



SAVUSAVU TOWN COUNCIL



ANNUAL REPORT 2011

Parliamentary No 41/23



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Our Vision

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

Our Mission

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

Our Slogan

'A fast-developing tourist hot spot.'

'The Hidden Paradise'

'The Up-North'

Message from the Chief Executive Officer

One of the main output of the Council is the town to be provided with upgraded infrastructure and facilities necessary for our town to function physically and beautifully.

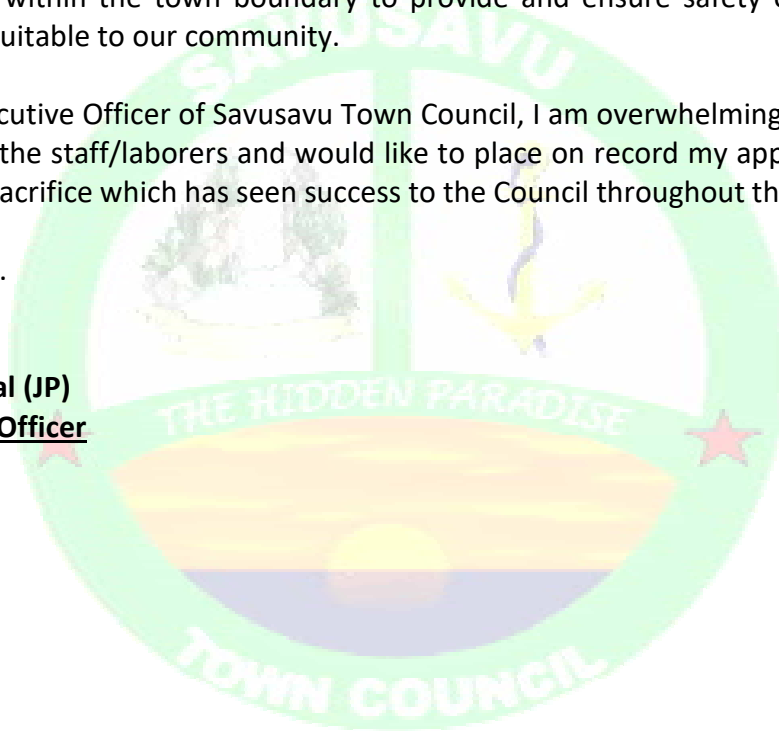
From year 2009 'till current, it was a challenging year for Savusavu Town Council as various projects Council has encountered to be carried out to diversify the economy and improve the lifestyle of the community especially from the rural areas. There is a need of promoting recreational activities for all ages and citizens of Savusavu & Cakaudrove and the effort of the Council is to identify, develop and maintain recreational parks within the main CBD.

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

As the Chief Executive Officer of Savusavu Town Council, I am overwhelmingly convinced by the performance of the staff/laborers and would like to place on record my appreciation for their dedication and sacrifice which has seen success to the Council throughout those until year 2019.

Vinaka Vakalevu.

(Dharmendra Lal (JP)
Chief Executive Officer



THE COUNCIL MANAGEMENT

Mr. Vijay Chand JP as the Special Administrator of Labasa & Savusavu Town Council's on the 11th of February, 2009.

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

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

SENIOR OFFICERS OF THE COUNCIL

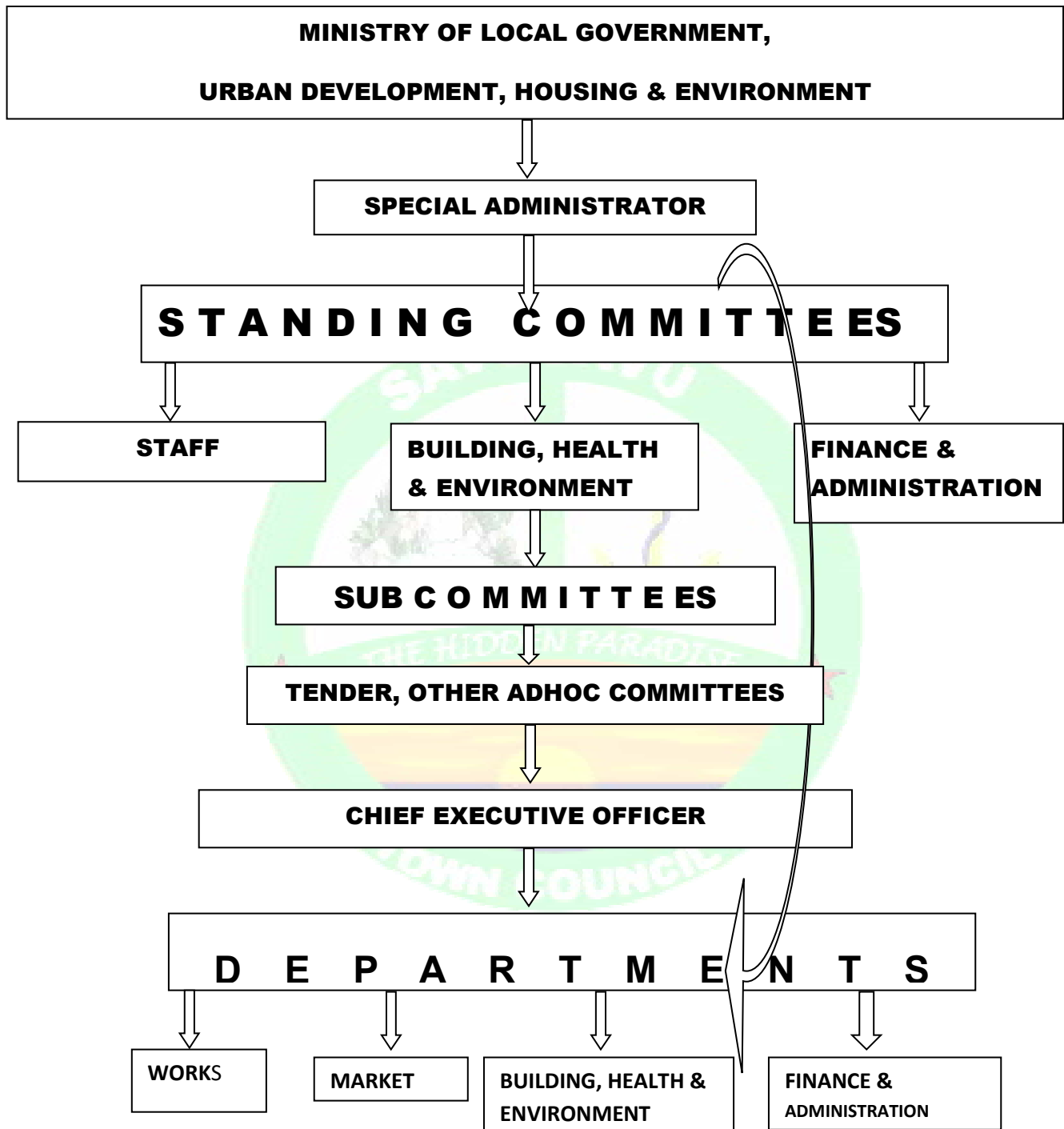
Chief Executive Officer	- Mr Dharmendra Lal
Properties Manager/Revenue HOD	- Mr Shiu Chand
Health Inspector/Building Surveyor	- Mr Timoci Vakabua
Market Master	- Mr Wame Nabete
Works Supervisor/Depot Manager	- Mr Sanjesh Goundan
Accountant, Savusavu/Labasa Town Council	- Mr. Anit Solanki

SUBORDINATE STAFFS

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



ORGANISATION STRUCTURE



SERVICES

1. TOWN BOUNDARY AREA

- Garbage Collection (Takes place every Mondays, Wednesdays & Fridays with town area and seven (7) days within main CBD.
- Maintenance of Roads sides mainly through grass cutting and drainage cleaning
- Clean Up Campaign
- Landfill for discarding of rubbish

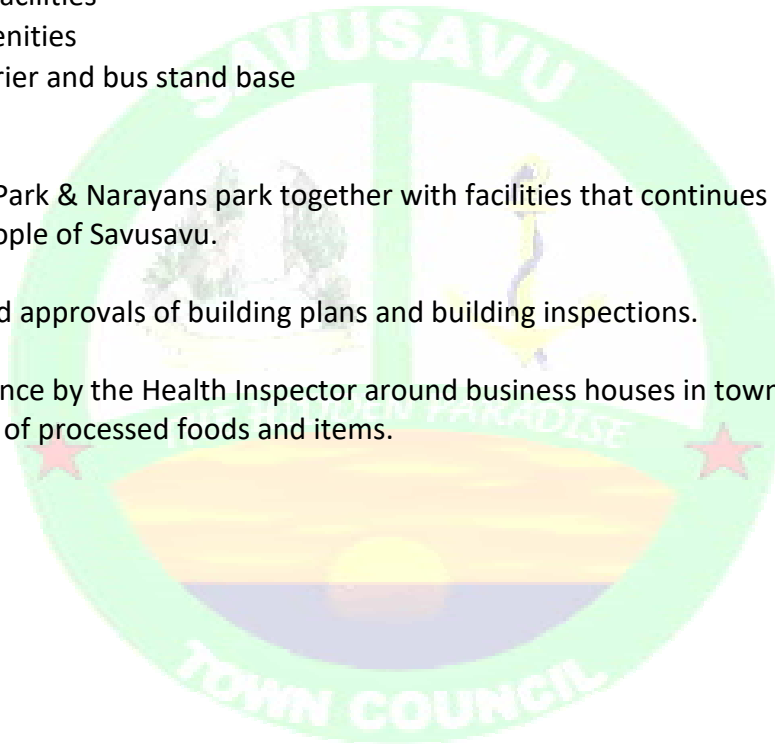
2. MAIN TOWN AREA

- Toilet facilities for public
- Market Facilities
- Civic amenities
- Taxi, Carrier and bus stand base

3. Ratu Ganilau Park & Narayans park together with facilities that continues to serve the need of the sports people of Savusavu.

4. Processing and approvals of building plans and building inspections.

5. Food surveillance by the Health Inspector around business houses in town to ensure proper and safe trading of processed foods and items.



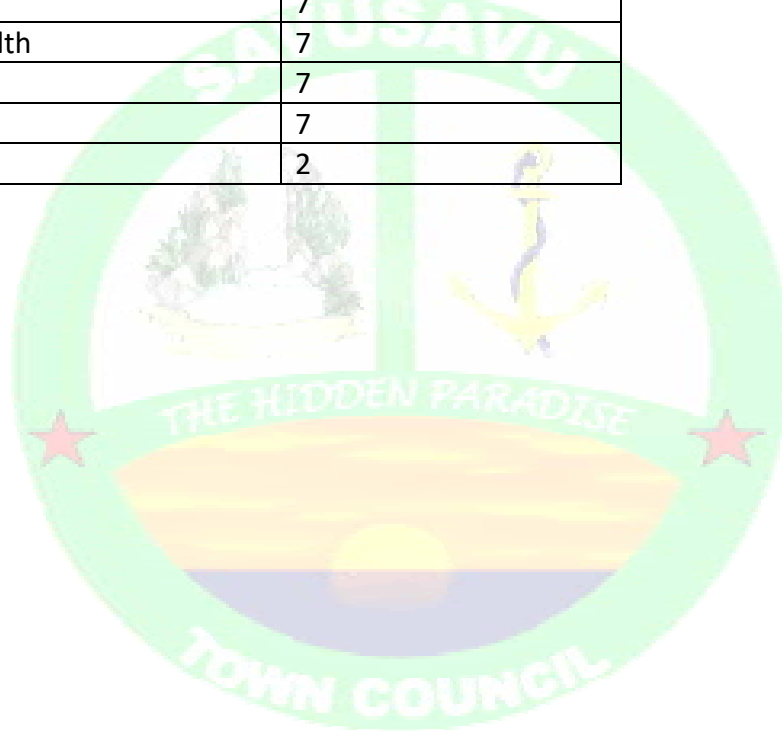
Official Visitors to the Council

Number of Visitors to the Council during the Year: 63

MEETING FOR THE YEAR 2011

The total number of meetings that took place in the year 2011 are tabulated below:

Full Board	8
Finance	7
Building & Health	7
Staff Board	7
Task Force	7
Tender	2



Health/Building/Environment Report

Health Services & Environment Department

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

Staff	1 Health Inspector
Support Staff	1 Town Ranger

1. DEVELOPMENT CONTROL

1.0 Building Activities

Applications Received	69
Approved	52
Reused	1
Pending	16
Completion Certificate Issued	12

Total Value of Building requiring permits: \$683,866.00

Major Building Works in progress

- Dayaram Complex: 2 Storeys

JKS Commercial Complex



An artist's impression of the new J. Dayaram shopping in complex earmarked to be built in Savusavu Town.



The completed 3 storey JKS building Main Street, Savusavu

2. Subdivision of Land

Application submitted for consideration	3
Approved	1
Pending	4
Withdrawn	1

2.SQUATTER CONTROL

The Unit facilitate formation of Nakama Squatter Committee to assist squatters on the Council property at Nakama Stage 3 improve their living standard and also to control illegal development of land.

A total of 26 tenants were registered with the Council and paid ground rentals following MOU between Council and squatter committee.



Hillside view of illegal development at Nakama Stage 3.

3.FOOD CONTROL & SURVEILLANCE

The unit continued to conduct food surveillance in consultation with the Ministry of Health Food Unit and Local Health Authorities.

Food Handlers training was also conducted by the Unit to ensure consumer protection against food borne illness.

Following assessment and compliance to Food Safety Act, a total of 22 restaurant obtained Health License issued by CBH.

4.WASTE MANAGEMENT

The Council continued to support waste minimization and environmental protection via its waste management system. Garbage collection via its waste management system. Garbage collection on 3 days per week followed by monthly clean-up campaign.

Special wastes are also collected on arrangement and payment of fees levied by the Council. Other areas outside the municipal boundary are benefitting via through this means. This includes resorts, hotels and residential homes within close proximity to the town.



Clean-up campaign Carried out by Savusavu Town Council workers



Clean up for a healthier town carried out by volunteer youth groups in Savusavu.

5. VECTOR & DISEASE CONTROL

Chemical spraying was employed to control flies and mosquitoes at the dump on monthly basis and where the need arises. Assistance was also sought through Local Authority where dengue fever cases were identified for peri-focal spraying.

Awareness conducted during house-to-house visit, community meetings and pamphlets distribution on rat and vermin control were also leptospirosis and typhoid fever to minimize health risk.

DENGUE FACTS

Did you know?

Individuals who are infected for the second time are at greater risk of severe dengue.

Severe dengue symptoms often come after the fever has gone away:

- severe abdominal pain
- persistent vomiting
- rapid breathing
- bleeding gums or nose
- fatigue
- restlessness
- blood in vomit or stool
- being very thirsty
- pale and cold skin
- feeling weak

People with these severe symptoms should get care right away.



MINISTRY OF HEALTH
& MEDICAL SERVICES



6. POLLUTION CONTROL

Developments of neighboring areas adjacent to municipal boundary re perhaps the major contributing factor to pollution via siltation to the water courses and the coastal water.

The absence of sewerage system in this municipality encourages use of septic tank for disposal and treatment of night soil waste.

Those using drum septic have been encouraged to use concrete type and design approved by the Central Board of Health.

7. LITTER PREVENTION CONTROL

Litter Prevention Control worked on community awareness on litter prevention. Specific targets on litter bin provision to all premises was promoted via house-to-house visit awareness.

Improvement to litter control were noted with 75% premises provided with proper bin lid.

8. HEALTH INSPECTIONS

All boarding houses and hotels have been inspected and submissions made to Hotel Licensing Board prior to issuance of business license.

These premises include:

Hotel	1
Boarding Houses	4
Liquor Outlets	5
Night Clubs	2

Shops, All food premises, Bars, Liquor shops, draperies, hard-wares, etc.,

9. COMPLAINTS

All complaints are recorded and investigated and dealt with accordingly as soon as possible. Records revealed 24 intimation notices were issued during the year. Follow-up visits are normally conducted to ensure compliance.

Notices issues included:

Overgrowth removal	9
Waste removal	4
Abate smell nuisance	4
Litter removal	3
New soakage pit	3
Animal/poultry nuisance	2
Grease trap clearing	2

10. OTHER ISSUES:

1. Flooding

Flooding in low-lying parts of the main roads: Naveria, Yaroi and Qaraniqatio often impeded traffic movement along the main road particularly during heavy rain.

2. Landslide

Occurred at Nakama resulted to destruction of a residential premises valued at approximately \$50,000.00. Poor drainage system and clearing of nearby hillside were the contributing factors for the loss.

3. Foreshore Erosion

Part of the town foreshore along the coastal water fronts continued to erode through tidal action over the years and posing risks to adjacent streets and services such as water mains, telecom and FEA demands prompt action to prevent further defects.

However, the Savusavu Tourist Association in partnership with the Council supported protection through foreshore reclamation project targeting the site between the towns bus stand Copra Shed Marina covering the area approximately 500 square meters.

4.Roads

Nakama road, Khamendra School drain and Vunikoka residential area needs special attention in order to minimize risk of landslide and flooding.

CONCLUSION

A challenging year, however, I must thank the Special Administrator and Chief Executive Officer, staff & labourers for supporting the Unit and implementation of assigned projects during the period.

Timoci Vakabua
Health Inspector/Building Surveyor



ENGINEERING/WORKS REPORT

A. SERVICES

- Garbage Collection:

Takes place every Mondays, Wednesdays & Fridays with town area and seven (7) days within main CBD.

- Repair & Maintenance work on Council properties
(On drainage, streetlight, footpath, public convenience, Council roads/streets)

B. Beautification Projects

Parks & gardens

ON GOING CAPITAL PROJECT

- Nakama Drainage (2nd Phase)
- Footpath at Housing Road/Naqere & Fenton Road/Naqere
- Footpath at Hooper Street adjacent main road
- Footpath at Savusavu strip, Westpac to Waterfront building
- Upgrading of Ganilau park/Naqelekula (Ground No.2)
- Shiu Chand Road
- Roads and Drains upgrade
- Foreshore reclamation (Phase 1), Market to Copra Shed Marina

PROPOSED PROJECTS

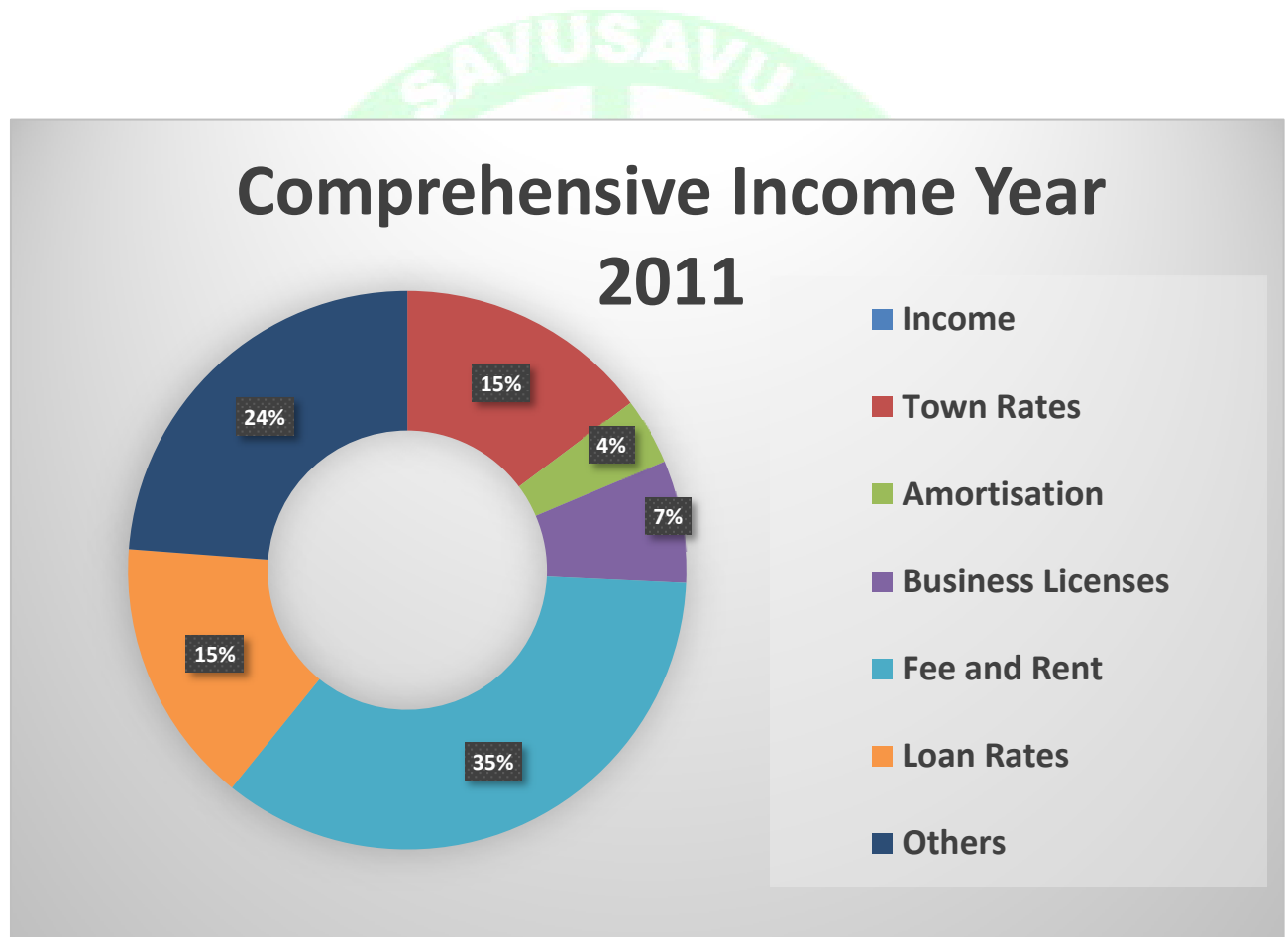
- Market Extension: Fish market & Curio Centre
- Town Civic Centre: to be located at the market foreshore ground
- Ratu Ganilau Ground: New Stadium – 1000 sitting capacity
- Industrial Subdivision & Residential Subdivision at Naqere – by Directors of Lands

FINANCE DEPARTMENT

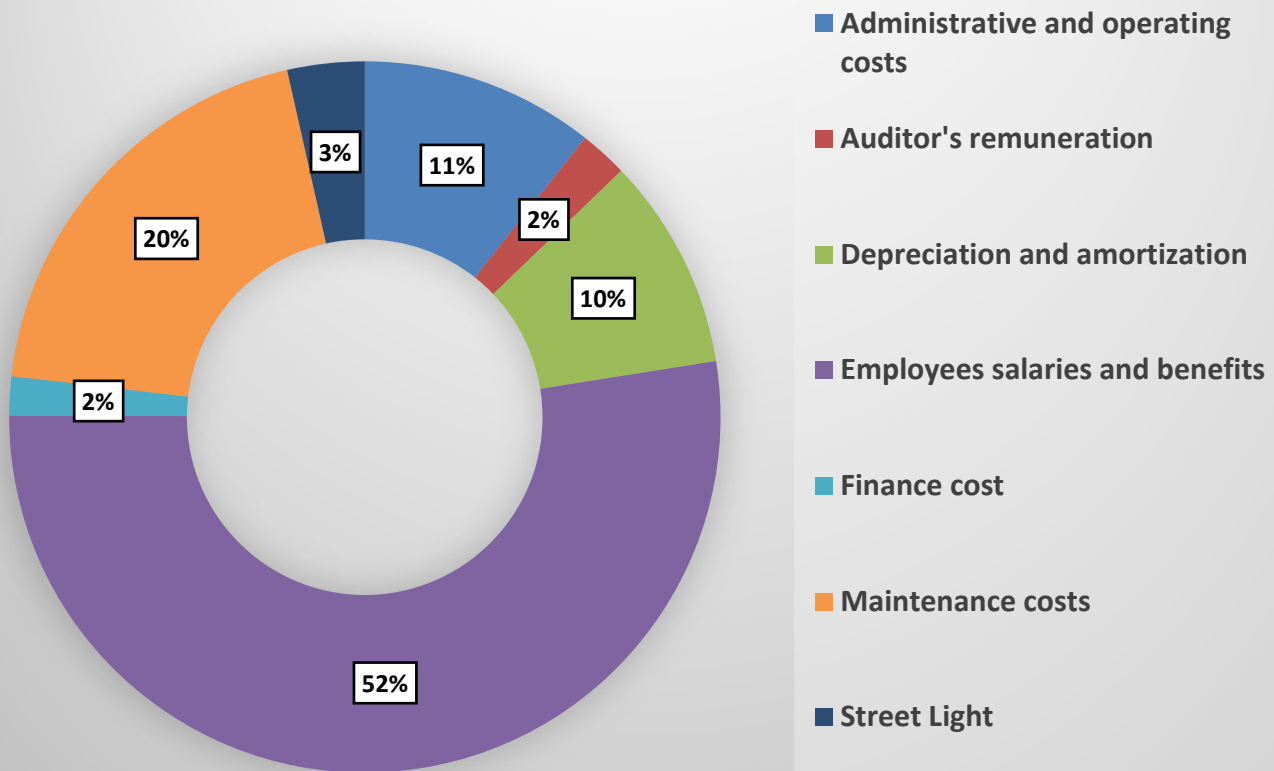
In 2011 Savusavu Town council has delivered a surplus total comprehensive income for the year.

Highlights:

- Total Comprehensive Income for the year: \$513,240.00
- Total Comprehensive Expenses for the year: \$482,898
- Statement of Financial Position -Municipal Funds: \$7,015,411



Comprehensive Expense Year 2011



The Finance department has the following key roles in the Council:

1. Financial services

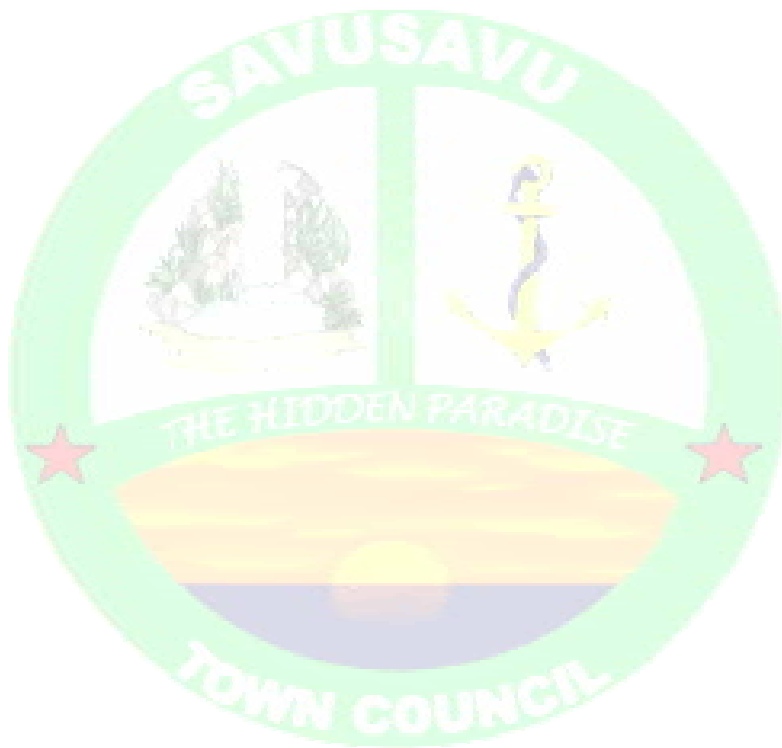
The department provides sound financial management and legislative requirements of the Council. The core services include; accounts payable, accounts receivable, Finance reporting (reconciliations), Budgeting, financial statements and meeting audit requirements.

2. Payroll

The team provides a range of human resources advice and support on matters including recruitment and selection and policies and procedures to the Council. The team also deliveries weekly payroll to approximate 15 labours and fortnight payroll for 8 staffs.

3. Revenue, Property & Customer Service

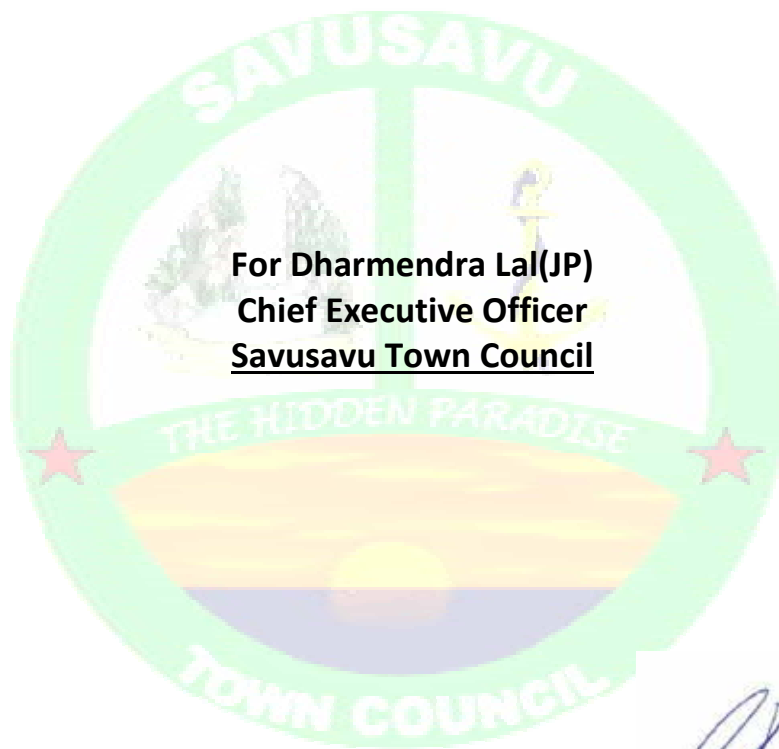
The team issues town debtor's invoice such as rates invoices, rental and lease invoice, taxi, carrier and bus stand base fee invoices and other sundry debtor invoicing which leads to Council's debt recovery. In years to come the Council will update rates profile which will include each debtor's name and address into the accounting software system.



Appreciation and Acknowledgement

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

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



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



Chief Executive Officer

Seema Shiwani Dutt

03/08/2020



Special Administrator (Chair)

Justin Hunter

03/08/2020

OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



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File: 955/1

18 November 2022

Mr. Ami Kholi
The Chairman Special Administrators
Savusavu Town Council
SAVUSAVU

Dear Mr. Kholi

SAVUSAVU TOWN COUNCIL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

The audited financial statements for Savusavu Town Council for the year ended 31 December 2011 together with my audit report on them are enclosed.

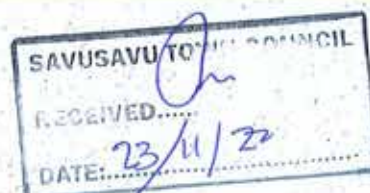
Particulars of errors and omission arising from the audit have been forwarded to the management of the Council for necessary action.

Yours sincerely

Sairusi Dukuno
ACTING AUDITOR-GENERAL

✓cc: Ms. Seema Dutt, Chief Executive Officer, Savusavu Town Council.

Encl.



SAVUSAVU TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

**SAVUSAVU TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

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**SAVUSAVU TOWN COUNCIL
COUNCILS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011**

The Council herewith submits the statement of financial position at 31 December 2011, the related statement of comprehensive income, statement of cash flows and statement of changes in accumulated funds for the year then ended and reports as follows:

Management Staff

Vijau Chand – Special Administrator Chairperson Labasa/Savusavu – resigned 19 December 2018

Ami Kohli - Special Administrator Chairperson Labasa/Savusavu – appointed 18 March 2022

Doreen Robinson - Special Administrator – appointed 18 March 2022

Seema Shiwani Dutt - Chief Executive Officer

Principal activities

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

Results

The operating surplus for the year is:

2011 \$30,342

2010 \$52,593

Basis of accounting

The Council believes 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

Transfer of Assets, Interests and Liabilities

The Fiji Roads Act 2012 state that as from the commencement of the Act, all assets, interest, rights, privileges, liabilities and obligations of municipal councils in relation to municipal council roads, shall be immediately transferred to and shall vest in the Authority without conveyance, assignment or transfer.

Amendments to the Local Government Act 1972

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

Business Licenses

As announced in the 2020/2021 National Budget, effective from 1 August 2020 Fiji's business license regime would no longer be collected by the Council.

Base and Market Fees

As announced in the 2021/2022 National Budget, the Government of Fiji will pay full stall fee for one year effective from 1 August 2021.

Covid-19

Subsequent to balance date the corona virus disease (COVID-19) outbreak developed rapidly in 2020 bringing a significant health impact globally. Measures taken to contain the virus are already having an impact on global markets and economic activity and Fiji is also impacted with business disruptions and levels of activity already reducing in several market sectors. There is considerable uncertainty around the possible duration of and the resulting depth of impact that may arise subsequently from the disruptions caused.

**SAVUSAVU TOWN COUNCIL
COUNCILS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011**

The Council members and management are carefully considering the impact of the COVID-19 outbreak on the Council and assessing future operational options. The financial impacts, however, cannot be reasonably estimated at this time as it is largely attributable to matters the Council cannot control. Management and the directors believe the Council have sufficient financial resources together with arrangements with their customers and suppliers at this time to be able to successfully manage the business risks despite the current uncertain economic outlook due to the COVID-19 outbreak.

They have a reasonable expectation that the Council have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Aside from the matters referred to above, no charge on the assets of the Council has arisen since the end of the financial period to the date of this report to secure the liabilities of any other person. No contingent or other liability has become enforceable or is likely to become enforceable within a period of twelve months from the date of this report, which in the opinion of the Board, will or may affect the ability of the entity to meet its obligation when they fall due.

Other circumstances

As at the date of this report:

- a) 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;
- b) no contingent liabilities have arisen since the end of the financial year for which the Council could become liable; and
- c) no contingent liabilities or other liabilities of the Council have become or are 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, management are not aware of any circumstances that have arisen, not otherwise dealt with in this report or the Council's financial statements, which would make adherence to the existing method of valuation of assets or liabilities of the Council misleading or inappropriate.

Management benefits


Since the end of the previous financial year, no management staff 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 management shown in the financial statements or received as the fixed salary of a full time employee of the Council) by reason of a contract made by the Council 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 Special Administrator and the management.

Dated this 14th day of November 2022.



Special Administrator



Chief Executive Officer

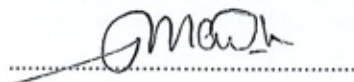
**SAVUSAVU TOWN COUNCIL
STATEMENT BY THE COUNCIL
FOR THE YEAR ENDED 31 DECEMBER 2011**

In accordance with a resolution of the Council, we state that:

- (a) 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 2011;
- (b) the accompanying statement of changes in accumulated funds is drawn up so as to give a true and fair view of the movement in the Council's funds for the year ended 31 December 2011;
- (c) 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 2011;
- (d) the accompanying statement of cash flows is drawn up so as to give a true and fair view of the state of the cash flows of the Council for the year ended 31 December 2011;
- (e) at the date of this statement there are reasonable grounds to believe the Council will be able to pay its debts as and when they fall due; and
- (f) all related party transactions have been adequately recorded in the books of the Council

For and on behalf of the Council and in accordance with a resolution of the Special Administrator and the Management.

Dated this 14th day of Nov 2022.



Special Administrator



Chief Executive Officer

OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



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INDEPENDENT AUDITORS REPORT

Savusavu Town Council

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of Savusavu Town Council ("the Council"), which comprise the Statement of Financial Position as at 31 December 2011, Statement of Comprehensive Income, Statement of Changes in Accumulated Funds, the Statement of Cash Flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Council as at 31 December 2011, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs).

Basis for Qualified Opinion

1. The Council recorded rates debtors of \$374,855 (Note 4) in the statement of financial position as at 31 December 2011. The Council was unable to provide rates listings, subsidiary ledgers and reconciliations to support the above balance. Furthermore, the Council has not provided evidence of impairment assessment carried out on its rates debtors. As a result, I am unable to ascertain whether rates debtors' balance of \$374,855 is fairly stated in the financial statements.
2. The Council recorded deferred grant amounting to \$191,385 in the financial statements. The Council was unable to explain or provide relevant supporting documents to substantiate these balances. Accordingly, I am unable to ascertain the accuracy of deferred grant amounting to \$191,385 recorded in the books of account as at 31 December 2011.
3. The Council have not disclosed related party transactions as required by Section 33 of IFRS for SMEs— Related Party Disclosures. As a result, the financial statements of the Council are not complete and fairly disclosed in accordance with all the requirements of IFRS for SMEs.

I have conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Council in accordance with the *International Ethics Standards Board for Accountant's code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

I draw attention to the following:

1. Note 1.6 of the financial statements which notes the changes in accounting policies in the financial period ended 31 December 2011 and how this has been considered by the Council in the preparation of the financial statements.
2. Note 11 of the financial statements which notes the novel coronavirus (COVID- 19) global pandemic subsequent to 31 December 2011 and how this has been considered by the Council in the preparation of the financial statements. The Council has not made adjustment to the financial statements as at 31 December 2011 in respect of this matter.
3. The Council does not hold sufficient cash to cover the total sundry deposits of \$449,186 held by the Council as shown in Note 6 to the financial statements, should depositors require a refund.
4. Note 11 to the financial statements notes the announcement made in the 2020/2021 National budget, that effective from 01 August 2020, Fiji's business license regime would be abolished and fees will no longer be collected by the Council.

My opinion is not modified in respect of these matters.

Other information

The Management and Special Administrators are responsible for the other information. The other information comprises the Annual report but does not include the financial statements and the auditor's 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained during the audit, or otherwise appears to be materially misstated. If, based upon the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report the fact. I have nothing to report in this regard.

Responsibilities of Management and those charged with governance for financial statements

The Management of the Council and the Special Administrators are 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with ISA, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of the Management's and Special Administrators' use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures, are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Management and Special Administrators 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.

Report on Other Legal and Regulatory Requirements

In my opinion, the financial statements have been prepared in accordance with the requirements of the Local Government Act 1972 in all material respects, and;

- a) I have been given all information, explanations and assistance necessary for the conduct of the audit; and
- b) the council has kept financial records sufficient to enable the financial statements to be prepared and audited.



Sairusi Dukuno
ACTING AUDITOR-GENERAL



Suva, Fiji
18 November, 2022

4 SAVUSAVU TOWN COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 \$	2010 \$
Income		
Rates:		
General	208,089	205,528
Lighting rates	-	-
Interest income rates	-	27,607
	<u>208,089</u>	<u>233,135</u>
Less: rates discount	(5,058)	(6,735)
Less: interest waiver	-	-
Less: town rate waiver	(127,246)	-
	<u>(132,304)</u>	<u>(6,735)</u>
	<u>75,785</u>	<u>226,400</u>
Amortisation of capital grant	19,882	18,969
Business license fees	36,394	37,935
Fees, charges and rent	179,966	163,091
Loan rates	79,130	73,797
Others	122,083	26,691
	<u>437,455</u>	<u>320,483</u>
Total income	<u>513,240</u>	<u>546,883</u>
Expenses		
Administrative and operating costs	51,330	80,402
Auditor's remuneration	10,619	11,467
Depreciation and amortization	46,583	22,744
Employees salaries and benefits	254,003	243,636
Finance cost	8,528	8,028
Maintenance costs	94,938	115,488
Street lights	16,897	12,525
Total expenses	<u>482,898</u>	<u>494,290</u>
Other comprehensive income	-	-
Total comprehensive profit for the year	<u>30,342</u>	<u>52,593</u>

The above statement is to be read in conjunction with the notes to and forming part of the financial statements.

SAVUSAVU TOWN COUNCIL
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2011

2011

	Note	Reserves \$	Accumulated Funds \$	Total \$
Balance at 1 January, 2011		235,641	(123,198)	112,443
Deficit for the year				
General funds		-	(31,891)	(31,891)
Loan rate fund		-	79,130	79,130
Street light funds		-	(16,897)	(16,897)
Asset revaluation reserve		6,872,730	-	6,872,730
Opening balance adjustment		-	(104)	(104)
Balance at 31 December 2011	9	<u>7,108,371</u>	<u>(92,960)</u>	<u>7,015,411</u>

2010

		Reserves \$	Accumulated Funds \$	Total \$
Balance at 1 January, 2010		235,641	(175,791)	59,850
Deficit for the year				
General funds		-	(4,911)	(4,911)
Loan rate fund		-	70,029	70,029
Street light funds		-	(12,525)	(12,525)
Balance at 31 December 2010	9	<u>235,641</u>	<u>(123,198)</u>	<u>112,443</u>

The above statement is to be read in conjunction with the notes to and forming part of the financial statements.

SAVUSAVU TOWN COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011

	Note	2011 \$	2010 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	10,397	5,634
Trade and other receivables	4	375,841	342,138
		<u>386,238</u>	<u>347,772</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	7,633,740	785,622
		<u>7,633,740</u>	<u>785,622</u>
TOTAL ASSETS		<u>8,019,978</u>	<u>1,133,394</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade payables	6	639,951	601,691
Bank Overdraft	3	130,995	141,637
Term Loan	8	-	29,028
Term Loan (FNPF Loan)		42,236	-
		<u>813,182</u>	<u>772,356</u>
NON-CURRENT LIABILITIES			
Deferred grant	7	191,385	211,267
Other loans		-	9,500
Term loan	8	-	27,828
		<u>191,385</u>	<u>248,595</u>
TOTAL LIABILITIES		<u>1,004,567</u>	<u>1,020,951</u>
NET ASSETS		<u>7,015,411</u>	<u>112,443</u>
MUNICIPAL FUNDS			
Reserves		7,108,371	235,641
Accumulated funds		(92,960)	(123,198)
TOTAL MUNICIPAL FUNDS		<u>7,015,411</u>	<u>112,443</u>

For and on behalf of the Council and in accordance with a resolution of the Special Administrator and the Management.

Dated this 14th day of Nov 2022.



Special Administrator


Chief Executive Officer

The above statement is to be read in conjunction with the notes to and forming part of the financial statements.

SAVUSAVU TOWN COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 \$	2010 \$
Cash flows from operating activities			
Receipts from customers		459,655	594,105
Payments to trade creditors, other creditors and employees		(444,958)	(589,161)
Net VAT movement		22,679	-
Net cash provided by operating activities	2	<u>37,376</u>	<u>4,944</u>
Cash flows from investing activities:			
Acquisition of property, plant and equipment		(21,971)	(35,631)
Net cash used in investing activities		<u>(21,971)</u>	<u>(35,631)</u>
Cash flows from financing activities:			
Repayment of borrowings		-	(29,028)
Net cash used by financing activities		<u>(24,109)</u>	<u>(29,028)</u>
Net increase/(decrease) in cash and cash equivalents held		15,405	(59,715)
Cash and cash equivalents at beginning of year		(136,003)	(76,288)
Cash and cash equivalents at end of financial year	3	<u>(120,598)</u>	<u>(136,003)</u>

The above statement is to be read in conjunction with the notes to and forming part of the financial statements.

SAVUSAVU TOWN COUNCIL
NOTES TO AND FORMING PART THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

1.1 General information

The Savusavu Town Council was incorporated in Fiji under the Local Government Act, 1972. The address of its registered office and principal place of business is Verevere Street, Main Town, P O Box 201, Savusavu Town Council, Savusavu. The principal activities under the Local Government Act 1972 is to provide for the health, welfare and convenience of the inhabitants of the Savusavu Town Municipality and to preserve the amenities or credit thereof.

1.2 Basis of preparation and accounting policies

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB).

For all periods up to and including the year ended 31 December 2010, the Council prepared its financial statements in accordance with local generally accepted accounting principles (Local GAAP). These financial statements for the year ended 31 December 2011 are the first the Council has prepared in accordance with IFRS for SMEs. Refer to Note 1.6 for information on how the Council adopted IFRS for SMEs.

The financial statements have been prepared on a historical cost basis, except for property, plant and equipment that have been measured at fair value. The financial statements are presented in Fijian dollars and all values are rounded to the nearest dollar, except when otherwise indicated.

Standards, amendments and interpretations issued

The following standards, amendments and interpretations to existing standards were published and are mandatory for the accounting periods beginning on or after 1 January 2011 or later periods. No significant impact arose out of these standards, amendments and interpretations. The amendments to existing standards were for the following:

- IAS 27, 'Investment Entities' (Amendments to IFRS 10 and 12); and
- IAS 32, 'Offsetting Financial Assets and Financial Liabilities'.

Statement of compliance

The financial statements of Savusavu Town Council have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities ("IFRS for SMEs") issued by the International Accounting Standards Board and the Local Government Act 1972.

1.3 The Savusavu Town Council reporting entity

All Funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of these financial statements

Amounts received as tender deposits and retention amounts controlled by the Council are included in the financial statements, disclosed as "sundry deposits" under current liabilities.

1.4 Significant accounting judgments, estimates and assumptions

The preparation of the Council's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcome that could require a material adjustment to carrying amount of the asset liability affected in the future.

Judgments

In the process of applying the company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements

SAVUSAVU TOWN COUNCIL
NOTES TO AND FORMING PART THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

Estimations and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

Impairment of non-financial assets

The Council assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

1.5 Summary of significant accounting policies

The following are significant accounting policies applied by the Council in preparing its consolidated financial statements:

a) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and bank deposits with an original maturity of three months or less. For the purposes of the statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

b) Investments and other financial assets

Initial recognition of financial instruments

The classification of financial instruments at initial recognition depends on the purpose for which the financial instruments were acquired and their characteristics. All financial instruments are measured initially at their fair value plus, in the case of financial assets and financial liabilities not at fair value through profit and loss, any directly attributable incremental costs of acquisition or issue.

Receivables

Trade receivables are non-Derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables are initially recognised as receivables from the commencement of each rating period (inclusive of VAT where applicable). After initial measurement loans and receivables are carried at amortised cost using the effective interest method less any allowance for impairment. Gains or losses are recognised in the income statement when the receivables are derecognised or impaired, as well through the amortisation process. Bad debts are written-off as incurred.

c) Impairment of financial assets

The Council assesses at each statement of financial position date whether a financial asset or group of financial assets is impaired.

If there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss shall be recognised in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. Any subsequent reversal of an impairment loss is recognised in the income statement.

SAVUSAVU TOWN COUNCIL
NOTES TO AND FORMING PART THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Council will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the reduced through use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

d) Property, plant and equipment

Property, plant and equipment are tangible items that:

- Are held for use in the production or supply of goods and services, for rental to others or for administrative purposes; and
- Are expected to be used during more than one period.

Items of property, plant and equipment are initially recognised at cost less accumulated depreciation and any accumulated impairment losses, except for land and buildings which are stated at revalued amounts. Costs include all costs incurred to bring the asset to the condition necessary for it to be capable of operating in the manner intended by management. The revalued amount is the fair value at the date of the revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting year.

When land and buildings are revalued, the gross carrying amount is adjusted consistently with the revaluation of the carrying amount. The accumulated depreciation at that date is adjusted to equal the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses. Any increase or decrease in an asset's carrying amount, as a result of revaluation, is recognised in other comprehensive income and accumulated in the revaluation reserve in accumulated funds.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the asset as follows:

▪ Land and building	2.5%	▪ Motor vehicle	10%
▪ Office equipment	10%	▪ Tools, plant and equipment	2.5%
▪ Roads & Drains	2.5%		

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

e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the income statement in the year in which the expenditure is incurred.

The useful lives of intangible assets for the Council are assessed to be finite.

Intangible assets with infinite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is renewed at least at each financial year end. Changes in the expected useful life or expected pattern of consumption in future economic benefits embodied in the asset is accounted by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement in the expense category consistent with the function of the intangible assets.

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

SAVUSAVU TOWN COUNCIL
NOTES TO AND FORMING PART THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

f) Impairment of non-financials assets

The Council assesses at each reporting date or more frequently if events or changes and circumstances indicate that the carrying value may be impaired, whether there is an indication that a non-financial asset may be impaired. if any such indication exists, or when annual impairment testing for an asset is required, the Council makes an estimate of the asset's recoverable amount. Where the carrying amount of an asset (or cash generating unit) exceeds its recoverable amount, the asset (or cash generating unit) is considered impaired and is written down to its recoverable amount.

For assets an assignment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Council makes an estimate of the recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount, since the last impairment loss was recognised. If that is the case the carrying amount of the assets is increased to its recoverable amount.

g) Fund Accounting

The Savusavu Town Council has adopted a fund accounting system, as a considerable part of annual revenues comprises of rates for different purposes and special purpose funds as required by the Local Government Act. Accordingly, it is necessary to establish a separate fund to record the amount received, expenditure incurred and the net balance of funds available to be carried forward into the next financial year.

The identification of funds is maintained throughout the accounting system, thus providing the control necessary to ensure that each fund is used only for the purpose for which it is received.

Details of Special Purpose Funds maintained by the Council are:

Land Dealing

This fund has been created for contributions received from deposit of land. The fund will be utilized to develop the same land.

h) Provisions

Provisions are recognised when the Council has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. Where the Council expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when reimbursement is virtually certain. If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-Tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

i) Employee entitlements

Employee entitlements relating to wages, salaries, annual leave, sick leave, and retirement benefit represents the amount which the Council has a present obligation to pay resulting from the employees' services provided up to balance date.

Wages and salaries, sick leave and annual leave.

Liabilities for wages and salaries and annual leave are recognised, and are measured as the amount unpaid at the reporting date at the current pay rates in respect of employees' services up to that date.

j) Leased assets

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

SAVUSAVU TOWN COUNCIL
NOTES TO AND FORMING PART THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

k) Trade and other payables

Liabilities for other payables are carried at cost (inclusive of VAT where applicable) which is the fair value of the consideration to be paid in the future for goods and services received whether or not billed to the entity. Amounts payable that have been denominated in foreign currencies have been translated to local currency using the rates of exchange ruling at the end of the financial year.

l) Deferred grant

Plant and equipment acquired through donations and grant are brought to account as assets. Such donations and funding's are treated as deferred income which are brought to income over the asset's estimated useful life.

m) Revenue recognition

Revenue is recognised in the financial statements using the accrual concept of accounting.

n) Income tax

The Council is exempt from income tax in accordance with the provisions of Section 17(4) of the Income Tax Act.

o) Comparative figures

Comparative figures have been amended where necessary, for changes in presentation in the current year.

1.6 First Time Adoption of IFRS for SMEs

These financial statements, for the year ended 31 December 2011, are the first the Council has prepared in accordance with IFRS for SMEs. For the periods up to and including the year ended 31 December 2010, the Council prepared its financial statements in accordance with local generally accepted accounting principles (Local GAAP).

Accordingly, the Council has prepared financial statements that comply with IFRS for SMEs applicable as at 31 December 2011, together with the comparative period data for the year ended 31 December 2010, as described in the summary of significant accounting policies. In preparing the financial statements, the Council's opening statement of financial position was prepared as at 1 January 2010, the Council's date of transition to IFRS for SMEs. This note explains the principal adjustment made by the Council in restating its local GAAP financial statements, including the statement of financial position as at 1 January 2010 and the financial statements as of, and for, the year ended 31 December 2010.

SAVUSAVU TOWN COUNCIL
NOTES TO AND FORMING PART THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

1.6 First Time Adoption of IFRS for SMEs

Council reconciliation of accumulated funds as at 1 January 2010 (date of transition to IFRS)

	Local GAAP \$	Reclassification and Re-measurements \$	IFRS for SMEs at 1 January 2010 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	52,352	-	52,352
Trade and other receivables	293,064	-	293,064
	<u>345,416</u>	-	<u>345,416</u>
NON-CURRENT ASSETS			
Property, plant and equipment	665,016	-	665,016
	<u>665,016</u>	-	<u>665,016</u>
TOTAL ASSETS	<u>1,010,432</u>	-	<u>1,010,432</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable & accrual	153,640	-	153,640
Advances	3,480	-	3,480
Bank overdraft	128,640	-	128,640
Land sales deposits	447,357	-	447,357
Refundable deposits	2,682	-	2,682
Term loans	29,028	-	29,028
VAT Payable	647	-	647
	<u>765,474</u>	-	<u>765,474</u>
NON-CURRENT LIABILITIES			
Deferred grant	122,520	-	122,520
Other loans	9,500	-	9,500
Term loan	53,088	-	53,088
	<u>185,108</u>	-	<u>185,108</u>
TOTAL LIABILITIES	<u>950,582</u>	-	<u>950,582</u>
NET ASSETS	<u>59,850</u>	-	<u>59,850</u>
MUNICIPAL FUNDS			
Reserves	235,641	-	235,641
Accumulated funds	(175,791)	-	(175,791)
TOTAL MUNICIPAL FUNDS	<u>59,850</u>	-	<u>59,850</u>

SAVUSAVU TOWN COUNCIL
NOTES TO AND FORMING PART THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

1.6 First Time Adoption of IFRS for SMEs

Council reconciliation of accumulated funds as at 31 December 2010

	Local GAAP \$	Reclassification and Re-measurements \$	IFRS for SMEs at 31 December 2010 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5,634	-	5,634
Trade and other receivables	342,138	-	342,138
	<u>347,772</u>	-	<u>347,772</u>
NON-CURRENT ASSETS			
Property, plant and equipment	785,622	-	785,622
	<u>785,622</u>	-	<u>785,622</u>
TOTAL ASSETS	<u>1,133,394</u>	-	<u>1,133,394</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable & accrual	148,172	-	148,172
Advances	3,480	-	3,480
Bank overdraft	141,637	-	141,637
Land sales deposits	447,357	-	447,357
Refundable deposits	2,682	-	2,682
Term loans	29,028	-	29,028
	<u>772,356</u>	-	<u>772,356</u>
NON-CURRENT LIABILITIES			
Deferred grant	211,267	-	211,267
Other loans	9,500	-	9,500
Term loan	27,828	-	27,828
	<u>248,595</u>	-	<u>248,595</u>
TOTAL LIABILITIES	<u>1,020,951</u>	-	<u>1,020,951</u>
NET ASSETS	<u>112,443</u>	-	<u>112,443</u>
MUNICIPAL FUNDS			
Reserves	235,641	-	235,641
Accumulated funds	(123,198)	-	(123,198)
TOTAL MUNICIPAL FUNDS	<u>112,443</u>	-	<u>112,443</u>

SAVUSAVU TOWN COUNCIL
NOTES TO AND FORMING PART THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

1.6 First Time Adoption of IFRS for SMEs

Council reconciliation of total comprehensive income for the year ended 31 December 2010

Income	Local GAAP \$	Reclassification and Re-measurement \$	IFRS for SMEs for the year ended 31 December 2010
Rates:			
General	205,528	-	205,528
Lighting rates	-	-	-
Interest income rates	27,607	-	27,607
	<u>233,135</u>	<u>-</u>	<u>233,135</u>
Less: rates discount	-	-	-
	<u>226,400</u>	<u>-</u>	<u>226,400</u>
Amortisation of capital grant	18,969	-	18,969
Business license fees	37,935	-	37,935
Fees, charges and rent	163,091	-	163,091
Loan rates	73,797	-	73,797
Others	26,691	-	26,691
	<u>320,483</u>	<u>-</u>	<u>320,483</u>
Total income	<u>546,883</u>	<u>-</u>	<u>546,883</u>
Expenses			
Administrative and operating costs	80,402	-	80,402
Auditor's remuneration	11,467	-	11,467
Depreciation and amortization	22,744	-	22,744
Employees salaries and benefits	243,636	-	243,636
Finance cost	8,028	-	8,028
Maintenance costs	115,488	-	115,488
Street lights	12,525	-	12,525
Total expenses	<u>494,290</u>	<u>-</u>	<u>494,290</u>
Other comprehensive income	-	-	-
Total comprehensive profit for the year	<u>52,593</u>	<u>-</u>	<u>52,593</u>

SAVUSAVU TOWN COUNCIL
NOTES TO AND FORMING PART THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

2 Cashflow information

Reconciliation of net income to net cash provided by operating activities:

	2011	2010
	\$	\$
Net surplus for the year	40,526	52,593
Non-cash flows in profit:		
Depreciation	46,583	3,775
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(33,703)	(49,074)
- (increase)/decrease in other receivables	-	814
- increase/(decrease) in trade and other payables	(1,056)	2,304
- increase/(decrease) in other loans payables	4,908	-
- increase/(decrease) in deferred income	(19,882)	(5,468)
Net Cash flows from operating activities	<u>37,376</u>	<u>4,944</u>

3 Cash and cash equivalents

Land Dealing-5591532	2,887	5,093
Project A/C 2013-9801099178	7,196	176
Naveria Tenants-7652788	297	359
Petty Cash-9800157712	17	6
	<u>10,397</u>	<u>5,634</u>
Bank overdraft		
Bank Overdraft	130,995	141,637
Total cash and cash equivalents	<u>(120,598)</u>	<u>(136,003)</u>

As the Council performs a custodian role, Cash at bank - Naveria Tenants are only to be used for development of the said area.

4 Trade and other receivables

Rates debtor	374,855	271,192
Nakama tenants	-	30,414
Navaqiq Tenants	-	15,769
Trade receivables	-	16,237
Other assets	-	6,274
Rent arrears	-	1,438
Deposits	986	-
Vat Receivable	-	814
	<u>375,841</u>	<u>342,138</u>

SAVUSAVU TOWN COUNCIL
NOTES TO AND FORMING PART THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

5 Property, plant and equipment

	Ganilau Park \$	Nakama Stage 3 \$	Nakama Stage 4 \$	Foreshore \$	Market \$	Bus Stand \$	Office Equipment \$	Plant Machinery & tools \$	Motor Vehicles \$	Roads and Drains \$	Total \$
Gross carrying amount											
At 31 December 2010	372,064	24,025	3,900	-	-	-	31,183	26,169	105,118	245,305	807,764
Additions	11,652	-	-	-	-	-	1,495	6,824	2,000	-	21,971
Asset Revaluation	321,447	531,950	3,492,200	852,998	827,000	803,700	(28,296)	(8,252)	(17,115)	97,098	6,872,730
Disposals	-	-	-	-	-	-	-	-	-	-	-
At 31 December 2011	705,163	555,975	3,496,100	852,998	827,000	803,700	4,382	24,741	90,003	342,403	7,702,465
Accumulated depreciation											
At 31 December 2010	6,527	-	-	-	-	-	2,576	2,486	8,562	1,991	22,142
Depreciation	13,936	-	-	225	8,944	6,632	369	2,254	7,509	6,714	46,583
Disposals	-	-	-	-	-	-	-	-	-	-	-
At 31 December 2011	20,463	-	-	225	8,944	6,632	2,945	4,740	16,071	8,705	68,725
Net carrying amount											
As at 31 December 2010	365,537	24,025	3,900	-	-	-	28,607	23,683	96,556	243,314	785,622
As at 31 December 2011	684,700	555,975	3,496,100	852,773	818,056	797,068	1,437	20,001	73,932	333,698	7,633,740

Property, plant and equipment's are stated at revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and impairment losses. The revaluations were performed on the 21st day of March, 2011 and the Councilors have adopted these current market values for the purposes of financial reporting for the year ended 31 December 2011.

The fair value of property, plant and equipment's are determined by the Councilors with reference to a property valuation carried out by an independent professionally qualified valuer registered in Fiji named Peremo Caginivula of Landworths PRC (Reg. No.107). The valuation is based on an open market value.

In determining the valuation, the valuer refers to current market conditions and recent sales transactions of similar properties. In estimating the fair value of the property, the highest and best use of the property is their current use.

SAVUSAVU TOWN COUNCIL
NOTES TO AND FORMING PART THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

6 Trade payables

	2011	2010
	\$	\$
Trade creditors	159,476	148,172
Other payables	3,734	3,480
Payroll liabilities	4,876	-
Deposits	449,186	450,039
VAT payable	22,679	-
	<u>639,951</u>	<u>601,691</u>

7 Deferred grant

At 1 January	211,267	230,236
Grant received	-	-
Loans to members	(19,882)	(18,969)
At 31 December	<u>191,385</u>	<u>211,267</u>

The deferred grant relates to a Backhoe Digger and Garbage Truck donated by the Japanese Embassy at the value of \$168,200. Benefits realised in the cost of construction of Shiu Chand Road carried out by Public Works Department. The value of the road totaling \$57,960 less \$10,000 constructions by the Council, \$47,960 to be amortised over the useful life.

8 Term loans

General Fund

Represented in the balance sheet as: Current

	-	29,028
Non-current	-	27,828
	<u>-</u>	<u>56,856</u>

The loan raised under the provision of the Local Government Act 1972 is covered by registered mortgage No. 307227 by the Town Council over crown lease no: 11197 and limited guarantee by the Government of Fiji.

9 Reserves

Balance at 1 January	235,641	235,641
Asset revaluation reserve	6,872,730	-
At 31 December	<u>7,108,371</u>	<u>235,641</u>

SAVUSAVU TOWN COUNCIL
NOTES TO AND FORMING PART THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

10 Contingent liability

As at 31 December 2011, the Council's contingent liabilities not otherwise provided for in the financial statements amounted to \$Nil (2010: \$Nil)

11 Events after the end of the Reporting Period

Since the end of the financial year, the Council is not aware of any matters or circumstances not otherwise dealt with in the report or financial statements that has significantly or may significantly affect the operations of the Council, the results of those operations, or the state of affairs of the Council in subsequent years.

No matters or circumstances have arisen since the end of financial year which significantly affected or may affect the operations of the Savusavu Town Municipality and to preserve the amenities or credit thereof.

Transfer of Assets, Interests and Liabilities

The Fiji Roads Act 2012 state that as from the commencement of the Act, all assets, interest, rights, privileges, liabilities and obligations of municipal councils in relation to municipal council roads, shall be immediately transferred to and shall vest in the Authority without conveyance, assignment or transfer.

Amendments to the Local Government Act 1972

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

Business Licenses

As announced in the 2020/2021 National Budget, effective from 1 August 2020 Fiji's business license regime would no longer be collected by the Council.

Covid-19

Subsequent to balance date the corona virus disease (COVID-19) outbreak developed rapidly in 2020 bringing a significant health impact globally. Measures taken to contain the virus are already having an impact on global markets and economic activity and Fiji is also impacted with business disruptions and levels of activity already reducing in several market sectors. There is considerable uncertainty around the possible duration of and the resulting depth of impact that may arise subsequently from the disruptions caused.

The Council members and management are carefully considering the impact of the COVID-19 outbreak on the Council and assessing future operational options. The financial impacts, however, cannot be reasonably estimated at this time as it is largely attributable to matters the Council cannot control. Management and the directors believe the Council have sufficient financial resources together with arrangements with their customers and suppliers at this time to be able to successfully manage the business risks despite the current uncertain economic outlook due to the COVID-19 outbreak. They have a reasonable expectation that the Council have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Aside from the matters referred to above, no charge on the assets of the Council has arisen since the end of the financial period to the date of this report to secure the liabilities of any other person. No contingent or other liability has become enforceable or is likely to become enforceable within a period of twelve months from the date of this report, which in the opinion of the Board, will or may affect the ability of the entity to meet its obligation when they fall due.

12 Approval of the financial statements

These financial statements were approved by the Council and authorised for issue on the 14th day of Nov, 2022.

SAVUSAVU TOWN COUNCIL

STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND

FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	\$	\$
Income		
Amortisation of deferred income	19,882	18,969
Backhoe hire	3,262	6,662
Building fees	3,986	4,159
Business, trading and other licenses	36,394	37,935
Caravan Lease	-	600
Carnival charity	5,600	-
Ganilau Park	2,785	-
Garbage Dump charges	11,772	12,898
Gate takings	4,035	1,926
General rates	208,089	205,528
Grant	961	-
Interest - overdue rates	33,310	27,607
Jetty lease	45,494	1,000
Land rent and dealings account	-	5,131
Litter fines	300	-
Market fees and charges	79,699	73,844
Rent from property and market kiosk rent	-	35,479
Miscellaneous	2,079	9,080
Tender Deposit and Bond	-	7,039
Refund	-	5,441
Road Show	5,135	-
Taxi, bus and carrier stand fees	28,213	26,023
Webster lease	-	500
Rates [unidentified]	75,212	-
Other income	206	-
Total income	566,414	479,821
Expenditure		
Advertising	1,298	1,456
Audit and accounting fees	10,619	11,467
Back hoe - maintenance	1,145	24,897
Civic Reception	2,777	3,708
Depreciation	46,583	22,744
Discount	5,058	6,735
FLCGA subscription	-	2,472
FNPF	16,381	31,088
TPAF levy	1,007	3,104
General	3,553	806
Health and safety	-	3,770
Incidental & emergency	4,284	9,097
Insurance	6,860	11,449

SAVUSAVU TOWN COUNCIL

STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	\$	\$
Interest and bank charges	8,528	8,028
Land rent	612	612
Cleaning Expenses	813	-
Legal	-	(969)
Motor Vehicle maintenance	62,839	37,518
Parks and beautification	412	2,491
Office equipment - maintenance	855	5,034
Office and market - maintenance	5,574	4,571
Office stationery, postage, printing and advertising	6,828	12,464
Public toilet - maintenance	-	2,811
General repairs and maintenance	15,411	-
Roads and drains - maintenance	3,317	34,523
Refund	-	5,360
Rezoning fees	-	3,380
Other expenses	4,115	-
Salaries, wages and allowances	207,167	186,906
Security	2,055	3,412
Staff training and welfare	4,894	-
Uniform	3,362	-
Taxi/ carrier stand	-	231
Town rate waiver	127,246	-
Travelling and incidental	21,192	16,296
Utilities	23,520	32,115
Valuation fees	-	(2,844)
	<u>598,305</u>	<u>484,732</u>
Total	<u>(31,891)</u>	<u>(4,911)</u>

SAVUSAVU TOWN COUNCIL

STATEMENT OF INCOME AND EXPENDITURE - LOAN RATE FUND
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 \$	2010 \$
Income		
Loan rates	79,130	73,797
	<u>79,130</u>	<u>73,797</u>
Expenditure		
Interest	-	3,768
	<u>-</u>	<u>(3,768)</u>
Surplus for the year	<u>79,130</u>	<u>70,029</u>

SAVUSAVU TOWN COUNCIL

STATEMENT OF INCOME AND EXPENDITURE - STREET LIGHT ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	\$	\$
Income		
Street light rate	-	-
Expenditure		
Street Light Expenses	16,897	12,525
Deficit for the year	<u>(16,897)</u>	<u>(12,525)</u>