



RAKIRAKI TOWN COUNCIL

Annual Report For the Year Ended 2019



PARLIAMENT OF FIJI

RAKIRAKI TOWN COUNCIL

ANNUAL REPORT

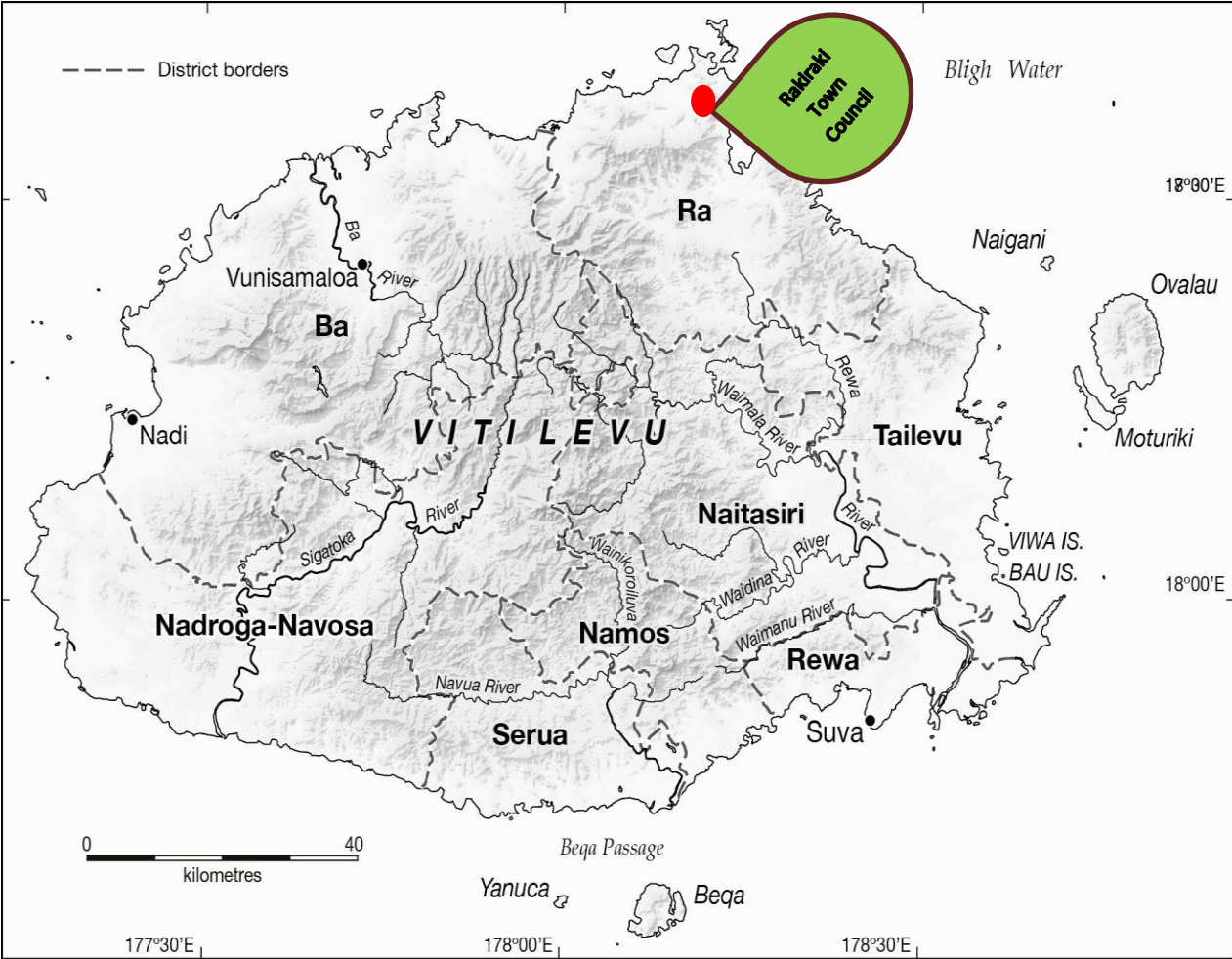
(Section 19 – Local Government Act Cap 125)

FOR THE YEAR ENDED DECEMBER 31, 2019

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Where is the Rakiraki Town Council?



Our Office:

Main Office:

Vaileka House
Ground Flr
Korotale Rd
Main street, Rakiraki Town

WELCOME AND INTRODUCTION TO RAKIRAKI TOWN COUNCIL'S ANNUAL REPORT FOR 2019

Welcome to Rakiraki Town Council Annual Report. Council is committed to transparent reporting and accountability to the community.

This Annual Report provides the Rakiraki Town Council with information about Council's operations and performance during the financial year, and meets all obligations under (Section 19 – Local Government Act Cap 125)

VISION

The Rakiraki Town is a well-planned, healthy, safe and secure community with a strong community identity and sense of place. It is a full service, economically sustaining town where people can affordably live, work, shop and recreate.

It has an integrated open space, rivers, mountains and parks system that provide opportunities for residents to enjoy the natural resources of the community as well as quality, up to date infrastructure and facilities. The architecture and streetscape design provide for a small town, pedestrian oriented ambience. Neighborhood centers provide parks, shopping and community gathering opportunities in an appropriate mix and scale that promotes a feeling of community and connectedness.

Rakiraki has an active, educated and involved citizenry who provide invaluable resources to the town through their spirit of volunteerism and civic participation.

MISSION

The town of Rakiraki mission is to create and sustain our community vitality and quality of life by:

- i. Planning well for our Town's future while preserving the traditions of our past;
 - ii. Instilling a sense of belonging and connection within our community
 - iii. Safeguarding our community;
 - iv. Providing adequate and quality community facilities and services and programs;
 - v. Ensuring the economic health and fiscal stability of the Town;
 - vi. Balancing economic development with the social values, traditions and needs of the community;
 - vii. Developing positive relations with our citizens, businesses and partners and promoting community involvement;
- Providing opportunities for citizens to enjoy and participate in educational, cultural and artistic **VALUES**

OUR VALUES

Continuous improvement

- We encourage and support innovation and creativity
- We commit to driving continuous improvement
- We constantly review what we do
- We embrace and respond to change as it occurs
- We strive to deliver the best possible outcomes

Recognition

- We recognize and encourage the contributions of others
- We actively support and promote our colleagues
- We acknowledge and reward employees exceeding performance expectations
- We celebrate success

Accountability

- We work in an open and transparent manner and follow through on commitments
- We take responsibility for our personal decisions and actions
- We adhere to policies and procedures
- We make the best use of our time and resources
- We all take responsibility for the way we treat each other

Fairness

- We show respect when speaking to and about others
- We build trusting and productive relationships
- We deal with others fairly and consistently
- We actively listen and respond appropriately
- We respect all people and celebrate our diversity

Teamwork

- We help each other to achieve organizational goals
- We involve team members in solving problems and decision-making
- We encourage everyone's contribution to the team
- We communicate clearly, openly and respectfully
- We provide positive, constructive and timely feedback

Role and Responsibilities of the Council

The council is responsible for the formulation and implementation of town Bylaws and planning policies. To achieve this, the Council defines the core business and responsibilities for 2019 as follows:

a) Corporate services

- i. Implementation of policy decisions for the overall administration of the council's budgeting, planning, Financial and accounting control and managing human resources.

b) Local Government

- i. Implementation and evaluation of the performance of council and stakeholders for good governance of economic activities. Acts and regulations implementation.

c) Commercial Vehicles

- i. Provision of stands for public transportation and access of the public.

d) Market Operation

- i. Administer the provision of market services with specific emphasis on quality of products and regularized standards and infrastructure.

e) Women Vendors Overnight Accommodation

- i. Manage, coordinate and monitor the economic empowerment of women in line with the UN Women Partner Improving Market project and UNDP PC Millennium Market objectives.

f) Investment

- i. Partner with investment Fiji for profile marketing of Rakiraki to Local and overseas investors.

g) Commercialization

- i. Public Private Partnership/sole operations for additional revenue generations.

1.5 AMINISTRATOR OF THE COUNCIL

The following were the Councillors of the council effective from 27th September 2019:-

- 1) Chairman – Special Administrator (*Mr. Mark Hirst*)
- 2) Special Administrator – *Mr. Luke Mataciwa*
- 3) Special Administrator – *Mrs. Ivamere Saunaqali*

SPECIAL ADMINISTRATORS MESSAGE

Since the Special Administrators were appointed midway through the 2019 year, we have undertaken to introduce transparency and accountability to the Council Operations with a major focus on Customer Service. We are also committed to achieving an unqualified audit report for 2020 financial period by focusing on the issues presented by previous audits.

Many hours have been put in to get the Market Project completed but due to issues with Contractors this was not achieved in the 2019 year.

Finances at the Council were in a perilous state and the Special Administrator team has taken control of expenditure and worked together with the staff to reduce the arrears sitting on the books.

Together with the staff at the Council we look forward to a year where revenues will increase when the new market is opened and we can continue to provide better service to the citizens of Rakiraki.

Luke Mataiciwa

Chair Special Administrators

Rakiraki and Tavua Town Councils.

INTRODUCTION

1.0 HISTORY

Rakiraki town boasts a number of historic sites and buildings. It has the first sugar mill in Fiji, the first Hindu Temple when the Fijians of Indian descent first settled in Fiji. It has the first primary school Established in western division; it has burial ground of the last cannibal “Udreudre”



1.1 ESTABLISHMENT

The Town of Rakiraki was legally declared on Thursday July 1 2010. The Public Service Commission approved the use of an office space in the government rented complex at Vaileka House where official operations commenced on Monday 6th July 2010.

1.2 POPULATION

It has about 6952 residents were recorded from 2000 Census .Rakiraki is an ideal town where people from various ethnic backgrounds have settled and have lived harmoniously and have prospered with their hard work and dedication. Total of 9 schools, 3 secondary schools & 6 primary schools.

1.3 WEATHER

Rakiraki is renowned for its fantastic weather with beautiful sunny days and clear blue skies all the year round. The two seasons annually May to September is cool and dry and October to April the hot and wet. Humidity is usually low even though the temperature is high. The average warm temperature is 30°C.

1.4 LOCATION

Rakiraki Town is situated in the western side of Viti Levu, the largest island of Fiji. The town is surrounded by mountains of the Nakauvadra Ranges which provides the natural forests, rivers and streams with rich flora and fauna. A breathe of fresh air every time you walk out into the open surroundings.

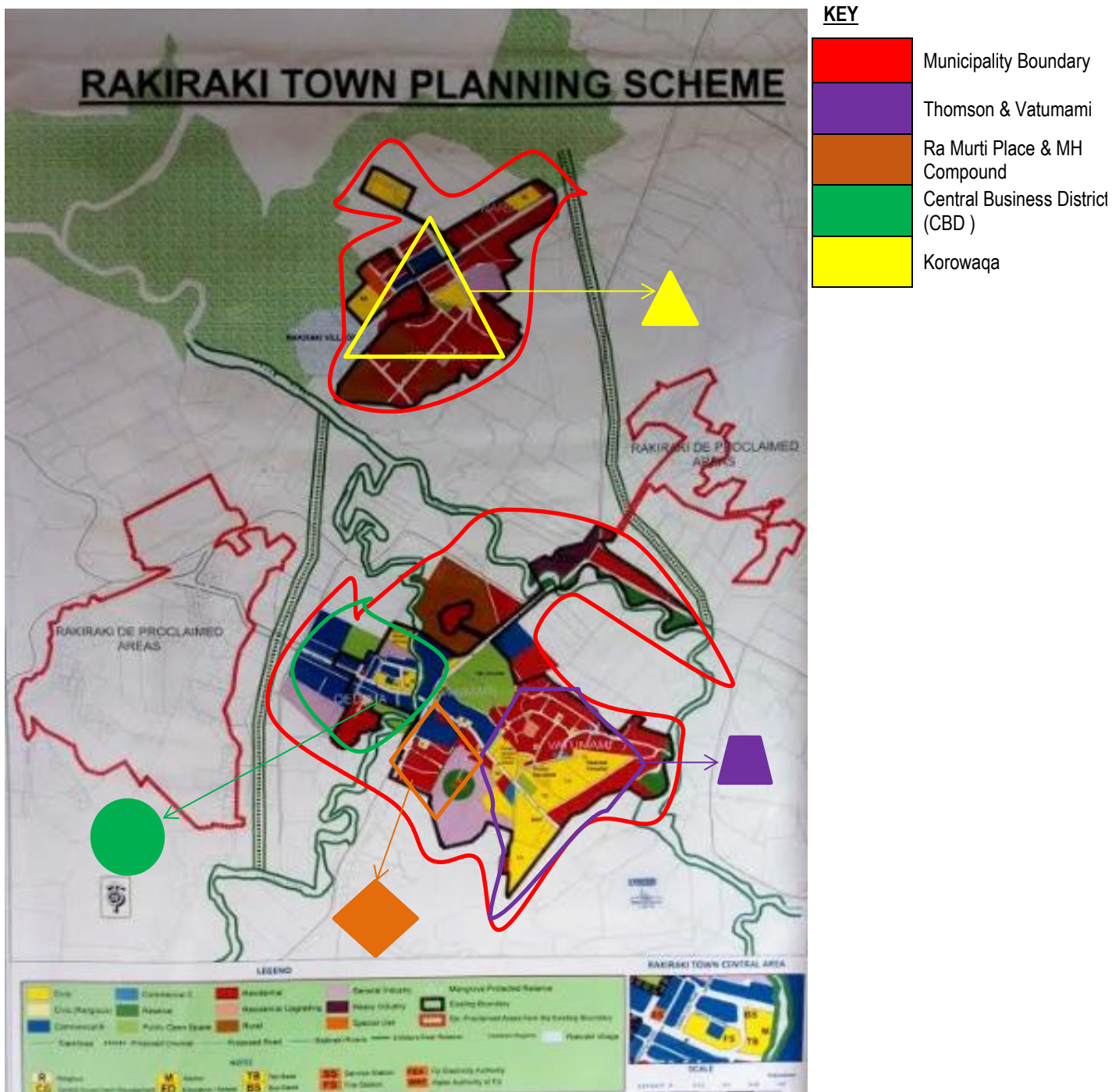
Rakiraki town is surrounded by preserved acreage of open space, mountains and rivers which provides recreational opportunities as well as contributes to high quality of life for residents. The mountain ranges and rivers and streams provide opportunities for walking trails, forest tracking and hiking.

Rakiraki town is within reasonable commuting distances to other major towns and cities in Fiji.

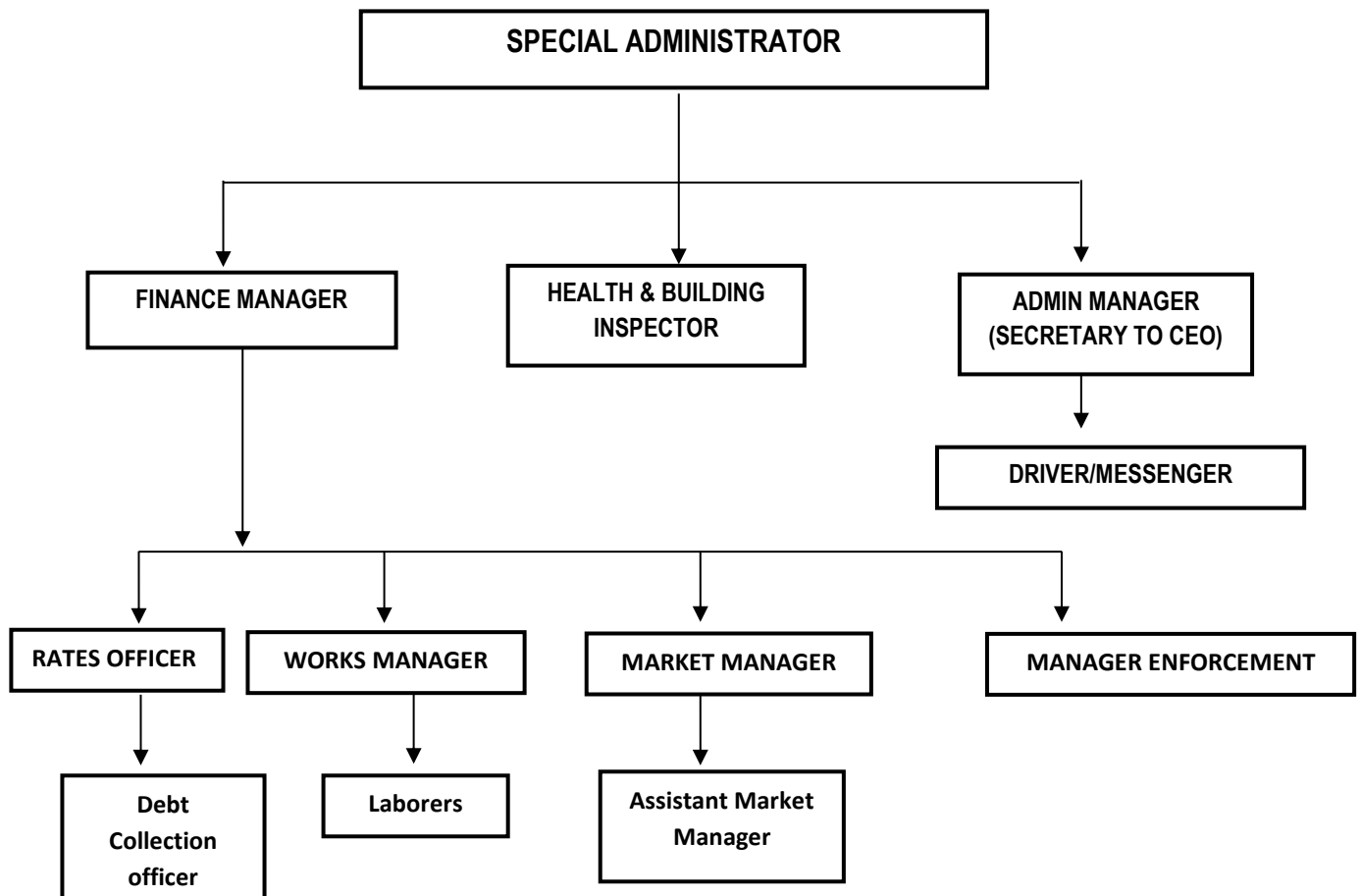
The Rakiraki Town Council Area is divided into five electoral wards:

1. Thomson & Vatumami
2. Ra Murti Place & MH Compound
3. Central Business District (CBD)
4. Korowaga

Rakiraki Town Council is committed to the principles of access and equity. We are continually working towards improving equal access to our services and facilities to all who live in, work in and visit the area.



RAKIRAKI TOWN COUNCIL - ORGANISATION STRUCTURE 2019



HIGHLIGHTS FOR 2019

STATE OF DISASTER – AFTERMATH OF TC SARAI

The impact of TC Sarai that hit Kadavu & Lau were heavily felt respectively by our neighboring municipalities. Lower parts of Rakiraki was flooded especially those residing Central Business District. Part of Naqallau flat was submerged whilst the spillover of drains and channels causing the flooding of roads within part of CBD area.

During TC Sarai, The NFA offered assistance in terms of cleaning the main CBD area.



VODAFONE RAKIRAKI CARNIVAL – 2019

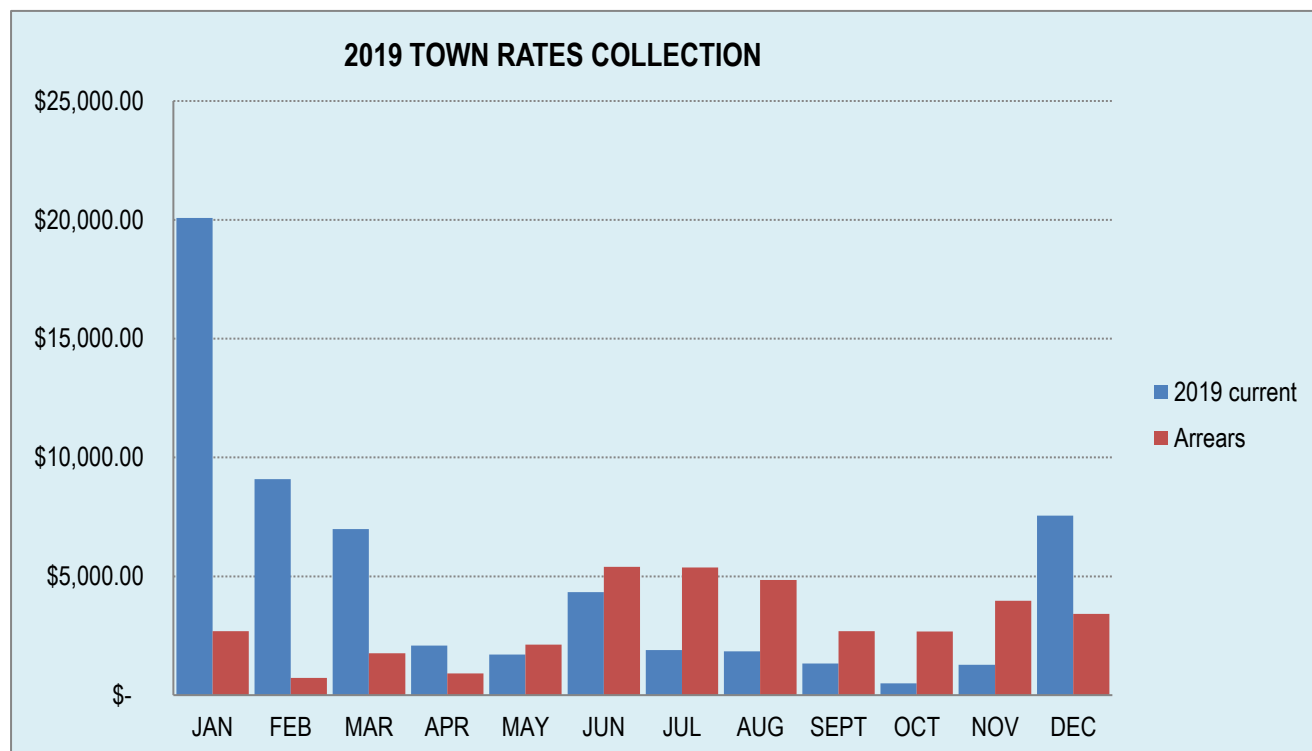
The Vodafone sponsored 2019 Rakiraki Carnival was held from the 2nd to 9th of November, 2019 at FSC Ground. The carnival objective is to raise fund to financially support the Council for the beautification of the Rakiraki Town, improvement to infrastructure.

The council hosted the 5 contestant for a luncheon and tour within the town as part of its contributions to the organizing committee.

ADMINISTRATION & FINANCE

RATES

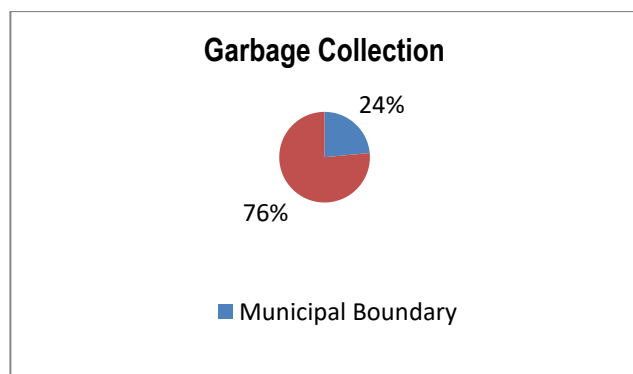
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
2019 current	\$20,077.15	\$ 9,089.54	\$ 6,991.16	\$ 2,092.06	\$ 1,703.71	\$ 4,330.52	\$ 1,893.40	\$ 1,838.13	\$ 1,330.94	\$ 491.46	\$ 1,279.50	7549.41
Arrears	\$ 2,696.75	\$ 731.46	\$ 1,762.90	\$ 917.60	\$ 2,121.35	\$ 5,398.55	\$ 5,366.68	\$ 4,852.54	\$ 2,695.45	\$ 2,682.30	\$ 3,967.90	3423.88
Total	\$22,773.90	\$ 9,821.00	\$ 8,754.06	\$ 3,009.66	\$ 3,825.06	\$ 9,729.07	\$ 7,260.08	\$ 6,690.67	\$ 4,026.39	\$ 3,173.76	\$ 5,247.40	10973.29



5.1 Garbage Fees

The Council levied garbage fees of \$25.05 per bin per annum; this is the rate that was being levied by the Rural Local Authority when operations were transferred to the Council of 28th September 2010. Garbage collection is provided by the Council (Compactor Truck was donated by the Government in July 2015)

Area	Total Fees Collected
Municipal Boundary	\$ 6,757.09
Outside the Municipal Boundary(Including Hotels & resorts)	\$ 21,945.22
Total Garbage collection	\$ 28,702.31

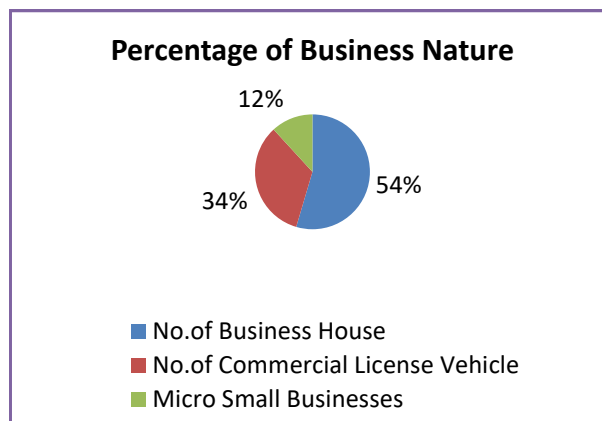


5.2 Business License Fees

The Business License survey team recorded Three Hundred and Seventy Two (372) businesses in town boundary. A total of 364 renewed as at 31st December 2019.

Breakdown of Business Nature

No.of Business House	203
No.of Commercial License Vehicle	125
Micro Small Businesses	44



Commercial Vehicle Base Fees

Rakiraki consist of 4 modes of commercial base services which are as highlighted.

No	Types of Bases	No.of Base stand	Name of Base Stand	No.of Base Permit
1	Taxi Base	2	1. Rakiraki Market 2. Ra Hospital stand	74 9
2	Carrier Base	1	1. Rakiraki Carrier Stand	36
3	Mini Bus Base	1	1. Rakiraki Mini Bus stand	7
4	LC Loading/Off Loading stands	1	1. Rakiraki Market stand	36
5	Bus Bays	1	1. Rakiraki Bus stand	4

Litter Bookings

No	Receipt No.	Fine Amount	Comments	Offenders Name	Type of Offence
1	14051	\$40.00	Settled	Akbar Buses Ltd	Littering on Public Places
2	14201	\$40.00	Settled	Vinod Patel	Littering on Public Places
3	14202	\$40.00	Settled	Max Value Supermarket	Littering on Public Places
4	14204	\$40.00	Settled	Home & Living	Illegal Bin Posting

Municipal Market Fees

Market Fees have not been reviewed since the operation were transferred from the Ra Rural Local Authority on the

28th September 2010. Current fees are still maintained :

i.	Outside ground space (without tables)	-	25 cents per block
ii.	Inside stall (with tables)	-	85 cents per space per day
iii.	Main market block	-	\$35 dollars per month
iv.	Kava stall	-	\$2.30 per day
v.	Refreshment Bar	-	\$206 per month
vi.	Fish market	-	10 cents per kg

Total No. of Market vendors (2019) : 160 (95 females / 65 males)

New Market Complex



SITE PICTURES

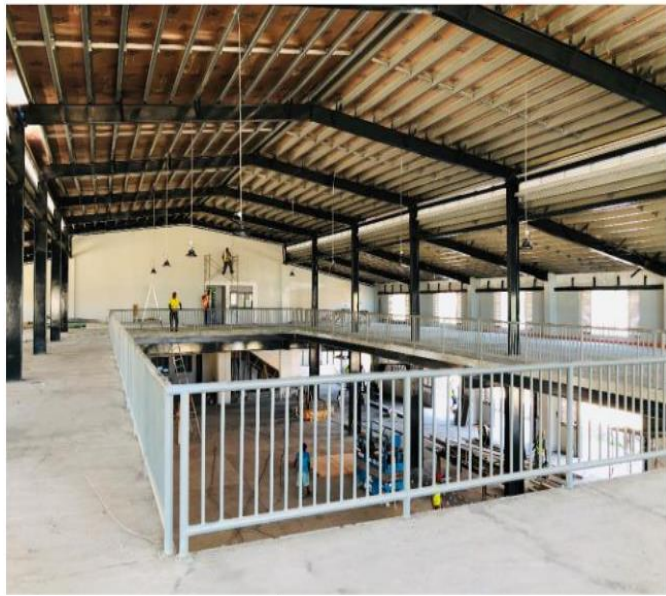
Accommodation Area

- Tiles Completed
- Ceiling Works Completed - Rinas Electrical working on Light Installation
- Kitchen Joinery & Electrical Appliances Installed
- Final Coat of Painting left



Open Mezzanine Craft Centre

- All Aluminum Windows Completed
- Rina's Electrical - On going Electrical Works
- Rails Completed by MSL



RECURRENT REVENUES & EXPENDITURES

The total recurrent revenue and expenditure of the council for the year ending December 31, 2019 were as follows:-

2019	Total
Revenues	
Business License	\$ 53,153.10
Market Fees/ Referrals	\$ 48,400.50
Commercial Vehicle base fees	\$ 49,175.77
Garbage Fees	\$ 22,017.62
Town Rates	\$ 94,915.70
Toilet Fees	\$ 21,812.65
Traffic Fines	\$ 205.00
Litter Fines	\$ 180.00
Rent	\$ 2,407.20
Permit Fees	\$ 4,619.28
Hire Boardroom & FSC Ground	\$ 1,453.50
Tender Fees	\$ 75.00
Building Fees	\$ 7,421.97
Salary - Health Inspector	\$ 2,944.45
Misc (Photocopy)	\$ 2.00
Advertisement	\$ 3,291.20
Administration Fees - Drainage	\$ 16,880.00
Compost Bins	\$ 90.00
Total Revenues Collected	\$ 329,044.94
Expenses	
Office Expense	\$ 11,083.46
Staff Wages	\$ 191,314.63
MYOB Installation	\$ 5,602.60
FNPF	\$ 35,968.55
Vodafone (Group ph)	\$ 8,180.25
Telecom	\$ 648.84
Petty Cash	\$ 3,283.43
Fiji Electricity Authority	\$ 9,125.37
Printing & Stationary	\$ 10,042.68
General Maintenance	\$ 21,114.39
Servicing Council Vehicle	\$ 4,674.24
Fuel - Council Vehicle - FW 171	\$ 4,302.88
Fuel - Council Vehicle - IL 135	\$ 6,073.62
Fuel - HT 720 Tulsi	\$ 413.40
PAYE- CEO	\$ -
Insurance	\$ 2,783.14
Workshop/Meeting	\$ 3,381.15
Toilet Exp	\$ 8,819.90
Water Bill	\$ 14,325.59
Town & Country Planning	\$ 7,093.56
Valuation of Lands	\$ 104.80
Refund	\$ 2,628.40
Rates Exp	\$ 893.65
Advertisement	\$ 5,779.35
Garbage Exp	\$ -
FRCA - FBT	\$ 119.75
Girmit Remembrance Exp	\$ -
Labors Safety Wears	\$ 3,455.48
FNU Levy	\$ 1,175.72
Grass Cutting (Premix)	\$ 649.20
General/ Market Exp.	\$ 3,944.22
Audit Fees	\$ 2,400.00
Accounting Fees	\$ 1,000.00
Post Fiji - Rental Fees 2019	\$ -
Farewell - CEO	\$ -
Total Expenses Collected	\$ 370,382.25
Surplus/ Deficit	\$ (41,337.31)

PUBLIC HEALTH & ENVIRONMENT

1.1 Licenses /Registration of Premises

Types of Business	No. of Licenses
Hotels/Guest Houses	1
Restaurant	13
Refreshment Bars	10
Supermarket	3
Retail Shop	11
Retail Shop/Supermarket with Liquor License	4
Bake House	2
Butcher Shop	7
Hairdresser/Barbershop/Chiropodists	7
Billiard Tables/Amusement Centre	4
Night Club	1
Hawkers	38
Juice Operators	11
Fish Retail	1
Food Processing	5
Total	119

HAWKERS:

Types of Business	No. of License
Mobile Food Hawkers	11
Food Container/Takeaway	12
Sweet Cart	4
Juice Operators	11
Total	38

SUMMARY OF INSPECTION

Type of Inspection		Nos. Existing	Total Inspection	Total Re-Inspection	Total
1.	House to House Inspection of district	-	400	200	600
2.	Investigation of Complaint nuisance, food etc.	-	170	150	320
3.	Hotels, Guest Houses or Private Hotels	1	20	20	40
4.	Hairdresser	7	20	20	40
5.	Restaurant, Refreshment Bars, Takeaway	13	48	40	88
6.	Food Shops, Food Stores, Supermarket	3	48	40	88
7.	Bake House	2	48	40	88
8.	Butcher Shop	7	48	48	96
9.	Food Kitchen	13	48	48	96
10.	Food Vehicle & Cart & Food Stall	4	20	10	30
11.	Food Processing Factories	5	20	15	35
12.	Bulk Stores	11	40	30	70
13.	Hawkers for License	38	48	40	88
14.	Schools & Kindergartens	5	20	18	38
15.	Dance Halls & Night Club	1	10	10	20
16.	Billiard Rooms	4	12	12	24
17.	Public Conveniences	2	48	40	88
18.	Street Drain		30	20	50
19.	Total	116	1098	801	1899

SUMMARY OF SANITARY IMPROVEMENTS, ETC.

Improvement Works		Ordered	Completed	Total
1.	Repairs, cleansing or improvement to drains	0	0	0
2.	Repairs, cleansing of bathroom/washing place	2	1	3
3.	Repairs to rubble drain and soakage pit	6	5	11
5.	Removal of accumulation of refuse/litter others	20	15	35
6.	Clearing of overgrowth of weeds and long grass	34	30	64
7.	Abatement of mosquito breeding	25	20	45
8.	Abatement of nuisance from poultry	11	9	20
9.	Repairs ,cleansing or improvements to restaurant or refreshment Bar	13	8	21
10.	Repairs and cleaning or improvements to food stores, supermarkets and market	1	0	1
11.	Repairs, cleansing or improvements to butcher shop	7	7	14
12.	repairs, cleansing or improvements to bake house	2	2	4
13.	Repairs and Cleansing of Food Kitchen	13	10	23
14.	Cleansing or improvement to school and kind..	4	4	8
15.	Public Conveniences-cleansing/Repairs	1	1	2
16.	Total	126	107	233

WRITTEN NOTICES ETC.ISSUED

Number of intimation notices issued	34
Number of poultry and animal notices issued	11
Number of notices in letter forms issued	1
Number of Litter Notices Issued	3
Number of Summons Served	0

FOOD STUFF CONDEMNED AND DISPOSED OF DURING THE YEAR 2019

Type of Food	Quantity
FMF Flour	10 kg
Punjas Rice	10 kg x 3
Dhal	25kg x 3
Chick Peas	500 g x 3
Par Boil Rice	2 kg x 18
Chop Sue Noodles	260 g x 4
Lamb Neck	86.08 kg
Lamb Chump	121.81 kg
Lamb Shank	59.95 kg
Meat Dust	20 kg
Lamb Forequarter	78.94 kg
Goat Meat - IMP	42.49 kg
Mix Vegetable (Watties)	84 x 1 kg
Mix Vegetable (Watties)	51 x 500g
Ice Cream (Tuckers)	1 l x 5
Ice Cream (Tuckers)	2 l x 3
Ice Cream (Tip Top)	2l x 7
Vegetable Cutlet (Sumeru)	200g x 28
Margarine (Golden)	400g x 80
Margarine (Flora)	250 g x48
PC Lamb Sausage (Wallson)	500g * 120
PC Lamb Sausage (Wallson)	16g*75
Pizza Cheese Rewa	250g x 4
Fresh Yogurt Rewa	150 g x 70
Tasty Cheese Rewa	250g x4
Fresh Yogurt Rewa	80 g x 1
Butter Rewa	500g x 1
Chicken cutties First choice	340 g x 2
Chicken crest	500g x 2
Premium Sausage Crest	500g x3
Hot Spicy Sausage First Choice	500g x 11
Cheese Lamb Sausage First Choice	500g x 14
Lamb Sausage Top Taste	500g x 1
Green Pear	46 pieces
Grapes	9.9 kg
Brown Pear	10 pieces
Small Apples	5 pieces
Orange	10 pieces
Carrot	21.2 kg
Potatoes	50.5 kg

DOG TRAPPING EXERCISE

The dog trapping exercise is carried out in areas upon the request by ratepayers. Vatumami area is considered as one of the hot-spot area for stray dogs. This issue had become the talk in town whereby stray dogs are attacking animals and human being and seen roaming around in shops and town. In addition, most of this dog is not licensing.

Total of more than 30 dogs were trapped and have being brought to the Naria Rubbish Dump. All matters in regards to strays dog and unlicensing of dogs were referred to the Ministry of Agriculture.

WASTE DISPOSAL AND MUNICIPAL GARBAGE DUMP

The garbage collection and removal services were carried out by the council and all wastes disposed at the councils dump including refuse from the market. The council have collected a total of approximately 40 trips per week and a total of 25 tonnes. Overall in a year, total number of trips were closed to 480 and closed to 300 tonnes. Green waste collection is schedule for every Wednesday for free of charges. Other solid waste such as white goods, tins, irons are collected using the user pay concept (tipping fees). Clean up campaign is conducted once a year. However, there are other small clean up conducted in public holiday. The waste disposal site at Naria Rubbish Dump. There are 1 full –time dump attendant who responsible for the supervision of all garbage disposals and the security for official hours from 8am to 4:30 pm. There are two labourers allocated for the collection of garbage refuse plus the driver.

3Rs concept is in progress whereby the council have carried out door to door awareness in village and residential areas, attend to village meeting to advocate the 3Rs and home composting. A total of 5 bulk bags were distributed to the peri- urban areas to promote 3Rs recycling as minimization of waste. Furthermore, the council have distributed a total of 15 colored recycling bins to school in town and peri-urban areas to practice waste segregation.

MOSQUITO CONTROL WORKS:

Survey Works: Larval

Vatumami and Korowaqa area is considered as one of the hot-spot area for dengue fever. In this year, the council have carried out house to house visit with the assistance from the Environmental Health Officers. Larval surveillance were conducted and collected and the identification were carried out by the Health Department inspectorate to ascertain the presence of vectors responsible for the spread of dengue fever and other diseases spread by mosquito. Sentinal surveillance were also carried out by the health department.

Mosquito Spraying:

Anti-mosquito spraying was carried out prior to any mass gathering occasion. For this year, the council have conducted AMS on March 2019, straight after one dengue cases. Secondly, before the Penang Sangam Carnival that was schedule to be held on July and the spraying of the markets to control mosquito. The Ministry of Health and the council have maintain are good working relationship which and they have assisted in the provision of AMS chemicals. The councils health inspector conducted the mosquito spraying works. The department will continue with the routine vector surveillance and monitoring works and house to house visit to keep premises free from mosquitoes.

Clean Up Campaign

Clean up campaign were usually conducted in public holiday. Notices were given to business operators, ratepayers, residential, commercial and industrial building about the particulars of the cleanup. The council cleanup is schedule to be held around Diwali. Other small cleanup is usually conducted upon request by ratepayers or any sponsorship organization such as the Rotary Club International. Clean up is conducted both inside and outside town boundaries.

Other Control Measures

Routine house- to- house visit were carried by the health inspector to check potential breeding places of mosquitoes. The residents were advised on source reduction of mosquito by removing and destruction of all potential breeding site. Door to door awareness were also carried on dengue. Intimation notices were also served to residents to clear overgrown grass and remove potential breeding site.

ANTI-LITTER WORK:

The Enforcement and Health department were the main drivers of enforcing the Litter Promulgation Act 2008. Verbal warning were given and fixed penalty notices were also imposed as provided in the Decree.

Number of fixed penalty notices and notice to attend court served	3
Number warned	20

FOOD SAFETY WORKS

Routine food surveillance and food safety inspections of food premises were conducted, investigating food complaint, restaurant grading, and food recall and conducting awareness. All health inspection of all food establishments were carried out by the council environmental officer with the assistance from the health officer. Copies of referral letter for inspection were sent to the health office for issuing of invoice, 25th and 26th schedule for the processing of health license.

Meeting with JICA EXPERT

The **JICA** experts from Japan are visiting the council in multiple time trying to discussed about waste management. The council are aware of the sanitary assistance that is funded by the government concerning the providing of sanitary services outside town boundaries. A total of 7 villages including all the existing settlement lies within to be schedule for collection of rubbish. During the meeting with the JICA expert we able to discuss and identify challengers and gaps in regards to the provision of services. All the challengers and gaps are noted and the council have slowly worked to secure better services to the public. Waste management is becoming are major concerns in both rural and urban areas. The council have conducted outreach program in town boundaries to advocate waste management, conducting clean-up, promoting waste recycle, waste segregation home composting. As a result of the awareness, some of the village members are forming their community working group responsible for the cleaning of the village. Majority of this community working group are school children and this is major boost for the council I maintaining partnership for any activities carried out. In addition, we are mobilizing this younger generation to be responsible for their village cleanliness.

TOWN PLANNING /ZONING & SUB-DIVISION

No.	Applicant	Subject Area	Nature of Amendment
1	Satendra Kumar	Proposed rezoning of Lot 11, RR 1225,Volivoli, Rakiraki	Agriculture to Residential
2	Vijen & Jain Prasad	Proposed rezoning of Lot 9,RR 1207,Rakiraki	Agriculture to Residential
3	Jitendra Singh	Proposed rezoning of Lot1 DP 6749,Nanuku	Agriculture to Residential
4	Yenkhat Raman Rao	Proposed rezoning of Lot 6,DP 10486, Wairuku	Residential to Commercial
5	Emily Boyd	Proposed rezoning of CT 24325	Agriculture to Residential
6	Akash Anand	Proposed subdivision of Lot 48,DP4360,Vunitogoloa	
7	Shaneel Goundar	Proposed rezoning of Lot 2,DP 4562	Agriculture to Residential
8	Jitendra Singh	Proposed rezoning of Lot 27,DP 10472,Waiqumu	Agriculture to Commercial
9	Manikam Goundar	Proposed rezoning of Lot 14,CT 11693	Agriculture to Residential
10	Zhao Apartment (Villa 118)	Proposed rezoning of Lot 2, DP 7584,Wairuku	Agriculture to Commercial
11	Dream View Estates Ltd	Proposed sub-division of Lot 2,SO 6572	
12	Shiu Narayan	Proposed rezoning of Lot 1, DP 9752,Wairuku	Residential to Commercial
13	Tevita Laulau	Proposed subdivision of Lot 1,RR 71, Qelesa	
14	Anil Dutt Sharma	Proposed sub-division of Lot 2,DP7587, Wairuku	
15	Rajnesh Lal	Proposed sub-division of Lot7,DP 10318,Waiqumu	
16	Sushila Devi	Proposed rezoning of Lot 2,SO 4592	Agriculture to Residential
17	Kanti Lal Dayaram	Proposed rezoning	Residential to commercial
18	Hazrat Ali	Proposed rezoning of Lot 3,RR1158,Colasi	Agriculture to Residential
19	Shanti Lal	Proposed rezoning of Lot 5,DP 7596,CT 32615,Wairuku	
20	Mahendra Naidu	Proposed rezoning of Lot 27,DP10472, Qallau	Agriculture to Residential
21	Dharmendra Kumar	Proposed subdivision of Lot 4,RR 1113	
22	Kalliappan	Proposed subdivision of Lot 8,DP 9984	
23	Rawan Sami	Proposed subdivision of Lot 2,SO 1195	
24	Bikaram Jeet	Proposed subdivision of Lot 4,DP 7590	
25	Suruj Kumar	Proposed subdivision of Lot 27, 10472	

PARK

There is only one (1) Park maintained by the Council name as Korowaqa Children's Park. This project was initially funded by the Ministry of Social Welfare.

Planting of trees and flowers was also undertaken in the commercial and industrial areas as part of an ongoing beautification of the town and keep up with the image of Rakiraki being a "GREEN TOWN"



BUILDING WORKS

11.2 SUMMARY OF BUILDING APPLICATIONS RECEIVED

	Nos.	Amount (\$)
Commercial Buildings	01	210,407
Industrial Buildings	02	72,200
Residential Buildings	23	4,167,314
Alterations & Repair	03	28,797
Miscellaneous: retaining walls, fence, sewer connections, etc	02	4789
TOTAL	33	4,483,507

11.3 SUMMARY OF BUILDING PERMITS ISSUED:

	Nos.	Amount (\$)
Industrial Buildings	02	645,400
Residential Buildings	23	231,902
Civic and Special Use	02	160,000
Alterations & Repair	07	28,117
Miscellaneous: retaining walls, fence, sewer connections, etc.	04	21,832
TOTAL	38	1,087,251

11.4 [SUMMARY OF COMPLETION CERTIFICATES ISSUED:

	Nos.	Amount (\$)
Commercial Buildings	02	708,452
Industrial Buildings	03	360,072
Residential Buildings	11	955,995
Civic and Special Use	01	68,748
Alterations and Repairs	01	52,803
Miscellaneous: retaining walls, fence, sewer connections, etc.	03	14,299
TOTAL	21	4,253,636

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CAPITAL PROJECTS

GRANTS

Organization	Purpose	Funding
UN Women	Ongoing Market Development	\$ 6,330,846.20
Ministry of Waterways	Ongoing Drainage Project	\$ 258,000.00
Ministry of Waterways	Riverbank projects	\$25,000.00

CONTRACTS

Nature of Contract	Contractors Name	Contract Terms	Contract Amount
Ongoing Market Development Project	Super Construction	April 2017 – July 2018	\$ 6,330,846.20
Ongoing Phase 1- Drainage Upgrade within the Municipal Boundary	Dipsha Homebuilders	21 st November 2018 – 31 st May 2019	\$390,000.00
Ongoing Phase 2- Drainage Upgrade within the Municipal Boundary & Riverbank Projects	Dipsha Homebuilders	21 st September 2019 – 31 st July 2020	\$78,000.00

14.0 VISITING DIGNITARIES

<u>NAME</u>	<u>DESIGNATION</u>
1. Mrs Premila Kumar	Minister for Local Government
2. Ms.Bindula Devi	Director for Local Government
3. Mahendra Reddy	Minister for Ministry of Waterways and Environment
4. Aiyaz Saiyad Kaiyum	Minister for Economy, Public Enterprises, Civil Service, Communications

HUMAN RESOURCE/INDUSTRIAL RELATIONS

At the end of the year, the council had following employees on its payroll:-

Department	Established	Un-established	Total
Administration	3	1	4
Finance	-	1	1
Building	1	-	1
Public Health	1	-	1
Market Department	-	4	4
Works Department	-	13	13
Enforcement & Business Licensing	-	3	3
Rates	-	2	2
Total	5	24	29

RETIREMENT

None

RESIGNATION

Un-established: - 1. Mr. Mr.Kavaia Dremoka, works as a laborers with 6 months of service
 2. Mr. Joep Masibalavu works as a laborer with 2 years of service
 3. Mr. Shailendra Raj works as laborer with 1 year of service

TERMINATED

Staff: - None

Un-established: - 1. Mr. Kolinio Raisamu works as a laborer with 1 year of service.

TRAINING – LOCAL (STAFF)

Officer	Programme	Date
Epeli Vukinagauna	Litter Prevention Officers (Training)	June 6 th , 2019
Aliposo Senibuli	Refresher Training on Fabrication and Installation of Grease Trap	February 23, 2012
Aliposo Senibuli	Local Government Solid Waste Management Master Plan on J-PRISM I	September 13,2020

APPRECIATION

The council wishes to convey its appreciation and gratitude to the ratepayers for paying their rates and other dues to meet the running cost of the city administration.

The council also wishes to acknowledge the dedicated and loyal services rendered by its staff and employees.

LUKE MATAICIWA
CHAIRMAN -SPECIAL ADMINISTRATOR

APPENDIX

Some Celebrations in the Market

(Rural Women's Day)



Diwali Celebrations



OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



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



File: 910/1

8 March 2021

Mr. Luke Mataiciwa
Chairman Special Administrators
Rakiraki Town Council
Vaileka House, Office 1
RAKIRAKI

Dear Mr. Mataiciwa

RAKIRAKI TOWN COUNCIL

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The audited financial statements for Rakiraki Town Council for the year ended 31 December 2019 together with my audit report on them are enclosed.

Particulars of errors and omission arising from the audit have been forwarded to the management of the Council for necessary action.

Yours sincerely

Ajay Nand
AUDITOR-GENERAL

cc: Mr. Salosi Sawana, Chief Executive Officer, Rakiraki Town Council.

Encl.

**RAKIRAKI TOWN COUNCIL
FINANCIAL STATEMENTS
31 DECEMBER 2019**

**RAKIRAKI TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

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Statement of financial position	11
Statement of cash flows	12
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Detailed statement of income and expenditure	20-21

**RAKIRAKI TOWN COUNCIL
COUNCIL DIRECTORY
FOR THE YEAR ENDED 31 DECEMBER 2019**

Nature of operations:	Town Council
Accountants:	Alliance International Suva
Location:	Main Street Rakiraki Fiji Island
Bankers:	Bank of Baroda Rakiraki
Executive Members:	Special Administrator - Luke Mataiciwa Secretary - Salesia Buka Treasurer - Deepika Darshni Goundar

**RAKIRAKI TOWN COUNCIL
EXECUTIVE MEMBERS REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The Executive Members have pleasure in presenting their report together with the financial statements of the Rakiraki Town Council for the year ended 31 December 2019 and the Auditor's Report thereon.

Operating Results :-

The results of the year are summarised as below :-

	2019 (\$)
Operating loss of the Council for the year ended 31 December 2019 was	(100,166)
Retained earnings at the beginning of the year were	5,896,871
Accumulated profit at the end of the year	<u>5,796,705</u>

RESERVES

It is not proposed to make any transfer to reserves.

The state of the Council as at 31 December 2019 was :-

Total Assets

5,988,220

and were financed by :-

Liabilities of	191,515
and Councils surplus of	5,796,705
	<u>5,988,220</u>

Executive Members

The Executive Members in office at the date of this report are :-

Special Administrator - Luke Mataiciwa
Secretary - Salesia Buka
Treasurer - Deepika Darshni Goundar

PRINCIPAL ACTIVITIES

The principal activities of the Rakiraki Town Council during the year were to protect the welfare of the Rakiraki Town and its inhabitants.

BAD AND DOUBTFUL DEBTS

Prior to the completion of the Council's accounts, the Executive Members took reasonable steps to ascertain that action has been taken in relation to writing off bad debts and the making of provision for doubtful debts. In the opinion of the Executive Members, adequate provision has been made for doubtful debts.

As at the date of this report the Executive Members are not aware of any circumstances which would render the amount written off for bad debts, or the provision for doubtful debts in the Council inadequate to any substantial extent.

CURRENT ASSETS

Prior to the completion of the financial statements of the Council, the Executive Members took reasonable steps to ascertain that action has been taken in relation to writing off of bad debts and the making of provision for doubtful debts. In the opinion of the Executive Members, adequate provision has been made for doubtful debts.

As at the date of this report the Executive Members are not aware of any circumstances which would render the amount written off for bad debts, or the provision of doubtful debts in the Council inadequate to any substantial extent.

UNUSUAL TRANSACTION

In the opinion of the Executive Members, the results of the operation during the financial year were not substantially affected by any item, transaction or event of an abnormal character, nor has there arisen between the end of the financial year and the date of this report any item, transaction or an event of an abnormal character likely in the opinion of the Executive Members to affect substantially the results of the operations of the Council in the current financial year.

SIGNIFICANT EVENTS DURING THE YEAR

There were no significant events which lead to changes in the affairs of the Council during the financial year.

SUBSEQUENT EVENTS

Subsequent to year end, the World Health Organization (WHO) declared the Coronavirus (COVID 19) a "Public Health Emergency of International Concern". Whilst measures and policies have been taken by the National Government and nearby trading countries to prevent the spread of the virus, the impact of the virus on amounts and estimates reported or used in the preparation of 2019 financial statements is not expected to be material.

However, in financial year 2020 and beyond, it is expected that the effect of the pandemic will be substantial on our major revenue streams such as general rates, market fees and rental income. This will eventually affect the Council's operations and cash flow.

RELATED PARTY TRANSACTION

In the opinion of the Executive Members all related party transactions have been adequately recorded in the books of the Council.

GOING CONCERN

There has been no matter of event arising that has affected the council's ability to operate or such that it would not be able to meet its obligations in the ordinary course of business. Therefore, financial statements have been prepared under the going concern basis of accounting.

OTHER CIRCUMSTANCES

As at the date of this report:

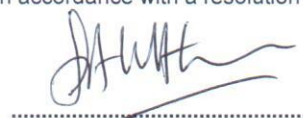
- (i) No charge on the assets of the Council has been given since the end of the financial year to secure the liabilities of any other person;
- (ii) No contingent liabilities have arisen since the end of the financial year for which the Council could become liable; and
- (iii) No contingent liabilities or other liabilities of any Council has become or is likely to become enforceable within the period of twelve months after the end of the financial year which in the opinion of the Executive Members will or may substantially affect the ability of the Council to meet its obligation as and when they fall due.

As at the date of this report the Executive Members are not aware of any circumstances that have arisen not otherwise dealt with in this report which would make adherence to the existing method of valuation of assets or liabilities of the Council misleading or inappropriate.

Dated at Rakiraki this 4th day of March 2020

Signed for and on behalf of the Board in accordance with a resolution of the Executive Members.


Chairman Special Administrators


Chief Executive Officer


Treasurer

**RAKIRAKI TOWN COUNCIL
STATEMENT BY EXECUTIVE MEMBERS
FOR THE YEAR ENDED 31 DECEMBER 2019**

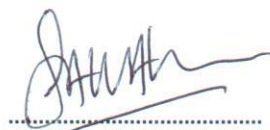
In accordance with a resolution of the Executive Members of Rakiraki Town Council we state that in the opinion of the Executive Members :-

- (a) The accompanying statement of profit or loss and other comprehensive income is drawn up so as to give a true and fair view of the results of the Council for the year ended 31 December 2019;
- (b) The accompanying statement of changes in equity for the year ended 31 December 2019 is drawn up so as to give a true and fair view of the movement in Councils funds;
- (c) The accompanying statement of financial position is drawn up so as to give a true and fair view of the state of affairs of the Council as at 31 December 2019;
- (d) The accompanying statement of cash flows is drawn up so as to give a true and fair view of the cash flows of the Council for the year ended 31 December 2019;
- (e) At the date of this statement there are reasonable grounds to believe that the Council will be able to pay its debts as and when they fall due;
- (f) All related party transactions have been adequately recorded in the books of the Council; and
- (g) The financial statements have been prepared in accordance with Applicable Accounting Standards and the Local Government Act.

Signed for and on behalf of the Board and in accordance with a resolution of the Executive Members.



Chairman Special Administrators



Chief Executive Officer



Treasurer

Dated at Rakiraki this 4th day of March 2020

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INDEPENDENT AUDITOR'S REPORT

To the Special Administrators of Rakiraki Town Council

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of Rakiraki Town Council ("the Council"), which comprises the statement of financial position as at 31 December 2019, the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

I do not express an opinion on the accompanying financial statements of Rakiraki Town Council. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1. The Council recorded rates receivable balance of \$86,263 in Note 8 to the financial statements. Provision for doubtful debts has not been provided for during the year. In addition, the Council was unable to provide reconciliations to support the above rates receivable balance. As a result, I was unable to verify the completeness and accuracy of the amounts and also unable to determine whether any adjustments might have been necessary in respect of the provision for doubtful debts balance at the end of the financial year and any corresponding adjustments to the elements making up the Statement of Comprehensive Income and Statement of Financial Position.
2. The Council was unable to provide reconciliations to support the VAT receivable balance of \$96,085 reported in Note 8 to the financial statements for the year ended 31 December 2019. Consequently, I was unable to obtain sufficient audit evidence to ascertain the accuracy of VAT receivable as stated in the financial statements.
3. The Council has not commenced a full review on impairment exercise of the assets with zero written down value totaling \$410,591 by performing a review of the depreciation rates and assessing the remaining economic useful lives of individual major classes of property, plant and equipment in a progressive and structured manner. These assets with zero written down value are recorded under plant and machinery, office equipment, and parking meter asset classes. As a result, I was unable to determine the remaining economic useful life and the correct carrying amount and whether these assets are overstated and to determine whether any adjustments might have been necessary in respect of the Property, Plant and Equipment at the end of the financial year and any corresponding adjustments to the elements making up the Statement of Comprehensive Income and Statement of Financial Position.
4. The Council was unable to provide invoices and payment vouchers to support payments totaling \$29,025 which relates to expenses incurred for organizing the Vodafone Rakiraki Carnival. As a result, I was unable to ascertain accuracy and completeness of the carnival expenses totaling \$29,025 recorded in the financial statements.

Basis for Disclaimer of Opinion (con't)

5. The Council was unable to provide copies of revenue receipts to support revenue totaling \$36,521 which were received through sponsorship, ground hire and stall fees during the Vodafone Rakiraki Carnival. As a result, I was unable to ascertain the accuracy and completeness of the carnival revenue totaling \$36,521 recorded in the financial statements.
6. There was an unreconciled variance of \$5,246 between the garbage collection fees listings and the garbage collection fees amount of \$13,970 reflected in the financial statements. The Council was unable to provide documentary evidence to substantiate the variance. As a result, I am unable to ascertain the accuracy of the garbage collection fees of \$13,970 recorded in the financial statements.
7. There was an unreconciled variance of \$32,732 between the rates income listings and the rates income amount of \$43,199 reflected in the financial statements. The Council was unable to provide documentary evidence to substantiate the variance. As a result, I am unable to ascertain whether the general rates of \$43,199 is fairly stated in the financial statements.
8. There was an unreconciled variance of \$15,877 between the bus station, commercial, taxis base fees listings and base fees amount of \$47,211 reflected in the financial statements. The Council was unable to provide documentary evidence to substantiate the variance. As a result, I am unable to ascertain whether the bus station, commercial, taxis base fees of \$47,211 is fairly stated in the financial statements.
9. The Council did not provide for employee entitlement in the statement of financial position for the year ended 31 December 2019, which is a departure from the requirement of paragraph 28 – Employee Benefits, of IFRS for SMEs. As a result, I was unable to determine whether any adjustments might have been necessary in respect of the provision of annual leave balance at the end of the financial year and any corresponding adjustments to the elements making up the statement of comprehensive income and statement of financial position.
10. The Council has recorded \$4,804 as undeposited cash in Note 7 to the financial statements. The undeposited cash relates to funds receipted from the Carnival organized by the Council during the financial year. I was not provided with deposit slips to ascertain whether funds were deposited subsequent to balance date. As a result, I was unable to ascertain the existence of the undeposited cash balance of \$4,804 recorded in the financial statements.

Emphasis of Matter

Without further qualifying the opinion expressed above, I draw attention to the following:

1. The Statement of Comprehensive Income recorded a net loss of \$100,166 in the financial year 2019 compared to a net surplus of \$1,914,719 in 2018. In addition, by excluding government grant totaling \$260,778, the Council would have incurred negative cash flows from operating activities. This indicate that the Council may not be generating adequate cash inflows to be able to pay its debts as and when they fall due.
2. Note 18(b) to the financial statements notes the novel coronavirus (COVID-19) global pandemic subsequent to 31 December 2019 and how this has been considered by the Council in the preparation of the financial statements. As set out in Note 18(b), no adjustments have been made to the financial statements as at 31 December 2019. However, the Council notes that the impact of COVID-19 global pandemic will have a significant impact on all the major revenue streams of the Council in the financial year 2020 and beyond.

Other Matters

1. The Council is yet to finalize the Human Resources Policy, and put in place a Risk Management Policy, Asset Capitalization Policy, and Disaster Recovery Plan/Business Continuity Plan.
2. Note 18(a) to the financial statements notes the recent amendment made to the Local Government Act 1972 through Local Government (Budget Amendment) Act 2020 which will require all Municipal Councils to update the audit of annual financial statements up to 31 July 2020 and have them published in an English language newspaper in Fiji by 31 March 2021. As a result of the amendment, the Council will need to prepare and submit for audit, accounts for the seven-month period from 01 January to 31 July 2020.
3. Generally, internal control function of the Council were found to be weak. Monthly bank, debtors and rates reconciliations were not prepared, separation of duties in receipting, banking, updating of accounting records were not practiced, journal voucher system was not maintained, annual board of survey not conducted, and assets were not tagged.
4. There was no evidence to indicate that the budget for the year 2019 was approved as required under section 46 of the Local Government Act 1972.
5. A total of 38 audit findings were noted during the audit of which 27 or 71% were recurring issues from prior years. The oversight responsibility of the Special Administrators, Chief Executive Officer and senior officers of the Council needs to be strengthened to effectively implement the audit recommendations in a timely manner.

Responsibilities of the management and those charged with governance for financial statements

The management of the Council is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS for SMEs and the Local Government Act 1972 and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management intend to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. However, because of the matters described in the Basis for Disclaimer of Opinion section of my report, I was unable to provide a basis for an audit opinion of these financial statements.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.


Ajay Nand
AUDITOR-GENERAL



Suva, Fiji
08 March, 2021

RAKIRAKI TOWN COUNCIL
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 (\$)	2018 (\$)
Income	4	576,916	2,781,674
Total Income		576,916	2,781,674
Administrative expenses	5	624,587	809,810
Marketing expenses	6	7,228	4,248
Other operating expenses		44,912	52,687
Total Expenditure		676,727	866,745
Net (deficit)/surplus for the year		(99,811)	1,914,929
Finance cost		355	210
Net (deficit)/surplus for the year		(100,166)	1,914,719

The statement of profit or loss and other comprehensive income is to be read in conjunction with the Notes to the Financial Statements as set out on pages 13 to 19.

RAKIRAKI TOWN COUNCIL
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

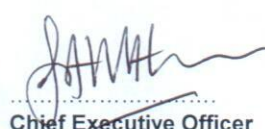
	2019 (\$)	2018 (\$)
Balance at the beginning of the year	5,896,871	3,982,152
Net (deficit)/surplus for the year	<u>(100,166)</u>	<u>1,914,719</u>
Balance at the end of the year	<u>5,796,705</u>	<u>5,896,871</u>

**RAKIRAKI TOWN COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019**

	Notes	2019 (\$)	2018 (\$)
Current Assets			
Cash and cash equivalents	7	112,127	1,197,974
Trade and other receivables	8	193,178	380,214
Total current assets		305,305	1,578,188
Non Current Assets			
Intangible asset	9	4,420	-
Property, plant and equipment	10	5,678,495	4,523,385
Total non-current assets		5,682,915	4,523,385
TOTAL ASSETS		5,988,220	6,101,573
Current Liabilities			
Trade and other payables	11	191,515	204,702
Total current liabilities		191,515	204,702
TOTAL LIABILITIES		191,515	204,702
NET ASSETS		5,796,705	5,896,871
Accumulated Fund			
Accumulated funds		5,796,705	5,896,871
TOTAL COUNCIL'S FUND		5,796,705	5,896,871

In our opinion the financial statements have been properly drawn up so as to show a true and fair view of the Rakiraki Town Council's operations for the year ended 31 December 2019 and the state of affairs as at that date.


Chairman Special Administrators


Chief Executive Officer


Treasurer

Date: 04/03/21

Date: 04/03/21

Date: 04/03/21

The statement of financial position is to be read in conjunction with the Notes to the Financial Statements as set out on pages 13 to 19.

RAKIRAKI TOWN COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 (\$)	2018 (\$)
Cash flows from operating activities			
Receipts from customers		763,845	2,861,717
Payments to suppliers and employees		(664,862)	(938,145)
Net cash provided by operating activities	12(ii)	<u>98,983</u>	<u>1,923,572</u>
Cash flows from investing activities			
Acquisition of property, plant & equipment		(1,184,830)	(1,870,457)
Net cash used by investing activities		<u>(1,184,830)</u>	<u>(1,870,457)</u>
Net (decrease) / increase in cash and cash equivalents		(1,085,847)	53,115
Cash and cash equivalents at the beginning of the year		<u>1,197,974</u>	<u>1,144,859</u>
Cash and cash equivalents at the end of the year	12(i)	<u>112,127</u>	<u>1,197,974</u>

The statement of cash flows is to be read in conjunction with the Notes to the Financial Statements as set out on pages 13 to 19.

**RAKIRAKI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTE 1. GENERAL INFORMATION

Rakiraki Town Council ("the Council") was established under the Local Government Act. The address of its registered office and principal place is Main Street, Rakiraki Town. The principal activity of the Council are to provide for health, welfare and convenience of the Rakiraki municipality and to preserve the amenities or credit thereof. The financial statements of the Council for the year ended 31 December 2019 were authorised for issue in accordance with a resolution of the Special Administrator and Management on 04/03/21.

NOTE 2. BASIS OF PRESENTATION

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities issued by the International Accounting Standards Board (IASB). They are presented in Fiji dollars and has been rounded off to the nearest dollar.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by the Council are stated to assist in a general understanding of these financial statements. The accounting policies adopted are consistent with those of the previous year except as stated otherwise.

a) Cash and Cash Equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

b) Trade Receivables

Most sales are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest rate method. At the end of each reporting year, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit and loss.

c) Employee Benefits and Entitlements

Liabilities for wages and salaries expected to be settled within 12 months of the reporting date are accrued up to the reporting date.

The liability for annual leave is recognized in the provision for employee benefits. Liabilities for annual leave are expected to be settled within 12 months of the reporting date and are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Contributions to Fiji National Provident Fund are expensed when incurred.

d) Property, Plant and Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following annual rates are used for the depreciation of property, plant and equipment:

	Rates
Office building and equipment	1.25% - 24%
Plant and machinery	7% - 24%
Motor vehicle	20%
Work in progress	Nil

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Trade Payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest. Trade payables denominated in the foreign currency are translated into Fiji dollar using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income or other expenses.

f) Revenue Recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Council's activities. Revenue is shown net of value added tax, returns, rebates and discounts.

g) Borrowing Costs

Borrowing costs directly attribute to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the respective assets. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

h) Income Tax

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

i) Value Added Tax (VAT)

Revenue, expenses and assets are recognised net of the amount of respective vat except:-

- where the value added tax incurred on the purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables are stated with the amount of value added tax included and payables are stated with the amount of value added tax included.

The net amount of valued added tax recoverable or payable to the tax authority is included as part of the receivables or payables in the statement of financial position.

j) Comparatives

The comparative figures are for the year ended 31 December 2018 and have been regrouped where considered necessary.

k) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangibles assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortized period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in the accounting estimates. The amortization expenses on intangible assets with finite lives is recognized in the income statement as the expense category that is consistent with the function of the intangible assets.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Intangible Assets (cont'd)

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable, if not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognized.

The following annual rates are used for the amortisation of intangible asset:

	Rates
Software Installation	24%

l) Deferred Income

Government and other grants are recognised where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match them with the related costs which the grant are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related assets.

m) Impairment of Property, Plant and Equipment

The Council assesses whether there are any indicators of impairment of all property, plant and equipment and investment property at each reporting date. Property, plant and equipment and investment property are tested for impairment and when there are indicators that the carrying amount may not be recoverable, a reasonable provision for impairment is created. The director's and management's assessment of recoverable amount involves making a judgment, at the particular point in time, about inherent uncertain future outcomes of events or conditions. Accordingly, subsequent events may result in outcomes that are significantly different from assessment.

For the year ended 31 December 2019, no provision for impairment has been made as the Council reasonably believes that no indicators for impairment exist.

NOTE 4. REVENUE	2019 (\$)	2018 (\$)
Business, trading and other licenses	55,515	59,997
General rates	43,199	63,323
Grant income	300,778	2,463,953
Other fees, charges and rent	129,756	140,214
Other revenue	47,668	54,187
	<u>576,916</u>	<u>2,781,674</u>

RAKIRAKI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2019

NOTE 5. ADMINISTRATIVE EXPENSES	2019 (\$)	2018 (\$)
Accounting fees	2,000	32,551
Depreciation and amortization	25,300	24,311
CEO's salary	26,504	40,460
Equipment hire expenses	7,202	7,344
Infrastructure upgrade	11,571	3,810
Printing, postage and stationary	10,393	3,940
Office expenses	1,583	1,295
Motor vehicle expenses	14,924	18,419
Repair and maintenance	12,623	123,030
Security hire expenses	7,154	-
Superannuation	19,982	27,895
Upgrade of drainage	250,648	308,426
Salary and wages	193,991	179,958
Telephone	8,014	9,417
Travelling expenses	2,520	8,759
Utilities	30,178	20,195
	<u>624,587</u>	<u>809,810</u>

NOTE 6. MARKETING EXPENSES

Advertising and marketing expense	<u>7,228</u>	<u>4,248</u>
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NOTE 7. CASH AND CASH EQUIVALENTS

Petty cash	209	359
Undeposited Cash	4,804	-
Cash at bank - BOB rural account	1,297	464
Cash at bank - BOB rates account	-	974
Cash at bank - BOB market account	14,001	1,053,081
Cash at bank - BOB operational account	1,554	5,588
Cash at bank -BOB capital account	178	1,909
Cash at bank -BOB drainage account	88,878	129,943
Cash at bank - BOB carnival account	1,206	5,656
	<u>112,127</u>	<u>1,197,974</u>

The cash at bank balance totaling \$102,168 is not available for use except for the purpose of plastic free initiative program amounting to \$13,868 and drainage project works amounting to \$88,300.

The funds for the drainage upgrade works was provided by Ministry of Waterways. The cost for the drainage upgrade project has been expensed in the books of the Council as and when incurred.

NOTE 8. TRADE AND OTHER RECEIVABLES

Town rates	86,263	130,059
Garbage collection	2,129	6,313
Bus base collection	1,100	1,125
Taxi base collection	281	3,070
Carrier base collection	-	219
Minibus base collection	5,969	1,080
Business license	1,351	249
VAT receivables	96,085	238,099
	<u>193,178</u>	<u>380,214</u>

RAKIRAKI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2019

NOTE 9. INTANGIBLE ASSET	2019 (\$)	2018 (\$)
Software installation	5,140	-
Amortization of software	(720)	-
	<u>4,420</u>	<u>-</u>

NOTE 10. PROPERTY, PLANT AND EQUIPMENT

(i) Movements in carrying amount included in the accounts on the following basis:

	Carrying amount at beginning	Addition / (Deletion)	Depreciation	Carrying amount at end
Plant and equipment	8,174	-	(2,800)	5,374
Office equipment	364,948	301	(8,844)	356,405
Motor vehicle	30,724	-	(12,936)	17,788
Work in progress	4,119,539	1,179,389	-	5,298,928
Net Written Down Value	<u>4,523,385</u>	<u>1,179,690</u>	<u>(24,580)</u>	<u>5,678,495</u>

ii) Reconciliations

Reconciliations of the carrying amounts of property, plant and equipment by class at the beginning and end of the financial year.

	2019 (\$)	2018 (\$)
<u>Plant and equipment</u>		
Plant and equipment - at cost	49,824	49,824
Accumulated depreciation	(41,650)	(39,062)
Depreciation	(2,800)	(2,588)
	<u>5,374</u>	<u>8,174</u>
<u>Office equipment</u>		
Office equipment - at cost	771,580	771,279
Accumulated depreciation	(406,331)	(397,543)
Depreciation	(8,844)	(8,788)
	<u>356,405</u>	<u>364,948</u>
<u>Motor vehicle</u>		
Motor vehicle - at cost	119,679	119,679
Accumulated depreciation	(88,955)	(76,021)
Depreciation	(12,936)	(12,934)
	<u>17,788</u>	<u>30,724</u>
<u>Work in progress</u>		
Work in progress-construction of new market	5,298,928	4,119,539
	<u>5,298,928</u>	<u>4,119,539</u>
Net Written Down Value	<u>5,678,495</u>	<u>4,523,385</u>

NOTE 11. TRADE AND OTHER PAYABLES

Trade creditors	17,682	21,902
Other creditors	4,742	13,709
Sundry deposits	12,081	12,081
Funding assistance payable	131,910	131,910
Accrued audit fees payable	25,100	25,100
	<u>191,515</u>	<u>204,702</u>

RAKIRAKI TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2019

NOTE 12. STATEMENT OF CASH FLOW	2019 (\$)	2018 (\$)
i) Cash balance at the end of the year		
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 financial position as follows: -		
Petty cash	209	359
Undeposited Cash	4,804	-
Cash at bank - BOB rural account	1,297	464
Cash at bank - BOB rates account	-	974
Cash at bank - BOB market account	14,001	1,053,081
Cash at bank - BOB operational account	1,554	5,588
Cash at bank - BOB Capital account	178	1,909
Cash at bank - BOB drainage account	88,878	129,943
Cash at bank - BOB carnival account	1,206	5,656
	<u>112,127</u>	<u>1,197,974</u>
ii) Reconciliation of net cash flows provided by the operating profit		
Net (deficit) / surplus for the year	(100,166)	1,914,719
<u>Add Non Cash Item</u>		
Depreciation	24,580	24,311
Amortization	720	-
	<u>(74,866)</u>	<u>1,939,030</u>
<u>Changes in assets and liabilities</u>		
(Increase) / decrease in receivables	187,036	(53,940)
(Decrease) / increase in payables and accruals	(13,187)	38,482
Net cash provided by operating activities	<u>98,983</u>	<u>1,923,572</u>

NOTE 13. PRINCIPAL ACTIVITY

The principal activities of the Rakiraki Town Council during the year were to protect the welfare of the Rakiraki Town and its inhabitants.

NOTE 14. COMPARATIVES

The comparatives are the audited figures for the year ended 31 December 2018. The figures for the last year have been regrouped where considered necessary.

NOTE 15. COUNCIL DETAILS

The Council was incorporated in Fiji under the Local Government Act .

(i) Registered Office
P O Box 68
Main Street
Rakiraki

Principal Place of Business
Main Street
Rakiraki

NOTE 16. SEGMENT REPORTING

(i) Industry segment

The Council operates predominantly to protect the welfare of the Rakiraki Town and its inhabitants.

(ii) Geographic Segment

The Council operates in Rakiraki and therefore has only one geographical area for reporting purposes.

NOTE 17. RELATED PARTIES

a) Executive Members

The names of persons who were Executive Members of the Council at any time during the financial year are as follows:

Acting Chief Executive Officer (CEO) - Tulsi Ram
Secretary - Salesia Buka
Treasurer - Deepika Darshni Goundar

b) Amounts due to, and Receivable from Related Parties

Appropriate disclosure of these amounts is contained in the respective notes to the financial statements.

c) Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

During the year, the Special Administrator was identified as key management personnel. The remuneration of the key management personnel during the year was as follows:

	2019 (\$)	2018 (\$)
Salary, fees, superannuation and other benefits	26,504	40,939

NOTE 18. SUBSEQUENT EVENTS

(a) Amendments to the Local Government Act 1972

A recent amendment made to the Local Government Act 1972 through Local Government (Budget Amendment) Act 2020 will require all Municipal Councils to update the audit of annual financial statements up to 31 July 2020 and have them published in an English language newspaper in Fiji by 31 March 2021. As a result of the amendment, all Councils will need to prepare and submit for audit, accounts for the seven-month period from 1 January to 31 July 2020.

(b) COVID-19 Outbreak

Subsequent to year end, the World Health Organization (WHO) declared the Coronavirus (COVID 19) a "Public Health Emergency of International Concern". Whilst measures and policies have been taken by the National Government and nearby trading countries to prevent the spread of the virus, the impact of the virus on amounts and estimates reported or used in the preparation of 2019 financial statements is not expected to be material.

However, in financial year 2020 and beyond, it is expected that the effect of the pandemic will be substantial on our major revenue streams such as general rates, market fees and rental income. This will eventually affect the Council's operations and cash flow.

Other than the above mentioned events, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the council, the results of those operations, or the state of affairs of the council in future financial years.

NOTE 19. CAPITAL COMMITMENTS

Capital commitments as at 31 December 2019 amounted to \$1,398,192 for the completion of the construction of the new Rakiraki market and \$88,300 for drainage project works. (2018: \$1,174,679)

NOTE 20. CONTINGENT LIABILITIES

During the financial year 2019, the Council lodge with the Fiji Independent Commission Against Corruption (FICAC) for investigation on possible mismanagement of Rakiraki Carnival Funds. No amount is recognised in the financial statements for this possible liability, the existence of which is dependent upon the outcome of the investigation. (2018: \$NIL)

NOTE 21. CONTINGENT ASSETS

Contingent assets at balance date is \$NIL (2018: \$NIL)

RAKIRAKI TOWN COUNCIL
DETAILED STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 (\$)	2018 (\$)
INCOME		
Building and subdivision	6,198	4,101
Bus station/commercial /taxis base fee	47,211	42,285
Business, trading and other licenses	55,515	59,997
CEO's salary - grant	40,000	40,000
Garbage collection fees	13,970	18,066
Town general rates	43,199	63,323
Market	39,822	43,211
Municipal (permit / traffic / fine)	335	2,665
Rent	2,208	7,245
Hiring of Boardroom	1,046	-
Solid Waste	-	661
Toilet Income	20,012	22,641
Sundries	8,204	4,906
Government Grant	260,778	1,303,953
UNDP Grant	-	1,120,000
Sponsorship	15,901	24,500
Ground Hire	4,490	8,700
Stall Fees	16,130	9,450
Interest	1,897	5,970
Total Income	576,916	2,781,674
LESS EXPENSES		
Administration Expense		
Accounting fees	2,000	32,551
Depreciation and amortisation of intangible asset	25,300	24,311
CEO's salary	26,504	40,460
Equipment hire expenses	7,202	7,344
Infrastructure upgrade	11,571	3,810
Printing, postage and stationary	10,393	3,940
Office expenses	1,583	1,295
Motor vehicle expenses	14,924	18,419
Repair and maintenance	12,623	123,030
Security hire expenses	7,154	-
Superannuation	19,982	27,895
Upgrade of drainage	250,648	308,662
Salary and wages	193,991	179,722
Telephone	8,014	9,417
Travelling expenses	2,520	8,759
Utilities	30,178	20,195
Total Administration Expenses	624,587	809,810
Marketing Expense		
Advertising and marketing	7,228	4,248
Total Marketing Expense	7,228	4,248
Other Operating Expenses		
Allowance	98	4,170
Cleaning expense	9,006	10,008
Carnival expense	23,089	15,478
Entertainment	4,400	8,658
Fringe benefit tax	-	599
FNU levy	1,176	2,103
Miscellaneous	1,826	1,750
Staff amenities and training	5,317	7,095
Valuation and survey	-	2,826
Total Other Operating Expenses	44,912	52,687
Total Expenses	676,727	866,745

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