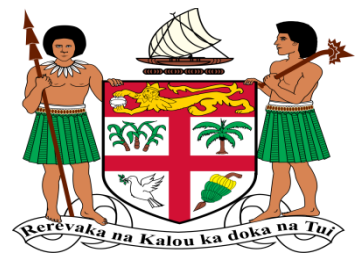




TAVUA TOWN COUNCIL

Annual Report for the Year Ended 2017



PARLIAMENT OF FIJI

PARLIAMENTARY PAPER NO.136 OF 2023



ANNUAL REPORT

Section 19,
Local Govt Act, Cap. 125

For the Year Ended
31st December 2017

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1.0 DIRECTORY

**LOCATION : 6 NABUNA STREET
TAVUA**

TAVUA TOWN COUNCIL OFFICE AT NABUNA STREET



**ADDRESS : P O BOX 532
TAVUA, FIJI ISLANDS
PHONE: (679) 6681010
VODAFONE: (679) 9996130
EMAIL: ttc@connect.com.fj**

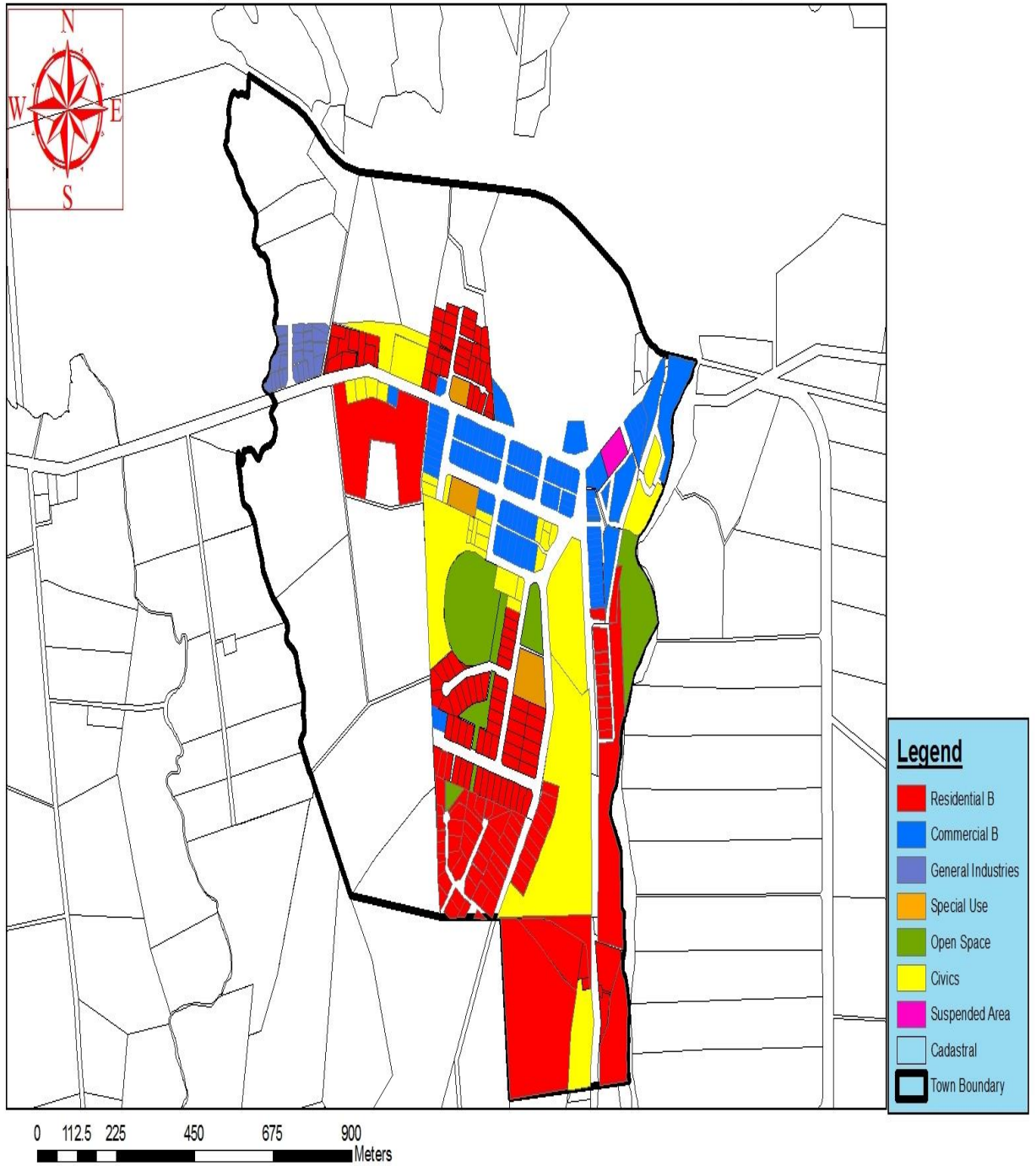
AUDITORS : AUDITOR GENERAL

**BANKERS : AUSTRALIA AND NEW ZEALAND
BANKING GROUP LTD**

2.0 BACKGROUND

2.1 TAVUA TOWN APPROVED SCHEME PLAN

TAVUA TOWN PLANNING SCHEME



2.2 HISTORY

Tavua is a town in Fiji 91 kilometres from Nadi and 9 kilometres from the gold mining settlement of Vatukoula. It was formally incorporated as a Town in 1992. The town covers a land area of 102 square kilometers.



2.3 POPULATION

Tavua Town has population of 3815 and squatter settlement population of 158. Tavua district population 23,077.

2.4 ECONOMY OF TAVUA

Tavua District is prominently a sugarcane growing district supplemented by two major industries. These are the Fiji Water Bottling Company and the Vatukoula Gold Mines Ltd. The two being the economic backbone of the district and the country.

2.5 WEATHER OF TAVUA

Tavua enjoys a tropical climate without great extremes of heat or cold. This area is occasionally traversed by tropical cyclones, and mostly confined between the months of November to 'April every year. Temperatures average 22 degrees Celsius for the cooler

months [May to October] while November to April temperatures are higher with heavy down pours.

2.6 MEETINGS OF THE COUNCIL

The Council held meetings with Head's of Department to discuss and resolve issues pertaining to the Council. Regular staff meetings also conducted.

2.7 SPECIAL ADMINISTRATOR

In the absence of an elected Council, the Minister of Local government with the Amended Local Government Act 125, section 9A, (1) & (2) Special Administrator's were in-charge of the Council's. Since the resignation of the former SA no one was appointed to the post.

2.8 PRINCIPAL OFFICERS OF THE COUNCIL

The Principal Officers of the Council were:-

Chief Executive Officer	-	Binesh Prakash Naidu
Secretary/Rates/Business Licence Officer	-	Praveen Lata Prakash
Market Master/ Works Supervisor	-	Robert Samuel Reuben
Parking Meter Attendant	-	Shafir Ali
Admin Clerk/Cashier	-	Arita Devi
Enforcement Officer/Driver	-	Alvinesh Prashil Kumar

2.9 UNESTABLISHED SECTION

Works Section	-	13
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3.0 VISION

The Town of Tavua is dedicated to provide excellent municipal services for our diverse community and visitors; working together to build a sustainable socio-economic environment that is safe, clean and friendly.

MISSION

“To provide high quality municipal services; working in partnership with our diverse community & stakeholders; engender greater community pride through enabling and empowering; sustainable development and sound environmental management with equity for all”

MOTTO

“A Town Where It’s People Come First”

4.0 SERVICES PROVIDED BY COUNCIL

We are dedicated to providing effective and timely service to the ratepayers and citizens of Tavua with courtesy and respect. The regular services provided by Council are as follows:

4.1 Garbage Collection (household & garden refuse)

The collection of household waste is conducted three (3) times in a week, Monday, Wednesday & Friday. Garbage is dumped at Maruru dump in Ba. The Collection is done by Council truck and workers.

Green waste and white goods are collected during clean-up campaigns or as and when required. Clean up campaigns also conducted during festive seasons Eid, Diwali and Christmas celebrations.

4.2 Streetlights

Council also provides streetlights to its citizens. Inspection is normally conducted at the end of the month in which report is sent to Prime Fiji for its maintenance.

4.3 Drain Cleaning

Drains are regularly cleaned and maintained by Council. In absence of council drain and with no sewerage system in place these drains are attended to everyday.

Council carried out regular drain cleaning works. Tavualevu village drain cleaned by-monthly by Loto ni Koro group and Cawa group. Council paid them \$150.00 per cleanup.

4.4 Grass Cutting/Raking

Grass cutting is conducted as per work schedule or when required. However period of rainfall is from the month of December to June. This is where more grass cutting and raking is conducted.

4.5 Street Sweeping

This is conducted from Mondays to Sundays in which two (2) general workers does the street sweeping along the Kings Road and Vatukoula Road as well as other streets which are near to the two (2) roads. One general worker is assigned only on Sundays.

4.6 Cleaning and Maintaining of Public Convenience

This is a normal routine work conducted from Mondays to Sundays. A general worker is assigned in the cleaning of the public convenience in the evenings.

4.7 Cleaning and Maintaining of Children's Park

General workers are assigned in the cutting of grass, raking as well as in the cleaning of its washrooms from Mondays to Saturdays. As the only children's park in Tavua, the site is often visited by children's as well as adults for relaxation.

5.0 HIGHLIGHTS OF YEAR 2017

5.1 Government Agency Meetings

5.1.1 Meetings held with FRA regarding improvement of roads, street lights and footpath related issues.

5.1.2 Meetings with Staff - Regular meetings with staff with a View to improve service delivery and team work.

5.2 Sporting Activities

Council staffs are encouraged to participate in sporting activities (soccer, volleyball, rugby, netball, etc) on every Wednesday from 3.30pm to 4.30pm as part of the Council's wellness programme. Since Government Department workers are having wellness on Wednesday afternoon it was also encouraged that the Council staffs to be part of this sporting activities. This is to encourage officers in having a healthy lifestyle

5.3 Health Audit

Health Audit conducted twice in a year. This is to reassure staffs of their healthy habits of life.

5.4 Social Responsibility

Providing Children's Park to the children of Tavua and also providing Garvey Park to the students of Tavua.

5.5 Clean Town's and Cities

As part of Clean Towns and Cities awards, Tavua Town Council received "Environmental Awareness Award"

5.6 E-Ticketing Bus card Registration

Council allocated space in town to Vodafone Fiji Ltd free of charge in order to support the Government's initiative of E-Ticketing registration.

5.7 MEETINGS/TRAININGS/WORKSHOPS

The Council CEO and staff attended the following meetings/trainings/workshops in the year:

(a) UN Women Workshops - Markets for Change

Mrs. Praveen L. Prakash attended the Gender Responsive Budgeting Training at Grand Pacific Hotel, Suva, Fiji from 1st -5th May 2017 organised by UN Women Markets for Change.

(b) Markets for Change (M4C) Project Meetings

CEO and Market Staff attended PMC and PWC Meetings organized by UN Women Markets for Change.

(c) Municipal Local Govt Forum

Municipal Local Govt Forum stakeholder session held at Waterfront Hotel, Lautoka on 3rd February 2017 was attended by CEO.

5.8 GoldnWater Carnival 2017

The Council also acknowledges support to Vodafone Fiji for sponsoring the GOLDnWATER carnival for the past years. Miss GoldnWater participated in Miss Fiji Pageant 2017.

5.9 Events Management

Major Events staged by Tavua Town Council

- Eid celebration
- Diwali celebration
- Christmas Celebration

5.1.0 Meeting with Fiji Roads

Regular meetings held with FRA to discuss on issues regarding improvement of the roads, footpaths together with the streetlights.

6.0

ADMINISTRATION AND FINANCE

6.1 LAND VALUATION AND RATE

The total unimproved capital valuation of land within the municipality was as follows:

Total UCV of Properties	\$9,606,500
Properties Exempted for Rates	\$ 262,000
Total Value of Rateable Properties	\$9,868,500

6.2 RATE LEVY FOR YEAR 2017

<u>RATE</u>	<u>LEVY</u>	<u>UCV</u>	<u>RATE REVENUE</u>
General	\$0.0089c + VAT	\$4,302,300	\$43,077
Special Loan Rate	\$0.004 c + VAT	\$5,096,600	\$22,935
Agricultural	\$0.006c + VAT	\$ 207,600	\$ 1,401
TOTAL		\$9,606,500	\$67,413

6.3 RATEABLE PROPERTIES IN TOWN

The following highlights the numbers of rateable properties in Tavua town:-

Residential	-	113
Commercial	-	89
Industrial	-	2
Public Open Space	-	2
Civic	-	28
Rural	-	10
Special	-	3
TOTAL	-	247

6.4 DISCOUNT ON RATES

No Discount was allowed on Rates.

6.5 RECURRENT REVENUE AND EXPENDITURE

The total recurrent revenue and expenditure of the Council for fiscal year ending December 2017 were as follows:

	<u>ECURRENT REVENUE</u>	<u>RECURRENT EXPENDITURE</u>	<u>SURPLUS (DEFICIT)</u>
General Funds	\$327,808	\$363,897	(\$36,089)
Parking Meter	\$10,179	\$8,226	\$1953
TOTAL	\$337,987	\$355,671	(\$17,684)

6.6 RATES REPORT

The following is a summary of Rates collection for the year:

RATES COLLECTED STATUS	AMOUNT
Rates collected as at 31/12/17	\$60,857
% current Collected as at 31/12/17	82%
% Arrears Collected as at 31/12/17	45%

7.0 FIRE SERVICES

The Fire Service was provided by the National Fire Authority's, Tavua Station

8.0 PARKS AND RECREATIONAL FACILITIES

8.1 Garvey Park

Garvey Park is the only sports grounds available for the district of Tavua was badly damaged during cyclone Evans. Council utilized its funds to carry out the necessary works so that the ground could be used.

Council continues to provide the needs of the sporting organisation from both rural and urban areas. Revenue is derived from ground fees from:

- ❖ Provisional Rugby Games
- ❖ League Games
- ❖ Hiring of Parks

8.2 Children's Park

Children's Park at Nabuna Street sponsored by Supreme Fuel Ltd. All playing facilities repaired and painted and kept up to date.

8.3 Beautification

Beautification of Tavua town is an on-going programme for the Council. We try our best to improve the look of the town as well as its entrance. The Council strives to use the available resources in improving Tavua town. As of to-date the GOLDnWATER carnival is assisting the Council in its beautification works.

9.0 PUBLIC HEALTH & ENVIRONMENT

The Council continues to promote the Health Welfare for convenience of the inhabitants of the Municipality within the limits of its resources as required under Public Health and Local Government Act.

9.1 Environmental Sanitation

Council made regular inspections of individual premises to identify the existence of Public Health Nuisances and bring about their abatement thereafter.

9.2 Licenses/Registration of Premises: Under the Public Health Act

Public Health Licence was issued for under mentioned premises for year 2017. Some were for renewal of existing premises and some for new operations.

Hotels	1
Restaurants	6
Restaurants and Refreshment Bars	6
Refreshment Bars and Takeaways	5
Restaurants with Liquor	1
Bake Houses	4
Butcher Shops	4
Hair Dressers/Barbar Shops	7
TOTAL	34

9.3 Public Health

Listed below are details of summary of inspections carried out within the district to ascertain the sanitary conditions of below mentioned premises:

	<u>INSPECTIONS</u>	<u>REINSPECTIONS</u>	<u>TOTAL</u>
House to House Inspection Of District	89	89	178
Investigation of Complaints, Nuisances etc	45	45	90
New Building sites before approval	1	1	2
New Building Works in Progress			
Factories and Workshops			
Schools			
Hairdressers, Chiropodists etc			
Food shops, Food stores, Markets			
Eating Houses and Ice-cream Premises			
Bakehouses			
Butcher Shops			
Church			
Sanitary			
Hotels			
Business Houses			
Vacant Lots	15	15	30
<u>TOTAL</u>	165	165	330

9.4 Summary of Sanitary Improvements

<u>ITEMS</u>	<u>ORDERED</u>	<u>COMPLETED</u>
Repairing of Buildings		
Improvements to Lighting and Ventilation of Buildings		
Removal of Unauthorised Erections		
Provision of Garbage Tins		
Filling of Unsanitary Privies		
Repairing or cleansing of bathroom or washing Place		
New Kitchens		
Repairing or cleansing of Kitchens		
Provision of drains		
Repairing or Cleansing of Drains	151	151
Removal of accumulations of refuse etc	51	51
Clearing of overgrowth of grass	21	21
Abatement of nuisances from animals or Poultry	1	1
Abatement of mosquito breeding		
Cleansing of food premises		
Structural Improvements to Food Premises		
Cleansing of Food Vehicles		
Cleansing or improvement of hairdressers premises		
Improvement of Schools		
Bailing of Septic Tank		
Abatement of Noise Nuisance		
Impounding of Stray Cattle		
Provision of Garbage Tins		
Closing Order		
Public Health Nuisance	25	25
TOTAL	249	249

9.5 Written Notices Served For Existence of Sanitary Conditions of Premises Mentioned in Table

Intimation Notice Served	- 10
Statutory Notices Served	- 15

9.6 Eradicating Litter

Daily routine work conducted by the Litter Prevention Officer in a bid to make our town litter free. Verbal warnings were given and fixed penalty notices were also imposed as provided in the Litter Decree.

9.7 Overgrowth

Inspections of properties were carried out and notices issued for overgrowth and other nuisances. Overgrowth notices issued to owners of properties to clear up the overgrowth.

9.8 Public Convenience

The public toilet has been maintained regularly. Council continues to repair and maintain it up to standard. Regularly cleaned using disinfectants.

9.9 Health Inspections

Council engaged the services of Health Inspector from RakiRaki Town Council and Ba Town Council from time to time.

9.10 Anti Mosquito Clean Up Campaign

Anti Mosquito campaigns conducted. Abatement of mosquito breeding places carried out.

9.11 Dog Trapping Exercise

Regular dog trapping programmes conducted with the assistance from Ministry of Agriculture, Tavua.

10.0 TOWN PLANNING AND BUILDING

Council engaged Ba Town Council Building Inspector to assist with regards to Town Planning and Building Section.

10.1 Building Statistics

10.1.1 Building Applications Received for Consideration

<u>TYPE OF DEVELOPMENT</u>	<u>NUMBER</u>	<u>VALUE</u>
Commercial Buildings/Extension	7	\$306,500
Residential	4	\$2,732,000
Miscellaneous Works	7	\$583,950
TOTAL	18	\$3,038,500

10.1.2 Building Applications Approved

<u>TYPE OF DEVELOPMENT</u>	<u>NUMBER</u>	<u>VALUE</u>
Commercial Extension	7	\$306,500
Residential	4	\$2,732,000
Miscellaneous Works	Nil	Nil
TOTAL		\$3,622,450

10.1.3 Completion Certificate Issued

<u>TYPE OF DEVELOPMENT</u>	<u>NUMBER</u>	<u>VALUE</u>
New Dwelling	4	\$2,732,000
Commercial	7	\$306,500
<u>TOTAL</u>		

10.1.4 Building Permit Fees

The total revenue for issuance of building permit was \$4,084.

11.0 MARKET

The Market was under the management of a Market Master. The Council strives to keep our Market in a neat and tidy condition.



11.1 Revenue

Breakdown of revenue received from Market is as follows.

SOURCE	2017	2016
Market Stall Fees	\$79,181	\$73,494
Fish Market Fees	\$2,386	\$3,252
Lockup Shop Rental	\$16,694	\$8,300
TOTAL	\$98,261	\$85,046

11.2 Market Washing

Regular Market washing was carried out during the year by our workforce with a view to maintain the Market in clean condition.

11.3 Market Repairs

The market roof was repaired after it was badly damaged by Cyclone Winston.

12.0 BUSINESS LICENSING

The Council is the Licensing Authority under Business Licensing Act, Cap 204 and businesses were issued with Licenses to operate. Total Business Licence fee collected for year 2017 - \$63,465.71

13.0 LIBRARY SERVICES.

The Council closed the services of the Library due to decline in members. Since the new technology has come in force, the students are now using internet for their research and reading materials. The books were donated to the school libraries in Tavua.

14.0 PARKING METERS AND OTHER TRAFFIC RELATED ISSUES

As part of traffic management and control Parking Meters were maintained in working order.

Total meters in operation	-	20
Total revenue collected during the year	-	\$10,179
Total Expenditure for the year	-	\$ 8,226

15.0 GOVERNMENT GRANTS

15.1 Town Support Funding - \$20,000

As the Council had utilized substantial funds in the repair works and clean ups after cyclone Winston in 2016, Council struggled to meet the operational cost of service delivery. Thus requested Ministry for assistance. Ministry assisted Council with \$20,000 to meet the operational cost for the end part of the year.

15.2 Heritage Park - \$19,000

Ministry of Local Government funded Council to establish a heritage park near the open space near the Children's Park.

16.0 CONCLUSION

Council was able to fulfill its duties and obligations as required of it under Sec 88 of Local Government Act. The Council provided the best level of services it could afford within its limited resources and workforce.

Further I wish to endorse my appreciation and gratitude for support and cooperation of Ministry of Local Government and other government and non-Government Departments, Sister Councils and at large the Ratepayers and Citizens of Tavua.

Lastly the Council wishes to acknowledge the dedicated services rendered by its CEO, Staff and Workforce.

for **BINESH PRAKASH NAIDU (MR.)**
CHIEF EXECUTIVE OFFICER

OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



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Karsanji St. Vatuwaqa
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Website: www.oag.gov.fj



File: 987/1

9 March 2023

Mr. Luke Mataciwa
The Chairman
Special Administrators
Tavua Town Council
P O Box 532
TAVUA

Dear Mr. Mataciwa

TAVUA TOWN COUNCIL

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

The audited financial statements for Tavua Town Council for the year ended 31 December 2017 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: Mr. Salosi Sawana, Chief Executive Officer, Tavua Town Council.

Encl.

TAVUA TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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**TAVUA TOWN COUNCIL
EXECUTIVE MEMBERS REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

The Executive Members have pleasure in presenting their report together with the financial statements of the Tavua Town Council for the year ended 31 December 2017 and the Auditor's Report thereon.

Operating Results:-

The results of the year are summarised as below:-

Operating profit of the Council for the year ended 31 December 2017 was	120,025
Retained earnings at the beginning of the year were	1,720,641
Leaving accumulated profit at the end of the year	\$ <u><u>1,840,666</u></u>

RESERVES

It is not proposed to make any transfer to reserves.

The state of the Council as at 31 December 2017 was:-

Assets Totaled	\$ <u><u>2,001,089</u></u>
and were financed by:-	
Liabilities of	160,423
and Councils Surplus of	<u>1,840,666</u>
	\$ <u><u>2,001,089</u></u>

Executive Members

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

Special Administrator (Chair) - Mr. Luke Mataciwa
Special Administrator - Ms. Praveena Devi Lal
Chief Executive Officer (CEO) - Mr. Sailosi Sawana
Finance Manager - Ms. Praveen Lata Prakash

PRINCIPAL ACTIVITIES

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

BAD AND DOUBTFUL DEBTS

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

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

CURRENT ASSETS

Prior to the completion of the financial statements of the Council, the Executive Members took reasonable steps to ascertain whether any current assets were likely to realize in the ordinary course of the business 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 value of such assets to an amount they are expected to realize.

As at the date of this report the Executive Members are not aware of any circumstances which would render the values attributed to the current assets in the Council's financial statements misleading.

UNUSUAL TRANSACTION

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

SIGNIFICANT EVENTS DURING THE YEAR

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

SUBSEQUENT EVENTS

(a) Amendments to the Local Government Act 1972

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

(b) COVID-19 Outbreak

Subsequent to year end, the World Health Organization (WHO) declared the Coronavirus (COVID 19) a "Public Health Emergency of International Concern". Whilst measures and policies have been taken by the National Government and nearby trading countries to prevent the spread of the virus, the impact of the virus on amounts and estimates reported or used in the preparation of 2017 financial statements is not expected to be material.

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

(c) Business Licenses

As announced in the 2020/2021 National budget, effective from 01 August 2020 Fiji's business license regime would be abolished and fees will no longer be collected by the Council.

(d) Base Fees and Market Fees

As announced in the 2021/2022 National budget, effective from 01 August 2021 to 31 July 2022, Government will pay the market fees and base fees for taxis, minibuses, carriers and bus operators.

Other than the above mentioned events, no matter or circumstances has arisen since the end of the financial year that has 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 financial years subsequent to the financial.

RELATED PARTY TRANSACTION

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

OTHER CIRCUMSTANCES

As at the date of this report:

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

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

Dated at Tavua this 1st, day of MARCEL 2023.

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


.....
Chief Executive Officer



.....
Special Administrator Chair

TAVUA TOWN COUNCIL
STATEMENT BY EXECUTIVE MEMBERS
FOR THE YEAR ENDED 31 DECEMBER 2017

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

- (a) The accompanying Statement of Profit or Loss and Other Comprehensive Income is drawn up so as to give a true and fair view of the results of the Council for the year ended 31 December 2017;
- (b) The accompanying Statement of Changes in Council Fund for the year ended 31 December 2017 is drawn up so as to give a true and fair view of the movement in Councils funds;
- (c) The accompanying Statement of Financial Position is drawn up so as to give a true and fair view of the state of affairs of the Council as at 31 December 2017;
- (d) 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;
- (e) All related party transactions have been adequately recorded in the books of the Council; and
- (f) The financial statements have been prepared in accordance with Applicable Accounting Standards and the Local Government Act.

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



Chief Executive Officer



Special Administrator Chair

Dated at Tavua this

1st

day of

MARUA

2023.

OFFICE OF THE AUDITOR GENERAL

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INDEPENDENT AUDITOR'S REPORT

Tavua Town Council

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of Tavua Town Council ("the Council"), which comprise the Statement of Financial Position as at 31 December 2017, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Council Funds, and Statement of Cash Flows for the year then 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 2017, 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 Trade and Other Receivables balance of \$51,316 in the Statement of Financial Position as at 31 December 2017. Included in the amount are Trade Receivables of \$36,366, Enforcement and Parking Meter Infringement of \$3,500, and Other Debtors of \$11,450. The Council was unable to provide debtors listings, subsidiary ledger accounts and reconciliations to support the Enforcement and Parking Meter Infringement of \$3,500, and Other Debtors of \$11,450. In addition, an unreconciled variance of \$6,515 exists between trade receivables listing provided by the Council and the amount reflected in Note 5 to the financial statements. Furthermore, the Council has not provided evidence of impairment assessment carried out on its receivable balance. Consequently, I am unable to ascertain if the Trade and Other Receivables balance of \$51,316 is fairly stated in the Statement of Financial Position.
2. The Council was unable to provide the Value Added Tax (VAT) reconciliations to support the VAT payable balance of \$63,460 reported in Note 8 to the financial statements. In addition, there was an unreconciled variance of \$56,428 between the audit independent VAT reconciliations performed from the Statement of VAT account and the VAT payable amount reflected in the financial statements. Consequently, I was not able to ascertain the completeness and accuracy of the VAT payable balance of \$63,460 recorded in the Statement of Financial Position as at 31 December 2017.

Emphasis of Matter

I draw attention to Note 15(b) of the financial statements which notes the novel coronavirus (COVID-19) global pandemic subsequent to 31 December 2017 and how this has been considered by the Council in the preparation of the financial statements. As set out in Note 15(b), no adjustments have been made to the financial statements as at 31 December 2017. However, the Council notes that the impact of COVID-19 global pandemic will have a

Emphasis of Matter (con't)

significant impact on all the major revenue streams of the Council in the financial year 2020 and beyond.

My opinion is not modified in respect of this matter.

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.

Auditor's Responsibilities for the Audit of the Financial Statements (con't)

- 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
09 March 2023

TAVUA TOWN COUNCIL
 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 \$	Restated 2016 \$
Revenue	3	645,964	838,268
Total revenue		<u>645,964</u>	<u>838,268</u>
Administrative expenses		341,273	340,589
Marketing expenses		4,917	3,164
Other operating expenses		102,071	87,472
		<u>448,261</u>	<u>431,225</u>
Net surplus before depreciation and finance cost		197,703	407,043
Depreciation and finance costs		(77,678)	(83,632)
Net surplus for the year		<u>120,025</u>	<u>323,411</u>

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

TAVUA TOWN COUNCIL
 STATEMENT OF CHANGES IN COUNCIL FUND
 FOR THE YEAR ENDED 31 DECEMBER 2017

	Accumulated Fund \$	Total \$
Balance at the beginning of the year	1,397,230	1,397,230
Net surplus for the year 2016	323,411	323,411
Balance as at 31 December 2016	<u>1,720,641</u>	<u>1,720,641</u>
Net surplus for the year 2017	120,025	120,025
Balance as at 31 December 2017	<u><u>1,840,666</u></u>	<u><u>1,840,666</u></u>

TAVUA TOWN COUNCIL
 STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2017

	Notes	2017 \$	Restated 2016 \$
Current Assets			
Cash and cash equivalent	4	5,456	132,477
Trade and other receivables	5	51,316	45,715
Total current assets		<u>56,772</u>	<u>178,192</u>
Non-Current Assets			
Property, plant and equipment	7	1,938,870	1,824,813
Intangible asset	6	5,447	6,543
Total non current assets		<u>1,944,317</u>	<u>1,831,356</u>
TOTAL ASSETS		<u>2,001,089</u>	<u>2,009,548</u>
Current Liabilities			
Bank overdraft	10	7,900	276
Trade and other payables	8	151,778	124,756
Provision for annual leave		745	5,270
Total current liabilities		<u>160,423</u>	<u>130,302</u>
Non-Current Liabilities			
Deferred income	9	-	158,605
Total non-current liabilities		<u>-</u>	<u>158,605</u>
TOTAL LIABILITIES		<u>160,423</u>	<u>288,907</u>
NET ASSETS		<u>1,840,666</u>	<u>1,720,641</u>
Municipal Funds			
Accumulated funds		1,840,666	1,720,641
TOTAL MUNICIPAL FUNDS		<u>1,840,666</u>	<u>1,720,641</u>

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



 Chief Executive Officer



 Special Administrator Chair

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

TAVUA TOWN COUNCIL
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 \$	2016 \$
Cash flows from operating activities			
Receipts from customers and government		481,758	388,894
Payments to suppliers and employees		<u>(425,768)</u>	<u>(394,438)</u>
Net cash provided by / (used) in operating activities		55,990	(5,544)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	1,101
Payment for property, plant and equipment		<u>(190,635)</u>	<u>(464,664)</u>
Net cash used in investing activities		(190,635)	(463,563)
Cash flows from financing activities			
Receipt of Government grant		-	488,000
Net cash flows provided by financing activities		<u>-</u>	<u>488,000</u>
Net (decrease) / increase in cash and cash equivalents		(134,645)	18,893
Cash and cash equivalent at the beginning of the year		<u>132,201</u>	<u>113,308</u>
	17	<u>(2,444)</u>	<u>132,201</u>

The statement of cash flows is to be read in conjunction with the notes to the financial statements as set out on pages 13 to 19.

**TAVUA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

NOTE 1. GENERAL INFORMATION

Tavua Town Council ("the Council") was established under Local Government Act. The address of its registered office and principle place is Main Street, Tavua Town. The principal activity of the council are to provide for health, welfare and convenience of the Tavua Town municipality and to preserve the amenities or credit thereof. The financial statements of the Council for the year ended 31 December 2017 were authorized for issue in accordance with a resolution of the Special Administrators and Management on _____.

NOTE 2. BASIS OF PRESENTATION

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities issued by the International Accounting Standards Board (IASB). The financial statements are presented in Fiji dollars, rounded to the nearest dollar, which is the Council's functional currency.

(a) Summary of Significant Accounting Policies

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

(b) Cash and Cash Equivalents

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

(c) Trade Receivables

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

(d) Intangible Assets

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

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

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

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

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

NOTE 2. BASIS OF PRESENTATION (continued)

(d) Intangible Assets (continued)

The following rates are used for the amortization of Intangible Assets:

	<u>Rates</u>
Software Installation	10%

(e) Property, Plant and Equipment

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

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

	<u>Rates</u>
Land and building	1.5% - 5%
Plant and machinery	10% - 40%
Office equipment	10% - 25%
Motor vehicle	20% - 25%

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

(f) Trade Payables

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

(g) Impairment of Assets

At each reporting date, property, plant and equipment, intangible assets, and investments in associates are reviewed to determine whether there is any indication that those assets have suffered impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss.

(h) Revenue Recognition

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

(i) Borrowing Costs

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

(j) Income Tax

Under section 20 (1) of the Income Tax Act, the Council is exempt from tax on its income.

TAVUA TOWN COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2017

NOTE 2. BASIS OF PRESENTATION (continued)

(k) Value Added Tax (VAT)

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

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

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

(l) Comparatives

The comparative figures are for the year ended 31 December 2017 and have been regrouped where considered necessary.

(m) Deferred Income

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

(n) Impairment of Property, Plant and Equipment

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

For the year ended 31 December 2017, no provision for impairment has been made as the Council reasonably believes that no indicators for impairment exist.

NOTE 3. REVENUE	2017	2016
	\$	\$
General funds revenue	635,935	826,892
Parking meter revenue	10,029	11,376
	<u>645,964</u>	<u>838,268</u>

NOTE 4. CASH AND CASH EQUIVALENTS

Petty cash	50	50
Cash at Bank - Special community account	3,996	13,488
Cash at Bank - Challenge fund	-	111,518
Cash at Bank - General Operating account	-	7,421
Undeposited funds account / cash on hand	1,410	-
	<u>5,456</u>	<u>132,477</u>

TAVUA TOWN COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016
	\$	\$
NOTE 5. TRADE AND OTHER RECEIVABLES		
Trade receivables	36,366	30,765
Enforcement and parking meter infringement	3,500	3,500
Other debtors	11,450	11,450
	<u>51,316</u>	<u>45,715</u>

NOTE 6. INTANGIBLE ASSET		
Software installation	10,957	10,957
Amortization of software	(5,510)	(4,414)
	<u>5,447</u>	<u>6,543</u>

NOTE 7. PROPERTY, PLANT AND EQUIPMENT

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

	Carrying Amount at Beginning	Addition	Disposal / Transfer	Depreciation	Carrying Amount at End
	\$	\$	\$	\$	\$
Land	310,000	-	-	-	310,000
Building	1,082,447	189,315	304,950	(34,548)	1,542,164
Plant and machinery	5,769	1,320	-	(2,375)	4,714
Office equipment and furniture	971	-	-	(65)	906
Motor vehicle	120,676	-	-	(39,590)	81,086
Work in Progress	304,950	-	(304,950)	-	-
Net written down value	<u>1,824,813</u>	<u>190,635</u>	<u>-</u>	<u>(76,578)</u>	<u>1,938,870</u>

	2017	2016
	\$	\$
(ii) Reconciliations		

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

Land - at cost	310,000	310,000
Net book value	<u>310,000</u>	<u>310,000</u>
Building - at cost	1,811,672	1,317,407
Accumulated depreciation	(269,508)	(234,960)
Net book value	<u>1,542,164</u>	<u>1,082,447</u>
Plant and machinery - at cost	23,736	22,416
Accumulated depreciation	(19,022)	(16,647)
Net book value	<u>4,714</u>	<u>5,769</u>
Motor vehicle - at cost	218,400	218,400
Accumulated depreciation	(137,314)	(97,724)
Net book value	<u>81,086</u>	<u>120,676</u>
Office equipment and furniture - at cost	13,040	13,040
Accumulated depreciation	(12,134)	(12,069)
Net book value	<u>906</u>	<u>971</u>
Parking meter - at cost	11,560	11,560
Accumulated depreciation	(11,560)	(11,560)
Net book value	<u>-</u>	<u>-</u>

TAVUA TOWN COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2017

NOTE 7. PROPERTY, PLANT AND EQUIPMENT (continued)	2017	2016
	\$	\$
<u>Work in Progress</u>		
Garvey park	-	300,992
Canteen	-	1,206
Children's park	-	2,752
At 31 December	<u>-</u>	<u>304,950</u>
Total written down value	<u>1,938,870</u>	<u>1,824,813</u>
NOTE 8. TRADE AND OTHER PAYABLES		
Value added tax	63,460	63,039
Trade payables and accruals	82,559	55,958
Other payables - parking meter	5,759	5,759
	<u>151,778</u>	<u>124,756</u>
NOTE 9. DEFERRED INCOME		
Local Government	-	158,605
	<u>-</u>	<u>158,605</u>
NOTE 10. BANK OVERDRAFT		
Cash at bank - General Operating Chq A/C - ANZ	7,498	-
Cash at bank - Challenge Fund	138	-
Cash at bank - Parking Meter Account	264	276
	<u>7,900</u>	<u>276</u>

NOTE 11. COUNCIL DETAILS

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

(i) **Registered Office**
 P O Box 532
 6 Nabuna
 Tavua

(ii) **Principal Place of Business**
 6 Nabuna
 Tavua

NOTE 12. SEGMENT REPORTING

(i) Industry Segment

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

(ii) Geographic Segment

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

NOTE 13. CAPITAL COMMITMENTS

At balance date there are no known capital commitments (2016: \$158,604).

NOTE 14. CONTINGENT LIABILITIES

During the year 2016, TC Winston did a severe damage in the country but as at balance date there are no known contingent liabilities which has been received by the board of TAVUA TOWN COUNCIL.

TAVUA TOWN COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2017

NOTE 15. SUBSEQUENT EVENTS

(a) Amendments to the Local Government Act 1972

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

(b) COVID-19 Outbreak

Subsequent to year end, the World Health Organization (WHO) declared the Coronavirus (COVID 19) a "Public Health Emergency of International Concern". Whilst measures and policies have been taken by the National Government and nearby trading countries to prevent the spread of the virus, the impact of the virus on amounts and estimates reported or used in the preparation of 2017 financial statements is not expected to be material.

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

(c) Business Licenses

As announced in the 2020/2021 National budget, effective from 01 August 2020 Fiji's business license regime would be abolished and fees will no longer be collected by the Council.

(d) Base Fees and Market Fees

As announced in the 2021/2022 National budget, effective from 01 August 2021 to 31 July 2022, Government will pay the market fees and base fees for taxis, minibuses, carriers and bus operators.

Other than the above mentioned events, no matter or circumstances has arisen since the end of the financial year that has 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 financial years subsequent to the financial.

NOTE 16. RELATED PARTIES

(a) Special Administrators

There was no Special Administrator during the financial year 2017 to August 2019.

The Special Administrators who held office from 28 August 2019 and up to the date of this report were:

Mr. Mark Hirst Tuilau (Chair)	- resigned in November 2020
Mr. Luke Mataciwa (Chair)	- contract ended on 28/08/2021 and reappointed from 16/02/2022
Ms. Iva Mere	- contract ended on 28/08/2021
Ms. Praveena Devi Lal	- appointed on 16/02/2022

The Special Administrator's remunerations are paid for by the Ministry of Local Government.

(b) Transactions with Related Parties

During the year, the Council entered into various transactions with related parties. The aggregate value of major transactions with related parties during the year is as follows:

	2017 (\$)	2016 (\$)
<u>Government of Fiji</u>		
Government grant contribution	<u>263,265</u>	<u>546,363</u>

TAVUA TOWN COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2017

NOTE 16. RELATED PARTIES (continued)

(c) Compensation of Key Management Personnel

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

During the year, the Chief Executive Officer was identified as the key management personnel.

The aggregate remuneration and compensation paid to key management personnel for the financial year ended 31 December 2017 was:

	2017	2016
	\$	\$
Salary, allowances, and benefits	<u>33,960</u>	<u>35,556</u>

NOTE 17. NOTES TO THE STATEMENT OF CASH FLOWS

For the purpose of the statement of cash flows, cash comprises of cash on hand and at bank. 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 balance sheet as follows:

Cash at bank	5,456	132,477
Bank overdraft	(7,900)	(276)
	<u>(2,444)</u>	<u>132,201</u>

TAVUA TOWN COUNCIL
 DETAILED STATEMENT OF INCOME AND EXPENDITURE
 FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 \$	2016 \$
Revenue		
Building fees	2,684	5,975
Business, trading and license	66,751	69,729
Government grant	263,265	505,252
Rates	52,633	54,681
Interest on overdue rates	-	222
Library	-	10
Market fees and charges	81,567	76,745
Carnival income and sponsorship	63,436	44,151
Miscellaneous	43,072	22,163
Ground and park fee	7,642	9,040
Rent from property	30,965	16,914
Sundry income	903	1,435
Taxi, bus and carrier stand fees	23,017	20,575
	635,935	826,892
Other Income		
Add: (Loss)/Profit from Parking Meter	1,371	(148)
Total Revenue	637,306	826,744
Less Expenses		
Administration Expense		
Accounting and audit fees	7,973	8,880
Amortization of intangible assets	1,096	2,223
General expenses	13,181	20,150
Garbage services	4,984	11,665
Insurance	4,853	9,830
Office expenses	1,814	132
Printing, postage and stationery	3,708	3,198
Motor vehicle expenses	6,849	11,643
Repair and maintenance	20,450	41,464
Superannuation	24,881	32,113
Roads, drains and footpath improvement	44,328	5,269
Salary and wages	174,331	155,481
Special community project	290	3,439
Telephone	5,906	4,074
Utilities	18,006	21,092
Total Administration expenses	332,650	330,653
Marketing expense		
Advertising and marketing	4,917	3,164
Total Marketing expenses	4,917	3,164

TAVUA TOWN COUNCIL
 DETAILED STATEMENT OF INCOME AND EXPENDITURE (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016
	\$	\$
Other Operating Expenses		
Clean-up campaign and waste minimization	2,636	12,058
Cyclone Winston clean-up expense	-	16,013
Carnival expenses	36,700	31,595
Entertainment	4,950	9,984
FNU levy	-	2,556
Legal fees	60	-
Parks and beautifications	46,221	608
Rent and rates	834	355
Staff amenities and training	10,635	9,166
Subscription	-	263
Loss on sale of assets	-	3,286
Total Other Operating Expenses	<u>102,036</u>	<u>85,884</u>
Total Expenses	<u>439,603</u>	<u>419,701</u>
Earnings before Interest and Depreciation	197,703	407,043
Depreciation	76,578	82,577
Interest and bank charges	1,100	1,055
Net Surplus for the year	<u><u>120,025</u></u>	<u><u>323,411</u></u>

TAVUA TOWN COUNCIL
 DETAILED INCOME STATEMENT - PARKING METER FUND
 FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 \$	2016 \$
Revenue		
Meter tolls	10,029	11,376
Total Revenue	<u>10,029</u>	<u>11,376</u>
Expenses		
Depreciation	-	52
FNPF contribution	1,715	1,754
Salaries and wages	6,908	8,130
General expenses	35	1,588
Total Expenses	<u>8,658</u>	<u>11,524</u>
Net Profit/(Loss) for the year	<u><u>1,371</u></u>	<u><u>(148)</u></u>