakesh Sharma	CEO, Bank of Baroda, Fiji
48.	Taniela S. Wacokecoko	Divisional Surveyor Western
49.	Ratu Jolame Lewanavanua	Chairman – Nadroga Rural Local Authority

4. Health Summary Table

	License Type	Total Number
1.	Catering Premises	22
2.	Catering Premises (School)	4
3.	Mobile or Temporary Small Scale Catering	26
4.	Bake House	4
5.	Butcher Shop	4
6.	Retail and Catering (e.g. Retailer with fast food counter)	19

Total Number of Insanitary Condition Notice Served:	-	27
Total Number Statutory Notice Served:	-	Nil
Total No. of Condemnation Certificate Issued:	-	6
Total no. of House to House inspection	-	233

The house to house inspection was conducted at the 3 wards of the Sigatoka Town similar to previous years. In year 2009 mosquito spraying was done within the town boundary to ensure that town is free from Dengue Fever. The quarterly Clean-Up-Campaigns were conducted within the town boundary to allow the ratepayers and business houses to live in healthy environment. The ratepayers and business houses were to take advantage to clean and clear the overgrowth of grasses, white goods and discarded all items which can hold the water for the mosquito breeding.

The Health Department was fully engaged to carry out the quarterly inspection of the eating outlets in Sigatoka Town. At the same time food condemnation were carried out at the eating outlets and the retail shops.

Those eating outlets, butcher shops, retail and bake house were failed to comply with the standards were served with intimation notices.

5. **Building / Development Permit Summary**

Number of Inspection Certificate Issued

Total Certificate of Inspection: - 4

Certificate Issued before Occupy

Total No. of Completion Certificate issued - Nil

Town Planning Management

Total No. Rezoning Application - Nil

Building Development Permit Summary Report

Item	Types of Building	No.	Value	Approval	Rejected	Remarks
1	Residential	-	-	-	-	-
2	Commercial	18	\$644,313.50	Approved	-	-
3	Civic	-	-	-	-	-
4	Industrial	-	-	-	-	-
5	Others	-	-	-	-	-

In the year 2009 there was a total of 18 building application received by the Council whereby all were Commercial development applications. It was noted that commercial development application was high at this year which also totaled up to the value of \$644,313.50. It is also important to note that during this year there were no subdivision application and rezoning applications received by the Council.

6. **Environment Report**

The faith base group were supported the council to conduct clean campaign with in the town boundary. That the same time council tend to create awareness on the litter to the general public by means of the school kids. In the same year Council has received backhoe from Japanese Government through grant. Council has improved the dump site a lot by full time engaging the backhoe at the dump site.

It was also noted that the life span of the dump was increased then and council has saved a lot for not hiring the bulldozer at the dump on quarterly basis.

That the hotels on coral coast corridor was also informed in year 2009 that all hotels need to promote recycling and composting at their respective hotels, since the Council was more focusing to increase the life span of the dump and same time to promote composting and recycling methods.

In year 2009, Council has requested the Ministry of Local Government to the JICA assistance in order to assist the Council in Recycling and composting of the green waste which are discharged from the Market and by the ratepayers.

7. Engineering / Works Report

Basically small maintenance and beautification works were carried out by the Council's un-established staffs. Other major works were contracted out.

Service Delivery:

Works carried out are as follows: Grass cutting at the Koromumu Cemetery, Streetlight maintenance, Dog trapping, Footpath maintenance, Public Convenience maintenance, road markings / road signs maintenance and general market maintenance.

Beautification Projects:

General beautification works were carried out around town in all the wards; Vunusalu Ward, Lawaga Ward and Laselase Ward. These works are planting of new flowers, painting of flower beds, trimming and pruning of hedges.

Capital Projects

Capital projects that were executed are; the Municipal Market Painting, Installing of New Rubbish Bins around Town,

General Contractual Works

Works that were contracted out are; Grass cutting, Drain Cleaning, Street Sweeping, tree pruning and Street light maintenance.

8. Annual Accounts Audit - 2009

No. Of Ratepayers	Amount Charged Per Year (In A Dollar On U.C Value)	Collection Per Year
<u>2009</u>	General Rate – 0.84c	\$120,128
290	Special Loan Rate – 1.22c	\$151,616

Sigatoka Town Council had 290 rate payers in year 2009. It provides services such as Garbage Collection, Town sweeping, street cleaning, streetlight repairs and road maintenance to the ratepayers. (Note: 41 properties were un alienated for STC in year 2009).

Reason Rates Charged by STC.

1. General Rates – Council provides services such as Garbage collection, streetlight and road maintenance.
2. Special Loan Rates - is to service Loan repayments for the borrowings per year 2000 by the Council.

BUSINESS LICENCE

<u>Year</u>	<u>No. of Business License Holders</u>	<u>Amount Collected</u>
2009	457	\$63,049

Council Properties Management

Sigatoka Town Council doesn't have a Property Manager but instead all the properties are managed by the Council in house and the day to day operations is the responsibility of the Finance Department. Council has 6 Tenants currently located in the Market area.

Auditor General Opinion

Sigatoka Town Council was provided the Audit Opinion –Qualified Audit Opinion in year 2009. The audit opinion expressed in this report has been formed on the basis of:

- Council did not provide a provision for doubtful debts for its Rates Debtors.
- Council did not provide a Fixed Asset Register.

Council Measures – Council had taken the recommendation on board and provided the provision for doubtful debts for Rates debtors in 2010. Council also provided a Fixed Asset register.

9. Appreciation

The Council wishes to record its appreciation to the ratepayers and citizens of the town for their co-operation.

The Council also acknowledges the dedicated services rendered by the Staffs and Employees and the support and co-operation of the Ministry of Local Government, Housing and Environment.


Tulsi Ram
CHIEF EXECUTIVE OFFICER

REPUBLIC OF THE FIJI ISLANDS
OFFICE OF THE AUDITOR GENERAL



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Government Buildings
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ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

File: 970/1

29 October 2010

Mr. Alsea Tuidraki
The Administrator
Sigatoka Town Council
PO Box 118
SIGATOKA

Dear Mr. Tuidraki

AUDIT OF THE ACCOUNTS OF THE SIGATOKA TOWN COUNCIL FOR THE YEAR ENDED 31
DECEMBER 2009

Two copies of the audited financial statements of the Sigatoka Town Council for the year ended 31 December 2009 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 Acting Chief Executive Officer for necessary action.

Yours sincerely

Tevita Bolanavanua
AUDITOR GENERAL

cc: Minister for Local Government, Urban Development, Housing & Environment
Mr. Anand Sami Pillay, Acting Chief Executive Officer for Sigatoka Town Council

Encl.

REPUBLIC OF THE FIJI ISLANDS
OFFICE OF THE AUDITOR GENERAL



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ACCOUNTABILITY IN THE PUBLIC SERVICE SECTOR THROUGH QUALITY AUDIT SERVICES

SIGATOKA TOWN COUNCIL

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2009

INDEPENDENT AUDIT REPORT

Scope

I have audited the financial statements of the Sigatoka Town Council for the year ended 31 December 2009 in accordance with Section 57 (2) of the Local Government Act and Section 13 of the Audit Act. The Sigatoka 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. 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 the Fiji Accounting Standards and the statutory requirements so as to present a view which is consistent with my understanding of the Council's financial position, the result of its operations, and its cash flows.


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

Qualifications

1. The Council did not provide a provision for doubtful debts for its Rates Debtors totaling \$320,584 as at 31 December 2009. If a charge for doubtful debt was recorded, it would result in a decrease of net surplus in the Statement of Income and Expenditure of General Fund.
2. The Council did not provide a Fixed Assets Register for audit; therefore Property, Plant and Equipment totaling \$1,358,243 and Depreciation Expense totaling \$54,645 could not be substantiated.

Qualified Audit Opinion

In my opinion, because of the effect of the matter discussed in the qualification paragraphs, the financial statements do not present fairly the financial position of the Sigatoka Town Council as at 31 December 2009 and the result of its operations for the year then ended.


Tevita Bolanavanua
AUDITOR GENERAL

Suva, Fiji

1 November, 2010





ACCOUNTABILITY IN THE PUBLIC SECTOR
THROUGH QUALITY AUDIT SERVICES

SIGATOKA TOWN COUNCIL

2009 AUDITED ACCOUNTS



SIGATOKA TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

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SIGATOKA TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF FINANCIAL POSITION


	NOTES	2009 \$	2008 \$
<u>ASSETS</u>			
<u>Current Assets</u>			
Cash on hand	2	500	500
Cash at bank	2	55,159	25,479
Debtors	3	442,569	489,911
Sundry Advance	4	9,902	9,138
VAT Receivable from Parking Meters		1,099	3,099
<u>Non Current Assets</u>			
Property, Plant and Equipment	5	1,335,731	1,372,907
TOTAL ASSETS		1,844,960	1,901,034
<u>EQUITY AND LIABILITIES</u>			
Accumulated Funds	6	227,243	296,844
<u>Current Liabilities</u>			
Vat Payable		30,759	35,606
Employee Entitlement		3,907	6,843
Creditors and Other Accruals		48,298	41,010
Loan Funds less Repayments	7	149,736	149,736
Sundry Deposits	10	57,121	56,233
Lease Liability - Credit Corporation	9	13,018	19,810
Deferred Income	8	113,941	123,132
<u>Non Current Liabilities</u>			
Loan Funds less Repayments	7	1,200,937	1,171,820
TOTAL EQUITY AND LIABILITIES		1,844,960	1,901,034

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 11 to 20.

COUNCIL'S STATEMENT

In our opinion, the financial statement have been properly drawn up so as to show a true and fair view of the Sigatoka Town Council's operations for the year ended 31 December 2009 and of the state of affairs and cash flows as at that date.


The Special Administrator
Mr. Aisea Tuidraki
Date:


Acting Town Clerk/CEO
Mr. Anand Sami Pillay
Date: 27/12/2009

SIGATOKA TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF REVENUE AND EXPENDITURE

	NOTES	2009 \$	2008 \$
The Revenue for the year was derived from:			
General rates		99,778	73,533
General rates on state land		20,350	22,611
Interest on overdue rates		3,537	23,290
Fees and Charges			
Business Licence		63,049	65,283
Building Fees		3,008	6,253
Bus stand charges		9,763	10,776
Commercial vehicle		7,826	7,565
Taxi		43,570	59,196
Cemetery		1,562	1,309
Garbage		144,544	40,251
Illegal Parking Fines		1,801	3,538
Interest others		3,460	2,156
Legal Action		6,998	1,391
Market Fees		213,506	208,510
Miscellaneous		5,094	19,209
Rental Properties		123,537	109,184
Car Parking Contribution		36,477	-
Car Parking Fees		7,636	-
Relaxation of Parking Meters		-	18,667
Loading & Unloading Zone		44,000	29,440
Mini Van		36,083	16,079
Gain on Sale		-	5,845
Amortisation of Deferred Income		9,191	1,313
Proposed Tramline Development		4,000	-
Director of Lands - Upkeeping River Bank		4,199	98,537
Total Revenue		892,989	823,936

The Expenditure for the year was incurred on:

Recurrent

Fiji Local Government Association	951	2,223
Garbage Service	42,738	36,667
Legal Expenses	23,487	34,933
Mayoral, Councillors Allowance & Civic reception	23,090	24,112
Office Expenses	5,450	3,969
Printing, Stationery & Advertising	18,524	17,872
Salaries & related payments	255,856	211,910
Travelling Expenses	22,342	13,283
Telecom/Fax/Internet/courier	9,685	10,413

SIGATOKA TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF REVENUE AND EXPENDITURE (CONT'D)

	NOTES	2009 \$	2008 \$
Electricity		24,326	27,487
Fiji National training Council		1,451	1,357
Insurance		12,646	12,853
Market		23,523	1,262
Miscellaneous		20,267	17,110
Office rental		17,987	17,045
Public Convenience		10,024	18,705
Roads, drains, paths & verges		149,879	116,554
Water		3,427	1,331
Valuation		222	2,000
Mini Bus Stand Rental		14,986	-
<u>Capital Expenditure</u>			
Footpath, Road marking/Patching		40,167	21,459
General Maintenance		20,775	4,713
Loop Road & Duabale		13,596	8,311
Koromumu Cemetery		4,889	4,166
Maint. of Rubbish Bin/Chambers		22,017	-
Maint. of Mini Bus Stand		5,986	-
Rubbish Dump		37,395	37,333
Streelights		17,025	35,876
Upgrade admin building		3,216	3,069
Maint. of Office Furniture/Equipment		3,312	415
Maint. of Bridge		12,318	
<u>Financial Expenses</u>			
Discount Allowed		12,993	9,987
Bank Charges & Interest		1,308	1,594
Depreciation		52,274	44,088
Total Expenditure		<u>928,132</u>	<u>742,097</u>
Net (deficit)/surplus for the year was		(35,143)	81,839
Deficit balance at 1 January was		<u>(561,503)</u>	<u>(643,342)</u>
Leaving a deficit balance at 31 December of		<u>(596,646)</u>	<u>(561,503)</u>

SIGATOKA TOWN COUNCIL
SPECIAL LOAN FUND ACCOUNT
STATEMENT OF REVENUE AND EXPENDITURE

The Revenue for the year was derived from	NOTES	2009 \$	2008 \$
Special Loan Rate		140,320	120,171
Special Loan Rate on Stateland		11,296	9,543
Total Revenue		<u>151,616</u>	<u>129,714</u>
The Expenditure for the year was incurred on			
Interest - Colonial		127,746	138,832
Total Expenditure		<u>127,746</u>	<u>138,832</u>
Net surplus/(deficit) for the year was		23,870	(9,118)
Deficit balance at 1 January was		(246,435)	(237,317)
Leaving a deficit balance at 31 December of		<u>(222,565)</u>	<u>(246,435)</u>

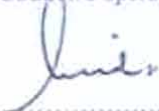
SIGATOKA TOWN COUNCIL
PARKING METER FUND ACCOUNT
STATEMENT OF FINANCIAL POSITION

	NOTES	2009 \$	2008 \$
<u>Current Assets</u>			
Cash at bank		1,177	3,099
<u>Non Current Assets</u>			
Property, Plant & Equipment	5	22,512	24,452
Total Assets		23,689	27,551
<u>Current Liabilities</u>			
Employee Entitlement		2,018	1,958
Vat Payable to General Fund		1,099	3,099
Total Current Liabilities		3,117	5,057
Total Liabilities		3,117	5,057
Net Assets		20,572	22,494
Accumulated Funds		20,572	22,494

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 11 to 20

COUNCIL'S STATEMENT

In our opinion, the financial statement have been properly drawn up so as to show a true and fair view of the Sigatoka Town Council's operation for the year ended 31 December 2009 and of the state of affairs and cash flows as at that date.


.....

The Special Administrator
Mr. Aisea Tuidraki
Date:


.....

Acting Town Clerk/CEO
Mr. Anand Sami Pillay
Date: 27/12/2012

SIGATOKA TOWN COUNCIL
PARKING METER FUND ACCOUNT
STATEMENT OF REVENUE AND EXPENDITURE

	NOTES	2009 \$	2008 \$
The Revenue for the Year was derived from			
Infringment Fines		24,449	31,036
Parking Meter Tolls		75,710	52,212
Miscellaneous		2,388	11,262
Parking Permit		5,633	5,512
Total Revenue		108,180	100,022
The Expenditure for the Year was Incurred from			
Office Rental		2,280	2,280
Bank Charges		50	-
Road, Footpath marking/patching		15,884	7,000
Depreciation		2,371	2,513
Printing & Stationery		2,902	-
FNTC Levy		0	238
Roads, Drains, Paths & Verges		0	21,446
Salaries & Related payments		68,963	55,356
Other Administration Cost		1,232	-
Parking Meter Maintenance		14,480	6,270
Civic Reception		300	300
Office Expenses		480	480
Travelling Cost		200	-
Electricity		960	1,040
Total Expenditure		110,102	96,923
Net (deficit)/surplus for the year was		(1,922)	3,099
Add surplus balance at 1 January of		22,494	19,395
Leaving a surplus balance at 31 December of		20,572	22,494

SIGATOKA TOWN COUNCIL
GENERAL FUND ACCOUNT
STATEMENT OF CASH FLOWS

	NOTES	2009 \$	2008 \$
Cash Flows From Operating Activities			
Cash was provided from:			
Rates and other revenue		1,004,738	824,848
Interest		893	1,764
		<u>1,005,631</u>	<u>826,612</u>
Cash was applied to:			
Payments to suppliers & employees		(826,270)	(643,754)
Net Cash Flows provided by Operating Activities	14(a)(i)	<u>179,361</u>	<u>182,858</u>
Cash Flows From Investing Activities			
Cash was applied to:			
Payments/(Proceeds) for property, plant and equipment		(15,181)	(34,482)
Payment for capital purchases		(180,695)	(115,342)
Net Cash Flows provided by Investing Activities		<u>(195,876)</u>	<u>(149,824)</u>
Cash Flows From Financing Activities			
Cash was provided from:			
Loan Rate		151,616	105,423
Cash was applied to:			
Lease Liability		(6,792)	(4,076)
Loan repayments		29,117	14,052
Interest		(127,746)	(138,832)
Net Cash Flows provided by Financing Activities		<u>46,195</u>	<u>(23,433)</u>
Net increase in cash held		29,680	9,601
Cash at the beginning of the year		25,479	15,878
Cash at the end of year	14(a)(ii)	<u>55,159</u>	<u>25,479</u>

SIGATOKA TOWN COUNCIL
PARKING METER FUND ACCOUNT
STATEMENT OF CASH FLOWS

	NOTES	2009 \$	2008 \$
Cash Flows From Operating Activities			
Cash was provided from			
Rates and other revenue		108,180	100,022
		<u>108,180</u>	<u>100,022</u>
Cash was Applied to:			
Payments to suppliers & employees		(110,102)	(96,923)
Net Cash Flows from Operating Activities	14(b)(i)	<u>(1,922)</u>	<u>3,099</u>
Net increase/decrease in cash held		<u>(1,922)</u>	<u>3,099</u>
Cash at the begininig of the year		3,099	-
Cash at the end of the year	14(b)(ii)	<u><u>1,177</u></u>	<u><u>3,099</u></u>

Note 1 Statement 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 2009. Unless otherwise stated similar policies were followed in the previous year.

a) Basis of preparation of the financial statements

The accrual basis of accounting is adopted for all financial transactions.

b) Revenue

Revenue is recognised in the Statement of Revenue 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.

c) Income tax

Under section 17(4) of the Income Tax Act, the council is exempt from tax on its income.

d) Property, Plant and Equipment

Acquisition

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of self-constructed assets includes the cost of materials, direct labour and an appropriate proportion of overheads.

Depreciation

Depreciation has been provided using straight line method so as to write off the assets over estimated useful lives.

The principal rates adopted are:

Computers	33% p.a
Furniture & Fittings	7% p.a
Motors Vehicle	20% p.a
Office Equipment	7% p.a
Plant & Machinery	7% p.a
Land & Building	2.5% p.a

	2009	2008
	\$	\$

e) Employee Entitlements

Contributions are paid to the Fiji National Provident Fund on behalf of employees to secure retirement benefits and the cost are included in the Statement of Revenue and Expenditure.

f) Trade and other receivables

Trade and other receivables are stated at their cost less impairment losses.

g) Impairment

The carrying amount of the Council's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated at each balance sheet date. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. All impairment losses are recognised in the Statement of Revenue and Expenditure.

h) Trade and other Payables

Trade and other payables are stated at their cost.

i) Comparatives

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

Note 2 Cash at Bank

Cash on Hand	500	500
Colonial Bank - General Fund	53,825	21,529
- Capital Fund	2,511	7,049
	<u>56,336</u>	<u>28,578</u>
Disclosed as:		
General Fund		
Cash at Bank - General Fund	55,159	25,479
Cash at Bank - Parking Meter	1,177	3,099
	<u>56,336</u>	<u>28,578</u>

SIGATOKA TOWN COUNCIL
 NOTES TO FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
 YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
Note 3 <u>Debtors</u>		
Rates	320,584	375,316
Bus Stand	1,099	1,718
Business Licence	281	1,302
Commercial Vehicle	284	643
Garbage Fees	10,260	7,347
Rental Properties	4,069	3,141
Taxi Base	698	1,907
Director of lands	102,736	98,537
Mini Van	2,558	-
	<u>442,569</u>	<u>489,911</u>
 Note 4 <u>Sundry Advances</u>		
Other Advances	3,159	3,159
Mayoral Appeal	1,486	1,486
Dishonored Cheques	5,023	4,259
Telephone	200	200
Electricity	22	22
Land	10	10
Post Box Key	2	2
	<u>9,902</u>	<u>9,138</u>

SIGATOKA TOWN COUNCIL

NOTES TO FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

YEAR ENDED 31 DECEMBER 2009

	2009	2008
Note 5 <u>Property, Plant and Equipment - General Fund</u>	\$	\$
Computers - at cost	11,900	9,314
less provision for depreciation	(7,755)	(5,609)
	<u>4,145</u>	<u>3,705</u>
Furniture & Fittings - at cost	9,046	7,536
less provision for depreciation	(2,169)	(1,606)
	<u>6,877</u>	<u>5,930</u>
Land & Building - at cost	1,364,318	1,364,318
less provision for depreciation	(201,920)	(167,812)
	<u>1,162,398</u>	<u>1,196,506</u>
Motor vehicle - at cost (EF537)	24,221	69,221
less provision for depreciation	(5,651)	(45,807)
	<u>18,570</u>	<u>23,414</u>
Office Equipment - at cost	21,718	12,920
less provision for depreciation	(4,055)	(2,728)
	<u>17,663</u>	<u>10,192</u>
Plant & Equipment - at cost	137,079	134,875
less provision for depreciation	(11,001)	(1,715)
	<u>126,078</u>	<u>133,160</u>
Net Written Down Value	<u>1,335,731</u>	<u>1,372,907</u>

SIGATOKA TOWN COUNCIL
 NOTES TO FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
 YEAR ENDED 31 DECEMBER 2009

	2009 \$	2008 \$
<u>Property, Plant and Equipment - Parking Meter Fund</u>		
Plant & Machinery - at cost	30,501	30,501
less provision for depreciation	(10,853)	(8,718)
	<u>19,648</u>	<u>21,783</u>
 Computers - at cost	 514	 1,671
Less provisions for depreciation	(42)	(1,588)
	<u>472</u>	<u>83</u>
 Office Equipment - at cost	 2,767	 2,767
Less provision for depreciation	(375)	(181)
	<u>2,392</u>	<u>2,586</u>
 Net Written Down Value	 <u>22,512</u>	 <u>24,452</u>

(i) Movements in carrying amounts for each class of property, plant and equipment.

General Fund

Land and Building

Carrying amount at beginning	1,196,506	1,203,334
Additions	-	27,280
Depreciation Expense	(34,108)	(34,108)
Balance as at 31st December	<u>1,162,398</u>	<u>1,196,506</u>

Motor Vehicles -EG537

Carrying amount at beginning	23,414	10,000
Additions	-	24,221
Disposals	-	(5,000)
Depreciation expense	(4,844)	(5,807)
Balance as at 31st December	<u>18,570</u>	<u>23,414</u>

Computers

Carrying amount at beginning	3,705	1,326
Additions	2,586	3,580
Depreciation expense	(2,146)	(1,201)
Balance as at 31st December	<u>4,145</u>	<u>3,705</u>

Furniture and Fittings

Carrying amount at beginning	5,930	6,458
Additions	1,510	-
Depreciation expense	(563)	(528)
Balance as at 31st December	<u>6,877</u>	<u>5,930</u>

SIGATOKA TOWN COUNCIL
 NOTES TO FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
 YEAR ENDED 31 DECEMBER 2009

	2009 \$	2008 \$
Movement in Carrying Amounts (cont'd)		
<u>Office Equipment</u>		
Carrying amount at beginning	10,192	10,321
Additions	8,798	773
Depreciation Expense	(1,327)	(902)
Balance as at 31st December	<u>17,663</u>	<u>10,192</u>
 <u>Plant & Equipment</u>		
Carrying amount at beginning	133,160	2,768
Additions	2,204	131,933
Depreciation Expenses	(9,286)	(1,541)
Balance as at 31st December	<u>126,078</u>	<u>133,160</u>
 Net Written Down Value	<u>1,335,731</u>	<u>1,372,907</u>
 <u>Parking Meter Fund</u>		
<u>Plant and machinery</u>		
Carrying amount at beginning	21,783	23,918
Depreciation expense	(2,135)	(2,135)
Balance as at 31st December	<u>19,648</u>	<u>21,783</u>
 <u>Computers</u>		
Carrying amount at beginning	-	345
Additions	514	-
Depreciation expense	(42)	(262)
Balance as at 31st December	<u>472</u>	<u>83</u>
 <u>Office equipment</u>		
Carrying amount at beginning	2,586	480
Additions	-	2,222
Depreciation	(194)	(116)
Balance as at 31st December	<u>2,392</u>	<u>2,586</u>
 Net Written Down Value	<u>22,512</u>	<u>24,452</u>

SIGATOKA TOWN COUNCIL
NOTES TO FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
Note 6 <u>Accumulated Funds</u>		
This consists of:		
General Fund Account	(596,646)	(561,503)
Loan Repayment Account	(222,565)	(246,435)
Asset Revaluation Reserve	816,597	816,597
Adjustment - Debtors	229,857	288,185
Net accumulated funds	227,243	296,844

The council adopted accrual basis of accounting in 2003. An adjustment was made to accumulated funds to record debtors balances relating to prior year that are still owing at the current balance date.

Note 7 <u>Loan Funds</u>		
<u>Colonial Life Fiji</u>		
Balance at 1st January	1,321,556	1,307,504
Add: Interest	127,746	138,832
	<u>1,449,302</u>	<u>1,446,336</u>
Less: Loans repaid	(98,629)	(124,780)
Balance as at 31st December	<u>1,350,673</u>	<u>1,321,556</u>
 Total Loan Funds	 <u>1,350,673</u>	 <u>1,321,556</u>

Loans raised by the Council bear interest charges at the rate of 7.5 per cent per annum and are repayable over a period of twenty years. All loans are raised under the provisions of the Local Government Act and are secured on the assets of the Council.

Analysed as :

Current	149,736	149,736
Non Current	1,200,937	1,171,820
	<u>1,350,673</u>	<u>1,321,556</u>

Note 8 **Back Hoe Digger**

The amount represents Back Hoe Digger which was donated by the Japanese Government in 2008, which is treated in accordance with FAS 20:

Cost of Digger	123,132	124,445
Less: Depreciation charge	(9,191)	(1,313)
Written Down Value	<u>113,941</u>	<u>123,132</u>

SIGATOKA TOWN COUNCIL

NOTES TO FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
Note 9 <u>Finance Lease Repayments</u>		
Opening Balance	19,810	20,376
Less Repayments	(6,792)	(566)
Closing Balance	<u>13,018</u>	<u>19,810</u>
Note 10 <u>Sundry Deposits</u>		
Car Park Development	34,007	34,007
Council Properties/ Shop - Security	19,497	18,609
Security Deposit	1,747	1,747
Nomination Fee	1,240	1,240
Market Stall	500	500
Unknown deposit	100	100
Ticket Booth	30	30
	<u>57,121</u>	<u>56,233</u>

Note 11 Discount on Rates

The Council in its 2009 budget granted discount on rates as follows:

Rates paid in full on or before 31/01/09 - 7%

Rates paid in full on or before 28/02/09 - 4%

Rates paid in full on or before 31/03/09 - 2%

Note 12 Capital Commitment at balance date

EX MH subdivision - Council has invested \$1,101,600 and is awaiting the Title.

Note 13 Contingent Liabilities

There were no contingent liabilities at as balance date (2008 Nil)

SIGATOKA TOWN COUNCIL
 NOTES TO FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
 YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
Note 14 <u>Cash Flow Reconciliation</u>		
(a) <u>Cash Flow Reconciliation - General Fund Account</u>		
(i) Reconciliation of the Net Surplus to		
Net deficit from Operations		
General Fund	(35,143)	81,839
Add : Capital Purchases	180,695	115,343
Depreciation	52,274	44,088
	<u>197,826</u>	<u>241,270</u>
Changes in Assets and Liabilities		
(Increase) in debtors	47,342	(89,200)
Increase in creditors and other accruals	7,288	(5,364)
Decrease in VAT Payable	(4,847)	2,056
Increase in Sundry deposit	2,000	1,838
Increase in Vat receivable	888	(3,099)
Increase in Employee Entitlement	(2,936)	6,843
(Increase) in Current Assets	-	20,000
(Increase) in Deferred Income	(9,191)	-
(Increase) in sundry advance	(764)	(551)
(Increase)/Decrease in Lease Liability	(6,792)	9,065
Debtor adjustment from previous years	(52,952)	-
VAT adjustment on debtors for previous years	1,499	-
Net Cash Inflows (used in) from Operating Activities	<u><u>179,361</u></u>	<u><u>182,858</u></u>
 (ii) Reconciliation of cash		
For the purpose of statement of cash flows, cash includes cash at bank and on hand net of outstanding bank overdraft. Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in balance sheet as follows:		
Cash on Hand and at the Bank	55,159	25,479
	<u><u>55,159</u></u>	<u><u>25,479</u></u>

SIGATOKA TOWN COUNCIL
 NOTES TO FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
 YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
(b) Cash Flow Reconciliation - Parking Meter Fund Account		
(i) Net cash flows from operations		
Net Surplus from Operations	(1,922)	3,099
Add: Depreciation	-	-
Changes in Assets and Liabilities		
Increase in VAT payable to General Fund		
Increase in Creditors	-	-
Increase/(Decrease) in VAT receivable		
Net Cash Inflows from Operating Activities	(1,922)	3,099

(ii) Reconciliation of cash

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

Cash at Bank	1,177	3,099
	<u>1,177</u>	<u>3,099</u>