



NASINU
TOWN COUNCIL

Service is our Priority

NASINU TOWN COUNCIL

Annual Report for the Year 2014



PARLIAMENT OF FIJI
PARLIAMENTARY PAPER NO. 99/23 OF 2014



Nasinu Town Council

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1st September 2023

The Honourable Minister
Minister for Housing & Local Government
Gladstone Road
SUVA

Dear Sir

RE: NASINU TOWN COUNCIL ANNUAL REPORT 2014

I have much pleasure in submitting the Nasinu Town Council Annual Report for 2014.

The report provides the activities of the Council through the year.

The Annual Report 2009 has been prepared in accordance with the provision of Section 19(1) (a), (b) and (c) of the Local Government Act Cap 125.

Yours faithfully

Mrs. Anurashika Bari
CHIEF EXECUTIVE OFFICER

VISION

To be the best Municipality in Fiji that builds pride in our heritage and secures a better future for all stakeholders.

CORPORATE MISSION STATEMENT

Work in Partnership with all stakeholders in providing quality services in a sustainable manner to develop and maintain civic pride to deliver a vibrant Nasinu municipality

VALUES

- Excellence
- Customer Oriented
- Accountability
- Honesty
- Teamwork
- Innovation
- Transparency

CORPORATE OBJECTIVES

- Community Well Being
- Planning and Development
- Environment and Health
- Organizational Performance and Capacity Building
- Prudent Financial Management
- Governance

Nasinu was formally incorporated a Town in 2000, by the then Ministry for National Planning, Local Government, Housing and Environment under Section 5 of the Local Government Act. It is located at latitude 18.08°S and 178.50°E longitude, south of equator and west of dateline. It has the largest municipal area in Fiji with its land area of 78.3 km², which is twice the size of Suva, and is nestled along the Suva – Nausori corridor stretching from the Samabula (4 miles) Bridge, at the junction of Wainivula Road, and Nokonoko (Bailey) Bridge to 9 miles Wainibuku Bridge and along Khalsa Road to the junction of Kanace Road.

Initially the boundary included areas beyond the Wainibuku Bridge right up to Nakasi, however these areas were later placed under the Nausori Town Council. The population of Nasinu 84,178 [Population Census 2007] with a population growth rate of about 2% per annum. It is also home to approximately 14,000 squatter residents in 19 different squatter settlements and the number is still growing.

The town boundary is divided in seven wards with total rateable properties of around 11,587 official ratepayers. The number of ratepayers is expected to increase following

the upgrading of two squatter settlements at Vatoa and Omkar, both in the greater Narere area, to fully developed housing estates, and the issuance of titles to lot owners.

In 2014, Mr. Mosese Kama continued as Special Administrator and in absence of CEO looked after the overall operation of the Council.

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



Shelvin Narayan
Actg. Chief Executive Officer

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1.0 THE COUNCIL

Nasinu Town is divided in seven wards with total rateable properties of around 11,587 official ratepayers. The Council is also home to many informal settlements however with the assistance of the Ministry of Housing upgrading of two squatter settlements at Vatoa and Omkar, both in the greater Narere area, to fully developed housing estates, and the issuance of titles to lot owners.

The Council provided services to the Seven wards namely: -

Ward 1	-	Makoi, Tuirara & Tovata
Ward 2	-	Valelevu, Naveiwakau, Kalabu & Newtown
Ward 3	-	Caubati
Ward 4	-	Narere, Navosai & Muanikoso
Ward 5	-	Laucala Beach Estate & Kinoya
Ward 6	-	Nadera
Ward 7	-	Nadawa, Nepani, Caqiri & Nasole

The Council was providing the following services: -

- Garbage Collection
- Green waste Collection
- Stray Dog Management and Control
- Building/Subdivision/Rezoning Applications
- Health Services (Inspection etc)
- Upkeep of Roadside drains and Grass
- Repair & Maintenance of Streetlights
- Markets & Licensing

Nasinu is mainly residential heavy township with very little commercial and industrial outlets. There are only 2 major industrial areas within Nasinu which situated in the Laucala Beach Estate and Valelevu Areas. In addition, to industrials areas Nasinu has small commercial centers in Centrepoin, Valelevu, Narere & Makoi.

2.0 MANAGEMENT & MEETING

ORDINARY COUNCIL

1. Mr. Mosese Kama, Special Administrator
2. Ms. Esita Nawani, Manager Finance
3. Mrs. Varea Waqa, Assistant HR Manager
4. Mr. Semi Tinivata, Manager Legal
5. Mr. Bikesh Sharma, Senior Health Inspector
6. Mr. Alifereti Roko, Internal Auditor
7. Mr. Mosese Yavalanavanua, Actg. Manager Engineering
8. Mr. Navneet Chand, Building Surveyor
9. Mrs. Nanise Taukeinikoro, Senior Town Planning Officer
10. Ms. Seini Bulicakau, Senior Rates Officer
11. Mrs. Elina Maraiwai, Secretary

The Council started the year with the above mentioned board with all departments represented. Subcommittees and their members to assist in the overall operations of the Council are as follows:

AUDIT SUBCOMMITTEE

1. Mr. Mosese Kama, Special Administrator
2. Mr. Mosese Yavala, Actg. Manager Engineering
3. Mr. Alifereti Roko, Internal Auditor
4. Ms. Esita Nawani, Manager Finance
5. Mrs. Elina Maraiwai, Secretary
6. Mrs. Varea Waqa, Assistant HR Manager

FINANCE & TENDER SUBCOMMITTEE

1. Mr. Mosese Kama, Special Administrator
2. Ms. Esita Nawani, Manager Finance
3. Mr. Mosese Yavalanavanua, Actg. Manager Engineering
4. Ms. Seini Bulicakau, Senior Rates Officer
5. Mrs. Elina Maraiwai, Secretary
6. Mrs. Varea Waqa, Assistant HR Manager

HUMAN RESOURCES SUBCOMMITTEE

1. Mr. Mosese Kama, Special Administrator
2. Ms. Esita Nawani, Manager Finance
3. Mrs. Varea Waqa, Assistant HR Manager
4. Mr. Mosese Yavalanavanua, Actg. Manager Engineering
5. Mr. Bikesh Sharma, Senior Health Inspector
6. Mr Semi Tinivata, Manager Legal
7. Mrs. Alumeci Rokowati, Executive Secretary/PA

HEALTH & ENVIRONMENT SUBCOMMITTEE

1. Mr. Bikesh Sharma, Senior Health Inspector
2. Mr. Mosese Yavalanavanua, Actg. Manager Engineering
3. Mr. Rohit Narayan, Field Foreman
4. Mr. Navneet Chand, Building Surveyor
5. Ms. Nanise Cakitaki, Town Planning Officer
6. Mrs. Asha Sharma, Secretary

Business License & PSV Subcommittee

- | | | |
|-------------------------|---|----------------------------|
| 1. Mr Semi Tinivata | - | Manager Legal |
| 2. Ms. Lusiana Vuniwai | - | PSV Officer |
| 3. Ms. Fereen Khan | - | Business Licensing Officer |
| 4. Ms. Seini Bulicakau | - | Senior Rates Officer |
| 5. Mr. Bikesh Sharma | - | Senior Health Inspector |
| 6. Ms. Meresiana Raceva | - | Secretary to Manager Legal |

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

- Ordinary Council - 7
- Audit Subcommittee - 6
- Tender Subcommittee - 6
- Human Resources Subcommittee - 8
- Health & Environment Subcommittee - 7
- Business License & PSV Subcommittee - 6

3.0 ADMINISTRATION

Strategic Plan

The Council completed its 5-year Strategic plan with assistance and input of all stakeholders. The plan was designed to ensure the Council achieved its targets from 2014 till 2019. In addition to the design of the new strategic plan, an evaluation was also done on the previous plan and its success.

Human Resource

Human Resource Section ensured the Council was in line with the various Labour laws and regulations. The section dealt with day to day Human Resource operations of the Council.

The Number of staff, requirement and Departures are as follows:

Staffing	Numbers
Office Staff	50
Depot Staff	101
New Staff Intake	21
Terminations	8
Resignations	10
Deaths	0

Sports and Social

Sports and Social Club was active and was tasked at organized Annual Council Party as well get together to ensure staff maintained a "work life balance" within their life's.

Library Report

The Library has been providing services to people of Nasinu. Also users along Suva – Nausori Corridor are daily users of the Library.

The Library also housed basic computers which students could use for typing of projects and other important documents.

One (1) Staff is in-charge of the Library who is appointed by the Council.
The operating hours are:

- Monday - Thursday - 8.00 am – 4.30 pm
- Friday - 8.00 am – 4.00 pm

4.0 SERVICES

4.1 Health

THE Council Health Inspectors worked in accordance with the Public Health Act and other relevant Acts and Regulations to provide services to the ratepayers. These included:

- Attendance of Sanitary Complaints
- Inspections for Business Licenses
- Organization of Cleanup Campaigns
- Vector Surveillance
- Food Safety Inspections
- Dog Trapping
- Tree Planting

Attendance of Sanitary Complaints

The Council received a total 551 Sanitary related complaints of which all were attended to by the Council Officers.

Number of Complains Received - 551

Number of Complaints Attended - 520

Number of Complaints resolved - 475

Some complaints were resolved in the following years as matters were before the Courts or need attention of other stakeholders to obtain solutions. The total of 473 notices were issued by Health Inspectors for the year with majority being complied to.

Inspections for Business Licenses

All business was inspected by the Health Inspectors before licenses is recommended for the year. A total of 1237 businesses were inspected for the year of which 1123 business were recommended for Licenses while the remainder were refused due to non-compliance with the respective laws.

Organization of Cleanup Campaigns

The Council carried out 3 major cleanups of the Nasinu Area. The cleanups were targeted at removing bulky wastes to eradicate the Mosquito breeding places. The details of the cleanups are as follows:

Cleanups	Dates	Tonnes of Refuse
1st Cleanup	5 th March 2014 – 23 rd March 2014	213 tonnes
2nd Cleanup	2 nd July 2014 – 20 th July 2014	198 tonnes

3rd Cleanup	22 nd October 2014 – 9 th November 2014	248 Tonnes
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The Cleanup included the collection of green wastes and Bulky wastes inclusive of white goods. The Council also obtained assistance from a few youth groups from Narere and Makoi Areas in the cleaning of the refuse while a few corporate companies also assisted.

Vector Surveillance

The Council worked in partnership with the Ministry of Health in carrying out quarterly larval surveys. A total of 100 houses were inspected in each quarter from different areas to determine the likelihood of a Mosquito borne outbreak.

In addition, the Council also carried out Mass Mosquito Adulting program with the assistance of the Ministry of Health. All areas inclusive of informal settlements were sprayed with during this program.

Food Safety Inspections

Food Premises were inspected for Business Licensing, Liquor Licensing and Basic inspection of Sanitary compliance. The Number of premises inspected are as follows:

Type of Premises	Number of Inspections
Restaurant	74
Takeaways	19
Retail Shops	281
Food Manufacturers	41
Hawkers	198
Supermarkets	32
Butchers & Fish Shops	6

Most food premises had defects noted in their initial inspections thus re – inspections were conducted until satisfactory compliance was noted. In addition, inspections were conducted for Liquor Licenses and Food Establishment Grading

4.2 Building

The Council Building section received and processed applications before it was sent to Department of Town & Country Planning for approval. this included applications for buildings, re-zoning, subdivisions and conditional approvals. The Total number of Building applications received are as follows:

Application in respect of Developments:- 2014	No.	Approved
New Dwelling	103	84
Renovation/ extension	174	111
Other works fencing, etc.	41	11
No. of Industrial	25	26
Civic development	22	14
No. of Commercial	13	14
Re-zoning	7	4
TOTAL	385	264

All applications were processed and sent to DTCP for approval. A total of..... building applications was received by the Nasinu Town Council with the value of \$26,720,652.72. The Council received a total of \$61,589.67 as building fees from the applications.

The Council building inspectors carry out the systematic inspections on all structures approved by council at different stages during the construction of the building and then finally on completion of the building.

The total number of completed building for the year are as follows:

Completion Certificates Issued	No.
Residential	28
Commercial	6
Industrial	10
Civic	2
TOTAL	46

4.3 Works Report

The works Section of the Council provided the following services to the residents of Nasinu:

- Collection of Kitchen waste
- Cleaning of Roadside drains
- Overgrowth Control in public places
- Upkeep of grounds
- Maintenance of Markets
- Collection of Green Waste

Collection of Kitchen waste

The Collection of Kitchen waste in Nasinu was done by Council. Collection of refuse was done twice a week from all areas within Nasinu. The Council purchased 3 second Hand Open Trucks to assist in the Collection of refuse. Skipbin services were also increased to some informal settlements. The Council also received over 12000 refuse bins for its ratepayers from the Government. In addition, a 4 tonne compactor was received Embassy of Japan to assist in the collection of wastes.

Cleaning of Roadside drains

Cleaning of all drains in Nasinu was done by Council. Council had formed operations Teams who were to ensure that all drains in each ward was cleared at least once every month. The same group was tasked with the management of overgrowth on Roadsides and public places.

Maintenance of Markets

Nasinu has 3 major markets in Valelevu, Narere and Makoi and maintenance of the markets was carried out as and when required. Also the markets were thoroughly washed each quarter with the assistance of the National Fire Authority. In addition, a Contractor was hired to provide Skipbins to all market sites for the collection of refuse.

Green Waste Collection

The Council introduced the collection of Monthly Green waste collection for all areas within Nasinu. The Green waste collection program was increased to 5-week program as the amount of refuse collected was very high. An additional Open Truck was purchased to assist green waste collection.

5.0 Finance

The Finance department managed the income and expenditure of the Council. The Council received revenue from:

- Town Rates & Garbage Fees
- Business License
- Taxi Base Fees
- Market fees
- Income from property usage like grounds

5.1 Town Rates & Garbage Fees

RATES COLLECTED			
Month	Amount	Month	Amount
January	\$823,573.31	July	\$260,120.39
February	\$291,252.33	August	\$188,322.20
March	\$215,807.91	September	\$155,129.00
April	\$155,141.21	October	\$189,805.74
May	\$160,740.50	November	\$158,593.55
June	\$409,799.45	December	\$239,165.29

The Council collected a total of \$3,247,450.88 in Town rates and Garbage fees for the year. Council had provided a discount on the payment of rates in January & February while an Interest waiver was provided in December. The total Outstanding Rates and Garbage Fees as at 31st December 2014 was \$8,158,359

5.2 Business License

A total of 1780 Licenses were issued to business for operations in year 2014. The Total income from Business license was \$201,018.93.

5.3 Taxi

The Council had 88 approved taxi bases which accommodated for 681 Taxis for the whole of Nasinu area. The total income received Taxi base fees and approvals was \$370,000.00.

6.0 Major Events & Achievements

1. Free Refuse Bins

The Council with the support of the Ministry of Local Government provided free refuse bins for all ratepayers. A total of 12,000 bins were distributed to ratepayers to allow them to safely dispose their kitchen refuse. The Distribution of the bins was held in September 2014 by the Honourable Attorney General and Acting Minister of Local Government.

2. New Compactor Truck

The Council received a 4 tonne Compactor Trucks from the Embassy of Japan to assist in the collection of waste in Nasinu. The Truck was received on 20th May 2014 from His Excellency the Ambassador of Japan.

3. Laucala Beach Foreshore Project

The Council received funding from UNDP to rehabilitate the foreshore at Bulei Road. Coastal erosion had severely damaged the foreshore area with many concerns raised from the resident. The Council has received USD \$50,000 to construct a gabion wall for 60-meter stretch of the foreshore. The Project was completed from March to June of 2014.

4. MOST IMPROVED COUNCIL – LARGE MUNICIPALITY CLEAN/GREEN TOWN EXCELLENCE AWARD

The Council received an award for the Most Improved Council in the large Municipality Category by the Ministry of Local Government, Housing and Environment. The Award was present by the Honorable Minister for Local Government during the SA/ CEO forum in December.

7.0 Acknowledgement

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

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

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

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

8.0 Appendix

Attached.

OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



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File: 850

09 May 2023

Mr. Uma Patel
The Chairperson
Special Administrators
Nasinu Town Council
NASINU

Dear Mr. Patel

NASINU TOWN COUNCIL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

The audited financial statements for Nasinu Town Council for the year ended 31 December 2014 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

Sairusi Dukuno
ACTING AUDITOR-GENERAL

cc: Mrs. Anurashika Bari, Chief Executive Officer, Nasinu Town Council.

Encl.

NASINU TOWN COUNCIL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

**NASINU TOWN COUNCIL
FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

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**NASINU TOWN COUNCIL
MANAGEMENTS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

In accordance with a resolution of management, the management herewith submit the statement of financial position of the Council as at 31 December 2014, the related statement of comprehensive income, statement of changes in accumulated funds and statement of cash flow for the year then ended on that date and report as follows:

Management

The names of the management in office at the date of this report are:

Mr. Mosese Kama	-	Special Administrator
Mr. Lute Berends	-	Chief Executive Officer
Ms. Esita Nawani	-	Manager Finance
Mr. Mosese Yavalavanua	-	Manager Engineering
Mr. Shelvin Narayan	-	Health Inspector
Mr. Alifereti Roko	-	Internal Auditor
Mrs. Filimaina Waqa	-	Manager Human Resources

The current management team employed at the time of the audit are as follows:

Mr. Uma Kant Patel	- Special Administrator	Mar-22	Current
Mr. Praneel Prasad	- Special Administrator	Mar-22	Current
Ms. Elizabeth Peters	- Special Administrator	Mar-22	Current
Mrs. Anurashika Bari	- Chief Executive Officer	Aug – 20	Current
Mr. Mohammed Imraan	- Manager Corporate Services	05/05/22	Current
Ms. Losalini Bakeirewa	- Senior Health Inspector	08/02/2021	Current
Mr. Shiraz	- Senior HR officer	08/02/2021	Current

Principal Activities

The principal activities of the council during the year was established under Local Government Act (Cap 125 Rev 2007) and section 5 of the Subsidiary Legislation, to provide for the health, welfare and convenience of the inhabitants of Nasinu Town Council and to preserve the amenities or credit thereof.

There were no significant changes in the nature of these activities during the financial year.

Results

The net profit/(loss) for the financial year was \$573,591, 2013 (\$934,031).

Reserves

It is proposed that no amounts be transferred to general reserves from accumulated funds, except for the movement in statement of changes in accumulated funds.

**NASINU TOWN COUNCIL
MANAGEMENTS' REPORT (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014**

Bad and Doubtful Debts

Prior to the completion of the council's financial statements, the managements took reasonable steps to ascertain that action had been taken in relation to writing off of bad debts. In the opinion of the managements, the provision for doubtful debts is adequate.

As at the date of this report, the managements are not aware of any circumstances, which would render the amount written off for bad debts inadequate to any substantial extent.

Non-Current Assets

Prior to the completion of the financial statements of the council, the management took reasonable steps to ascertain whether any non-current assets were unlikely to be realized in the ordinary course of business and their values as shown in the accounting records of the council. Where necessary, these assets have been written down or adequate provision has been made to bring the values of such assets to an amount that they might be expected to be realized.

As at the date of this report, the management is not aware of any circumstances, which would render the values attributed to non-current assets in the council's financial statements misleading.

Unusual Transaction

In the opinion of the management, the results of the operations of the Council during the financial year were not substantially affected by any item, transaction or event of a material unusual nature, nor has there arisen between the end of the financial year and the date of this report, any item, transaction or event of a material unusual nature, likely in the opinion of the management, to affect substantially the results of the operations of the Council in the current financial year.

Basis of Accounting

The management believe the basis of the preparation of the financial statements is appropriate and the Council will be able to continue in operation for at least twelve months from the date of this statement. Accordingly, the management believes the classification and carrying amounts of assets and liabilities as stated in these financial statements to be appropriate.

Events Subsequent to Balance Date

No matters or circumstances have arisen since the end of the financial year which would require adjustments to, or disclosure in the financial statements.

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;

**NASINU TOWN COUNCIL
MANAGEMENTS' REPORT (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014**

Other Circumstances (Cont'd)

- (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 the 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 management, will or may substantially affect the ability of the Council to meet its obligations as and when they fall due.


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


Managements' Benefits

Since the end of the previous financial year, no management has received or become entitled to receive a benefit (other than those included in the aggregate amount of emoluments received or due and receivable by the management as shown in the financial statements or received as the fixed salary of a full-time employee of the Board or of a related corporation) by reason of a contract made by the Council or by a related corporation with the management or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

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

Dated this 26 day of April 2023.


.....
Uma Kant Patel
Special Administrator


.....
Anurashika Bari
Chief Executive Officer

**NASINU TOWN COUNCIL
STATEMENT BY MANAGEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

In accordance with a resolution of the management of the Nasinu Town Council, we state that in the opinion of the management:

- [i] the accompanying statement of comprehensive income of the council is drawn up so as to give a true and fair view of the results of the council for the year ended 31 December 2014;
- [ii] the accompanying statement of financial position of the council is drawn up so as to give a true and fair view of the state of affairs of the council as at 31 December 2014;
- [iii] the accompanying statement of changes in accumulated funds of the council is drawn up so as to give a true and fair view of the changes in accumulated funds of the council for the year ended 31 December 2014;
- [iv] the accompanying statement of cash flow of the council 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 2014;
- [v] the financial statements have been prepared in accordance with International Financial Reporting Standards; and
- [vi] 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;

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

Dated this 26 day of April 2023


.....
Uma Kant Patel
Special Administrator


.....
Anurashika Bari
Chief Executive Officer

OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



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INDEPENDENT AUDITOR'S REPORT

Nasinu Town Council

Report on the audit of the financial statements

I have audited the accompanying financial statements of the Nasinu Town Council which comprise the Statement of Financial Position as at 31 December 2014, the Statement of Changes in Accumulated Funds, Statement of Comprehensive Income, 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 Nasinu Town Council. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I am unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1. A disclaimer of opinion was issued on the 2013 financial statements. I was unable to obtain sufficient and appropriate audit evidence to ascertain the accuracy of the opening balances. Therefore, I am unable to satisfy myself concerning the opening balances disclosed in the Statement of Financial Position of the Council and the impact it may have on the determination of the closing balances of the 2014 financial statements.
2. The Council did not maintain proper accounting records for Cash and Cash Equivalents amounting to \$65,325 as there were no bank reconciliations prepared to agree the general ledger balances to the bank statement and bank audit confirmations. Therefore, I was unable to satisfy myself whether all cash receipts and payments have been completely and accurately accounted for in the Statement of Financial Position as at 31 December 2014.
3. The Council was not able to provide subsidiary records for receivable balances with respect to Rental, Rates, Business License, and allowance of doubtful debts amounting to \$63,948, \$8,682,593, \$743,367, and (\$949,068) respectively. Therefore, I was unable to satisfy myself whether these balances have been completely and accurately accounted for in the Statement of Financial Position as at 31 December 2014.
4. The Council was not able to provide subsidiary listings for Other Receivables which includes Advances, Deposits and Value Added Tax (VAT) receivable accounts amounting to \$65,027, \$5,702, and \$502,123 respectively. Therefore, I was unable to satisfy myself whether these balances have been completely and accurately accounted for in the Statement of Financial Position as at 31 December 2014.
5. The Council was not able to provide the Fixed Asset Register or subsidiary records to support Property, Plant and Equipment, Investment Property and Intangible Assets accounts amounting to \$1,683,465, \$45,000 and \$4,949 respectively. Due to the length in time that has lapsed from the financial year to the commencement of the audit, I was unable to perform physical verification to ascertain the existence of Property, Plant and Equipment, Investment

Basis for Disclaimer of Opinion (con't)

Property and Intangible Assets. The Council did not perform a board of survey at the end of the financial year. Consequently, I was unable to ascertain completeness and accuracy of the amount and whether any adjustments might be necessary in respect of the addition, disposal and accumulated depreciations 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 as at 31 December 2014.

6. The Council was unable to provide reconciliations and relevant supporting documents for Trade and Other Payables balance amounting to \$476,896. Therefore, I was unable to satisfy myself whether these balances have been completely and accurately accounted for in the Statement of Financial Position as at 31 December 2014.
7. The Council was unable to provide reconciliations, loan agreements, bank audit certificates and details to support interest-bearing borrowing balance amounting to \$236,316. Consequently, I was not able to ascertain the completeness and accuracy of the amount and whether any adjustments might be necessary in respect of the interest-bearing borrowing 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 as at 31 December 2014.
8. The Council was unable to provide the appropriate reconciliation and supporting documents for deferred income amounting to \$739,533. Moreover, there was lack of conformity to the accounting of *IFRS for SMEs Section 24 – Government Grants* by the Council. Consequently, I was not able to ascertain the completeness and accuracy of the amount and whether any adjustments might be necessary in respect of the deferred income 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 as at 31 December 2014.
9. The Council was unable to provide reconciliations and subsidiary listings to support general rates balance of \$2,197,586, business and trade license balance of \$250,104, taxi stands and carrier base charges of \$385,278, and other operating income amounting to \$876,591. Consequently, I was unable to ascertain the completeness and accuracy of these balances disclosed in the Statement of Comprehensive Income for the year ended 31 December 2014.
10. The Council was unable to provide reconciliations, subsidiary listings, and payment vouchers to support advertising and public relation expense of \$23,806, depreciation and amortization expense of \$222,442, employees' salaries and benefits expenses of \$2,155,428, garbage collection expense of \$728,472, repairs and maintenance expense of \$344,870, transportation expense of \$105,594 and other operating expenses of \$424,090. Consequently, I was unable to ascertain the completeness and accuracy of these balances disclosed in the Statement of Comprehensive Income for the year ended 31 December 2014.
11. The Council has recorded \$356,775 (Note 14) as commercial lot deposits. The Council has not maintained separate bank account for these deposits. As at balance date the Council has insufficient funds to meet the refunds of the depositors should the need arise.
12. Generally, internal control function of cash, revenue management, payroll processing and procurement of good and services were found to be weak. Poor internal control may lead to fraud and possible misappropriation of funds.

Other information

Management and Special Administrators are responsible for the other information. The other information comprises the information included in the Special Administrators' report, but does not include the financial statements and my auditors' report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work, I conclude that there is a material misstatement of this other information, I am required to report that fact. Accordingly, I am unable to conclude whether or not the other information is materially misstated with respect to matters described in the Basis for Disclaimer of Opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Management and Special Administrators are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) and the Local Government Act 1972, and for such internal control as the Management and Special Administrators determine 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, the Management and Special Administrators are 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 and Special Administrators either intend to liquidate the Council or 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 Responsibility 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.


Sairusi Dukuno
ACTING AUDITOR-GENERAL



Suva, Fiji
09 May, 2023

**NASINU TOWN COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Notes	2014 \$	2013 \$
Revenue			
General rates		2,197,586	1,975,106
Business and trade license		250,104	265,602
Taxi stand and carrier base charges		385,278	328,973
Other operating income	2	876,591	253,626
Total operating revenue		3,709,559	2,823,307
Expenses			
Advertising and public relation expense		(23,806)	(36,166)
Depreciation and amortisation expense		(222,442)	(176,971)
Employees salaries and benefits expenses	3	(2,155,428)	(2,086,693)
Garbage collection expense		(728,472)	(643,751)
Repairs and maintenance expense		(344,870)	(736,834)
Transportation expense		(105,594)	(150,297)
Other operating expenses	4	(424,090)	(901,482)
Total operating expenses		(4,004,702)	(4,732,194)
Operating profit / (loss) before interest		(295,143)	(1,908,887)
Finance costs	5	(9,954)	(13,033)
Interest income	5	878,688	987,891
Operating profit / (loss) after interest for the year		573,591	(934,029)
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		573,591	(934,029)

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

**NASINU TOWN COUNCIL
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2014**

ASSETS	Notes	2014 \$	2013 \$
Current assets			
Cash on hand and at bank	6	65,325	56,361
Trade and other receivables	7	9,113,692	9,000,823
Total current assets		9,179,017	9,057,184
Non-current assets			
Property, plant and equipment	8	1,683,465	1,435,939
Investment property	9	45,000	45,625
Intangible asset	10	4,949	5,959
Total non-current assets		1,733,414	1,487,523
TOTAL ASSETS		10,912,431	10,544,707
LIABILITIES			
Current liabilities			
Trade and other payables	11	476,896	1,146,492
Interest bearing borrowings	12	94,924	127,337
Employee entitlement	13	63,692	38,052
Deferred revenue	15	80,523	50,000
Total current liabilities		716,035	1,361,881
Non-current liabilities			
Interest bearing borrowings	12	141,392	6,086
Deposits	14	392,945	392,945
Deferred revenue	15	659,010	354,336
Total non-current liabilities		1,193,347	753,367
TOTAL LIABILITIES		1,909,382	2,115,248
NET ASSETS		9,003,049	8,429,459
MUNICIPAL FUNDS			
Accumulated funds		9,003,049	8,429,459
TOTAL MUNICIPAL FUNDS		9,003,049	8,429,459

.....
Uma Kant Patel
Special Administrator

Date 26/04/23

.....
Anurashika Bari
Chief Executive Officer

Date 26/04/23

The accompanying notes form an integral part of this statement of financial position

**NASINU TOWN COUNCIL
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Accumulated funds	Total
	2014 \$	2014 \$
Balance at 31 December 2012 (IFRS for SME's restated)	9,363,488	9,363,488
Loss for the year 2013	(934,031)	(934,031)
Balance at 31 December 2013 (IFRS for SME's restated)	8,429,457	8,429,457
Surplus for the year 2014	573,592	573,592
Balance at 31 December 2014	9,003,049	9,003,049

The accompanying notes form an integral part of changes in accumulated funds

**NASINU TOWN COUNCIL
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 \$	2013 \$
Cash flows from operating activities			
Receipts from customers		3,483,218	2,797,022
Payments to suppliers and employees		(4,426,216)	(3,652,400)
Cash generated from operations		(942,998)	(855,378)
Interest and other costs of finance paid		(9,954)	(13,033)
Interest income		878,688	987,891
Net cash provided by operating activities		(74,264)	119,480
Cash flows from investing activities			
Payment for property, plant and equipment		(298,064)	(142,571)
Proceeds from sale of property, plant and equipment		32,950	6,000
Proceeds from UNDP capital grant		-	(136,571)
Proceeds from Government grant		245,450	
Net cash used in investing activities		(19,664)	(105,058)
Cash flows from financing activities			
Borrowings, net		146,127	82,426
Net cash used in financing activities		146,127	(22,632)
Net increase / (decrease) in cash and cash equivalents		52,199	(39,723)
Cash and cash equivalents at the beginning of the year		(36,187)	3,536
Cash and cash equivalents at the end of the year	6	16,012	(36,187)

The accompanying notes form an integral part of this statement of cash flows

**NASINU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

NOTE 1. SUMMARY OF ACCOUNTING POLICIES

Statement of compliance

The financial report has been prepared in accordance with the Local Government Act (Cap 125 Rev 2007) and Section 5 of Subsidiary Legislation, and International Financial Reporting standards ('IFRS') for SME.

Basis of preparation

The Council has changed its accounting policies which were based on Fiji Accounting Standards on 1 January 2008 to comply with IFRS for SME's. The transition to IFRS for SME's is accounted for in accordance with IFRS 1 'First-time Adoption of International Financial Reporting Standards', with 1 January 2008 as the date of transition.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 December 2014.

The financial report has been prepared on the basis of historical cost, except where revaluation of certain non-current assets is carried.

In the application of IFRS for SME's, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Judgments made by management in the application of IFRS for SME's that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the current year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Borrowing costs

Borrowing costs directly attributed to the cost of acquiring of assets are capitalised as part of the cost of those assets. Other borrowing costs are recognized as an expense in the year in which they are incurred.

**NASINU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014**

NOTE 1. SUMMARY OF ACCOUNTING POLICIES (CONT'D)

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(c) Comparative amounts

Comparative amounts have been restated to comply with the adoption of IFRS for SME's and related financial statement and disclosure impact.

(d) Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries and annual leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provision made in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Defined contribution plans

Contributions to State owned defined contributed superannuation plans are expensed when incurred.

(e) Financial assets

Financial assets are classified into "advances and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Advances and receivables

Trade receivables loans and other receivables are recorded at less allowance for doubtful debts.

(f) Impairment of assets

At each reporting date, the council is expected to review the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is to be estimated in order to determine the extent of the impairment loss, if any. Where the asset does not generate cash flow that are independent from other assets, the council would have estimated the recoverable amount of the cash-generating unit to which the asset belongs. Intangible assets, if relevant, are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value that reflects current market assessments of the time money and the risks specific to the asset for which the estimates of future cash flows have been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount.

**NASINU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014**

NOTE 1. SUMMARY OF ACCOUNTING POLICIES (CONT'D)

(f) Impairment of assets (cont'd)

An impairment loss is recognized in income statement immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

(g) Income tax

The council is exempted from income tax in accordance with the provision of the Section 17 (4) of the Income Tax Act (Cap 201).

(h) Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured at its cost at the reporting date. If there are Gains or losses arising from changes in the fair value of investment property are included in income statement in the period in which they arise.

(i) Intangible assets

Intangible assets are purchased computer software that is stated at cost less accumulated depreciation and any accumulated impairment losses. It is amortized over its estimated life of ten years using the straight-line method.

If there is an indication that there has been a significant change in amortization rate, useful life or residual value of an intangible asset, the amortization is revised prospectively to reflect the new expectations.

(j) Leased assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Council as lessor

Rental income from operating leases is recognized on a straight line basis over the term of the relevant lease.

If the Council had engaged in opening lease payments it would have recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Lease incentives

In the event that lease incentives are received to enter into operating leases, such incentives would have been recognized as a liability. The aggregate benefits of the incentives will be recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(k) Payables

Trade payable and other accounts payable are recognized when the council becomes obliged to make future payments resulting from purchase of goods and services.

**NASINU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014**

NOTE 1. SUMMARY OF ACCOUNTING POLICIES (CONT'D)

(l) Presentation currency

All amounts are stated in Fijian currency.

(m) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Such costs include the cost of replacing part of the plant and equipment when the cost is incurred, if recognition criteria is met. Likewise, when a major inspection is performed. Its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of comprehensive income as incurred.

The following estimated useful lives are used in the calculation of depreciation:

Furniture, fittings and office equipment	20% - 8%
Motor vehicles	20%
Plant and tools	20%
Streetlights	8%

(n) Provisions

Provisions are recognized when the council has a present obligation, the future sacrifice of economic benefits is portable, and the amount of the provision can be measured reliably.

The amount recognized as provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

(o) Revenue recognition

General rates, business and trade license, and taxi stand and carrier base charges

Revenue from general rates, rental income and business and trade license are recognized on a normal accrual basis, net of Values Added Tax.

Taxi stand and carrier base charges are recognized on cash basis, net off Value Added Tax.

**NASINU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014**

NOTE 1. SUMMARY OF ACCOUNTING POLICIES (CONT'D)

(p) Revenue recognition (cont'd)

Other operating income

Rental income are recognized on a normal accrual basis, net of Value added Tax.

Rental income represent income earned from renting out of Kiosk building space and is stated net of Value Added Tax.

Advertising on council properties, fines and miscellaneous income and hire of playing fields are recognized on cash basis, net off Value Added Tax.

Interest income

Interest income is recognized on all overdue general rates and rental income.

(q) Value added tax

Revenues, expenses and assets are recognized net of the amount of value added tax (VAT), except:

- i) Where the amount of VAT incurred is not recoverable from the taxation authority, it is Recognized as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii) For receivables and payables which are recognized inclusive of VAT.
- iii) VAT is payable based on cash basis for the council.
- vi) VAT payable / receive recognition based on accrual basis of revenues and expenses and are reconciled to that of cash receipts and payments.

The net amount of VAT recoverable form, or payable to, the taxation authority is included as part of receivables or payables.

(r) Government grant

Grants from the government are recognized at their fair value in the statement of comprehensive income where there is a reasonable assurance that the grant will be received and the council has complied with all attached conditions. Grants received where the council has yet to comply with all attached conditions are recognized as a liability (and included in deferred income) and released to income when all attached conditions have been complied with. Government grants received are included in 'other operating income' in statement of comprehensive income.

**NASINU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014	2013
	\$	\$
NOTE 2. OTHER OPERATING INCOME		
Rental income	132,099	140,156
Deferred revenue	80,523	50,000
Fines and miscellaneous income	650,441	57,959
Gain on sale of assets	13,324	5,217
Subscription	204	294
	876,591	253,626

NOTE 3. SALARIES AND EMPLOYEE BENEFITS		
Salaries and wages	1,889,853	1,808,525
FNPF contribution	148,570	147,855
TPAF levy	20,321	18,517
Training and education	8,858	13,119
Acting allowances and other benefits	87,826	98,677
	2,155,428	2,086,693

NOTE 4. OTHER OPERATING EXPENSES		
Telephone, internet and fax	62,212	31,643
Printing, stationery and postages	115,567	66,926
Insurances	61,974	47,312
Meeting and entertainment expenses	11,006	5,063
Electricity and water	29,510	202,804
Audit fee	7,391	10,000
Bank charges	10,289	9,460
Legal expenses	30,714	16,390
Subscriptions	40	607
Bad and doubtful debts	29,442	474,302
General operating expenses	65,945	36,975
	424,090	901,482

NASINU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 5. FINANCE COSTS AND INTEREST INCOME	2014	2013
	\$	\$
Finance costs		
Loan-Westpac Banking Corporation Limited	3,662	3,662
Finance lease-Credit Corporation Fiji Limited	2,547	2,547
Finance lease-Merchant Finance Co. Limited	6,824	6,824
Total finance costs	13,033	13,033
Interest income		
Interest on overdue rates and rental debtors	987,891	987,891
Total finance income	987,891	987,891

NOTE 6. CASH ON HAND AND AT BANK		
Petty cash	275	200
Cash on hand	15,631	28,864
Australia and New Zealand Banking Group Limited	23,179	12,674
Bank of South Pacific Limited	26,240	14,623
Total cash on hand and at bank	65,325	56,361

Reconciliation of Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalent includes cash on hand, net off outstanding bank overdraft. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position.

NOTE 7. TRADE AND OTHER RECEIVABLES			
Current			
Trade receivables	9,489,908	9,488,163	
Allowance for doubtful debts	(949,068)	(919,626)	
	8,540,840	8,568,537	
Other receivables:			
Advances	65,027	65,027	
Deposits	5,702	5,702	
VAT refundable	502,123	361,557	
Total current trade and other receivables	9,113,692	9,000,823	

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 8. PROPERTY, PLANT AND EQUIPMENT

	Land and			Office Equip	Plant and	
	buildings	Street Lights	Motor Vehicles	and furniture	tools	Total
	\$	\$	\$	\$	\$	\$
Cost						
Balance at 31 December 2013	781,276	702,363	890,139	230,815	59,937	2,664,530
Additions	-	-	433,960	45,184	3,953	483,097
Disposals	-	-	(48,691)	-	-	(48,691)
Balance at 31 December 2014	781,276	702,363	1,275,408	275,999	63,890	3,098,936
Accumulated depreciation						
Balance at 31 December 2013	73,239	259,315	676,531	182,723	36,785	1,228,593
Depreciation for the year	25,371	-	159,543	26,101	9,227	220,242
Disposals	-	-	(33,364)	-	-	(33,364)
Balance at 31 December 2014	98,610	259,315	802,710	208,824	46,012	1,415,471
Net book value at 31 December 2014	682,666	443,048	472,698	67,175	17,878	1,683,465
Net book value at 31 December 2013	708,037	443,048	213,608	48,092	23,152	1,435,939

	2014	2013
	\$	\$
NOTE 9. INVESTMENT PROPERTY		
Land and buildings - at cost		
Building - at cost	50,000	50,000
Less: accumulated depreciation	(5,000)	(4,375)
	45,000	45,625

Investment property generates flow of rental income from Kiosk building by renting out spaces for small to medium size business and individuals.

There was no valuation carried out on the investment property. The cost is based on historical cost.

NASINU TOWN COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 \$	2013 \$
NOTE 10. INTANGIBLE ASSETS		
Computer software at cost		
Balance at 31 December 2013	15,418	13,441
Additions	565	1,977
Disposals	-	-
Balance at 31 December 2014	<u>15,983</u>	<u>15,418</u>
Accumulated amortisation		
Balance at 31 December 2013	9,459	8,000
Amortisation for the year	1,575	1,459
Disposals	-	-
Balance at 31 December 2014	11,034	9,459
Net book value at 31 December 2014	<u>4,949</u>	<u>5,959</u>

NOTE 11. TRADE AND OTHER PAYABLES		
Trade payables	415,656	1,011,023
Other payables	<u>61,240</u>	<u>135,469</u>
Total trade and other payables	<u>476,896</u>	<u>1,146,492</u>

Trade and other payables principally comprise amounts outstanding for trade purchases and on-going costs. Trade payables are normally settled on 30 – 60 days' term.

NOTE 12. INTEREST BEARING BORROWINGS		
Secured		
Current		
Bank overdrafts	49,314	92,548
Bank Loan – Westpac Banking Corporation Limited (a)	-	6,128
Finance Loan-Credit Corporation Fiji Limited (b)	40,708	5,942
Finance Lease-Merchants Finance Pty Limited (c)	4,902	22,719
Total current secured borrowings	<u>94,924</u>	<u>127,337</u>

NASINU TOWN COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 12. INTEREST BEARING BORROWINGS (CONT'D)	2014	2013
	\$	\$
Secured		
Non-Current		
Bank Loan – Westpac Banking Corporation Limited (a)	(21,445)	-
Finance Loan-Credit Corporation Fiji Limited (b)	162,837	-
Finance Lease-Merchants Finance Pty Limited (c)	-	6,086
Total non-current secured borrowings	141,392	6,086

Obligations under finance lease		
Not later than one year	64,531	33,572
Later than one year but not later than two years	117,806	6,693
Later than two years but not later than five years	117,756	-
	300,093	40,265
Less charges	91,646	5,518
	208,447	34,747
Finance lease obligation is classified as follows:		
Current liability		
Finance Loan-Credit Corporation Fiji Limited (b)	40,708	5,942
Finance Lease-Merchants Finance Pty Limited (c)	4,902	22,719
	45,610	28,661
Non-current liability		
Finance Loan-Credit Corporation Fiji Limited (b)	162,837	-
Finance Lease-Merchants Finance Pty Limited (c)	-	6,086
	162,837	6,086
Total finance lease obligations	208,447	34,747

Particulars relating to secured borrowings:

- (a) The loan from Westpac Banking Corporation Limited was raised by Nasinu Town Council to construct Council's office building at the variable rate of 7.49%. The loans are secured by Crown lease No. 213526 and Crown lease No. 540554.
- (b) The finance lease from Credit Corporation Fiji Limited is secured by a bill of sale on Motor Vehicle EU178. The interest is compounded at 11% for 4 years.
- (c) The finance lease from Merchant Finance & Investment Co. Limited is secured by a bill of sale on Motor vehicle FR604, FR724, FR720, FR179 & FR718. The interest is compounded at varying interest rates of 6.80% to 6.89%. The term of the lease is between 4 to 5 years.

**NASINU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014	2013
	\$	\$
NOTE 13. EMPLOYEE ENTITLEMENT		
Employee leaves	<u>63,692</u>	<u>38,052</u>

NOTE 14. DEPOSITS

Deposits from tenants and advance payments from rate payers	36,170	36,170
Commercial lot deposits	<u>356,775</u>	<u>356,775</u>
	<u>392,945</u>	<u>392,945</u>

The commercial lot deposits comprised of property purchased Lot 4, DP 6380, HL 13526 situated at Valelevu Nasinu on 15th February 2006.

The purchase price of the land was \$1,000,000 + 2,700 square meter of the land that will be given to the seller after the land is fully developed and sub-divided.

Instead of paying \$1,000,000 cash upfront to the seller both parties agreed that, deposits received by the Council for the sale of subdivided land will be deposited into the trust account of the seller's solicitors.

NOTE 15. DEFERRED REVENUE		
<i>Government grant (a)</i>		
Balance as 31 December	250,000	250,000
Grant received during the year	415,720	-
Deferred income recognised during the year	(13,486)	-
	<u>652,234</u>	<u>250,000</u>
<i>Japanese Government grant (b)</i>		
Balance as 31 December	71,910	121,910
Grant received during the year	-	-
Deferred income recognised during the year	(50,000)	(50,000)
	<u>21,910</u>	<u>71,910</u>
<i>United Nations Development Programme (c)</i>		
Balance as 31 December	82,426	-
Grant received during the year	-	82,426
Deferred income recognised during the year	(17,037)	-
	65,389	82,426
Total Deferred income	<u>739,533</u>	<u>404,336</u>

**NASINU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014 \$	2013 \$
NOTE 15. DEFERRED REVENUE		
Current	80,523	50,000
Non-Current	659,010	354,336
Total Deferred income	<u>739,533</u>	<u>404,336</u>

- (a) Deferred revenue relates to grant received from the Government for the upgrading of roads, drains and street lights for some of the identified squatter/informal settlements in Nasinu Town Council area.

In 2014 Government grant was received in kind for a 3-ton truck compactor and for the upgrade of Valelevu ground.

- (b) The Japanese Government donated a Caterpillar SS660 to the Council in 2010.
- (c) The grant from United Nations Development Program was for the building of wall at Bulei Place at Laucala Beach Estate to avoid soil erosion as a result of Global warming.

Revenue is brought to account over the periods necessary to match the related cost of the projects.

NOTE 16. CAPITAL COMMITMENTS

There were no capital commitments as at 31 December 2014 and Nil in 2013.

NOTE 17. CONTINGENT LIABILITIES

There was no contingent liability as at 31 December 2014 and Nil in 2013.

NOTE 19. RELATED PARTY DISCLOSURE

The Nasinu Town Council operates under the supervision of the Special Administrator.

The Special Administrator directs key management personnel's who are entrusted with authority and responsible for planning, directing and controlling the activities of the entity, directly or indirectly.

**NASINU TOWN COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2014**

NOTE 19. RELATED PARTY DISCLOSURE (CONT'D)

	2014	2013
	\$	\$
During the year, remuneration of the key management personnels are as follows:	<u>155,465</u>	<u>123,909</u>

NOTE 20. SIGNIFICANT EVENTS DURING THE YEAR

There were no significant events during the year.

NOTE 21. EVENTS SUBSEQUENT TO BALANCE DATE

No matter 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 years.

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 person;
- (ii) no contingent liabilities have arisen since the end of the financial year which the council could become liable; and
- (iii) no contingent liabilities or other liabilities of the 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 managements, will or may substantially affect the ability of the council to meet its obligations as and when they fall due.

As at the date of this report, the management are not aware of any circumstances, which would render the provision for doubtful debts in the council, inadequate to any substantial extent.

NOTE 22. COUNCIL DETAILS

Council Incorporation

The principal activities of the council during the year was established under Local Government Act (Cap 125 Rev 2007) and section 5 of the Subsidiary Legislation.

Principal Place of Business

The principal place of business of the council is at Mayoral Drive Valelevu, Nasinu, and Suva