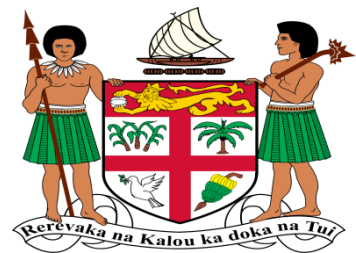




TAVUA TOWN COUNCIL

Annual Report for the Year Ended 2018



PARLIAMENT OF FIJI

PARLIAMENTARY PAPER NO.137 OF 2023



ANNUAL REPORT

Section 19,
Local Govt Act, Cap. 125

For the Year Ended
31st December 2018

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1.0 DIRECTORY

**LOCATION : 6 NABUNA STREET
TAVUA**

TAVUA TOWN COUNCIL OFFICE AT NABUNA STREET



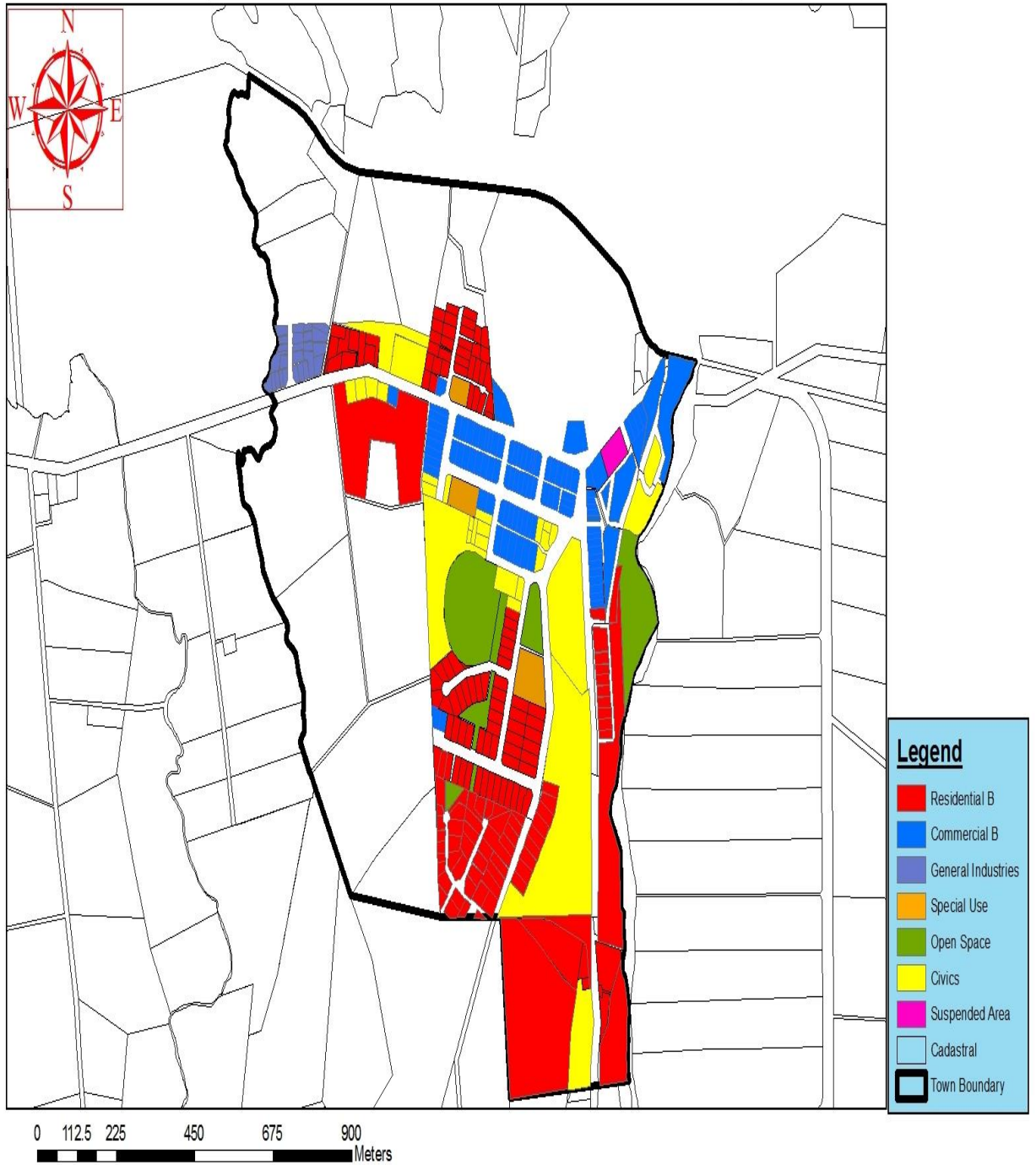
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TAVUA, FIJI ISLANDS
PHONE: (679) 6681010
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AUDITORS : AUDITOR GENERAL

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

2.0 TAVUA TOWN APPROVED SCHEME

TAVUA TOWN PLANNING SCHEME



3.0 BACKGROUND

3.1 HISTORY

The town of Tavua is one of the smallest towns in Fiji. Tavua was declared a town on the 27th of April in 1992 by the late Minister for Local Government, Housing and Urban Development, Ratu Ovini Bokini. About 74% of the total area in town is crown land and the remaining 26% are native land and is situated over 102 acres of land. Tavua town in Fiji is 91 kilometres from Nadi and 9 kilometres from the gold mining settlement of Vatukoula.



3.2 POPULATION

According to the 2017 Census of Population, Fiji Islands Bureau of Statistics Tavua town has a population of 3,815

The Population of Tavua Town grew from 1976 to 1996; however it stagnated in 2007 due to the closure of the Vatukoula Gold Mine in December 2006, which reopened in 2008. The large percentage increase of population in Tavua of almost 60% between 2007 and 2017 is largely due to re-opening and expansion of the Gold mine and increased water bottling at Yaqara. It is anticipated that the town will grow in years to come.

3.3 ECONOMY OF TAVUA

The Gold Mine is the major economic earner for Tavua. The Vatukoula Gold Mines Ltd that took over operations in 2008 stabilized the industry. It continues to provide much needed employment to many people in Tavua and other neighboring districts.

The sugar industry is the second main economic earner to the people of Tavua. Tavua is also home to the famous Fiji Water brand. Two water bottling companies namely Natural Waters of Viti Ltd and Island Chill are based in Tavua providing employment and in the process boosting the economy of Tavua as well.

Logging and other subsistence farming - agriculture are other mediums that generates income for the rural dwellers. These vegetables are marketed locally to Tavua Town and some take advantage of larger markets and processors to sell their produce.

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.

3.4 WEATHER OF TAVUA

Tavua has a tropical rainforest climate. It is usually (very) warm, humid and rainy all year round. This area is occasionally traversed by tropical cyclones, and mostly confined between the months of November to April every year. May to October are mostly the cooler months while November to April temperatures are higher with heavy down pours.

3.5 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.

3.6 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 Special Administrator Mr. Praveen Kumar Bala in 2014 no one was appointed to the post.

3.7 PRINCIPAL OFFICERS OF THE COUNCIL

The Principal Officers of the Council were:-

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

3.8 UNESTABLISHED SECTION

Works Section	-	13
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4.0 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”

5.0 ACHIEVEMENTS OF THE COUNCIL

5.1 Multi-Purpose Sports Courts

The newly constructed multi-purpose court was completed in 2016 to accommodate sporting events like netball, volleyball, 7 a-side soccer and tennis. The construction of this multi-purpose court changeroom was possible through the assistance of Government through the Challenge Funds under the Department of Local Government.

5.2 Garbage Compactor Truck

The handing over of a new garbage compactor truck from Government to Council has assisted in the collection of household garbage. Previously, a private contractor provided this service.

5.3 Multi-Purpose Hall

A newly multi-purpose hall was completed in 2016. This new multi-purpose hall was also funded through the Challenge Funds under the Department of Local Government in the Ministry of Local Government, Housing and Environment. It has been a welcome addition to our assets and caters for functions and events.

5.4 Road Networks, Footpath & Streetlights

The Fiji Road Authority is now responsible for all roads, streetlights and footpath in town. Tavua is seen as one of the towns in Fiji which has good roads. This has been maintained well by FRA. Issues with streetlights and footpath are areas that can be improved on.

5.5 Beautification of Town

The GoldnWater carnival, held annually is funding the beautification of Tavua town. Within the past two years, a bus shelter, taxi shelter and other amenities have been built. This includes new paintwork, work on gardens, and expanded footpaths.

5.6 3R Concept

This year the council has embarked on the 3R (Reuse, Reduce and Recycle) concept. Our two (2) officers are visiting schools and ratepayers for the 3R concept as well as promoting home composting. This concept has been progressing well. A new dump site is one of our long-term goals, which will assist in more sustainable waste management practices.

5.7 Drains

Drains in Tavua town are looked after by council. It is noted that water seepage, storm water, and depositing of unwanted materials are impacting negatively on its main functions of ensuring the proper removal of excess rainwater. Monitoring of contravention and issuing of notices to those engaging in illegal dumping into drains, are options for the Council.

Tavuavevu village drain cleaned by-monthly by Lotu ni Koro group and Cawa group. Council paid them \$150.00 per cleanup

5.8 Upgrading of Kings Road

The upgrading of Kings Road has provided greater mobility for the travelling public to come to Tavua. It has been noted that more and more commuters are visiting Tavua for shopping. In addition, more bus services are now provided with Tavua an important transit point on the national highway public service network along Kings Road.

5.9 Tourism

Tavua, remains off the main map of tourism in Fiji. Most visitors are former resident, including tourists associated with overseas workers at the Gold Mines. These may be areas to tap into. The re-opened Tavua Hotel is the main local accommodation.

Tourists from the larger coastal tourism strip along the Ba to Rakiraki corridor is another possible target group.

5.10 Land Issues

Tavua Town does not have a proper bus station, bases for taxis and carriers. The current land issue between the landowners themselves has deterred the relocation of the bus station, taxi and carrier stand as well as the market.

6.0 HIGHLIGHTS OF YEAR 2018

6.1 Government Agency Meetings

Quarterly meetings attended by CEO convened by District Office and other stakeholders

6.2 Women's Day Celebration

UN Women funded the Women's Day celebration for Tavua Market Vendors in Tavua.

6.3 Local Govt Forum

CEO attended the Local Govt Forum from 28th February 2nd March 2018.

6.4 Meeting with Ministry of Waterways

CEO attended meeting with Ministry of Waterways regarding funding for drainage projects in municipal boundaries.

6.5 Markets for Change (M4C) Project Meetings

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

6.6 GoldnWater Carnival 2018

The Council also acknowledges support to Vodafone Fiji for sponsoring the GOLDnWATER carnival for the past years. Miss GoldnWater participated in Miss Fiji Pageant 2018.

6.7 Events Management

Major Events staged by Tavua Town Council

- (i) Eid celebration
- (ii) Diwali celebration
- (iii) Christmas Celebration

6.8 Meeting with Fiji Roads

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

7.0 ADMINISTRATION AND FINANCE

7.1 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

7.2 RATE LEVY FOR YEAR 2018

<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

7.3 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

7.4 DISCOUNT ON RATES

Council allowed 7% discount on rates paid between 1st January to 28th February 2018.

7.5 RECURRENT REVENUE AND EXPENDITURE

The total recurrent revenue and expenditure of the Council for fiscal year ending December 2018 were as follows:

	<u>RECURRENT REVENUE</u>	<u>RECURRENT EXPENDITURE</u>	<u>SURPLUS (DEFICIT)</u>
General Funds	\$391,446	\$427,769	(\$36,323)
Parking Meter	\$6,393	\$4,778	\$1,615
TOTAL	\$397,839	\$432,547	(\$34,788)

7.6 RATES REPORT

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

RATES COLLECTION REPORT	AMOUNT
Rates collected as at 31/12/18	\$52,764
% current Collected as at 31/12/18	78%
% Arrears Collected as at 31/12/18	25%

8.0 FIRE SERVICES

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

9.0 PARKS AND RECREATIONAL FACILITIES

9.1 Garvey Park

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

9.2 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.

10.0 PUBLIC HEALTH AND 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.

10.1 Environmental Sanitation

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

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

Public Health License was issued for under mentioned premises for year 2018. 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

10.1.2 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	95	95	190
Investigation of Complaints, Nuisances etc	55	55	110
New Building sites before approval	2	2	4
New Building Works in Progress			
Vacant Lots	30	30	60
<u>TOTAL</u>	182	182	364

10.1.3 Summary of Sanitary Improvements

<u>ITEMS</u>	<u>ORDERED</u>	<u>COMPLETED</u>
Repairing or Cleansing of Drains	162	162
Removal of accumulations of refuse etc	61	61
Clearing of overgrowth of grass	29	29
Abatement of nuisances from animals or Poultry	1	1
Public Health Nuisance	26	26
TOTAL	279	279

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

Intimation Notice Served	- 15
Statutory Notices Served	- 14

10.1.5 Eradicating Litter

Council has a full-time Litter Officer who creates awareness and also issues infringement notices to defaulters.

10.1.6 Overgrowth

Overgrowth notices are issued to property owners who do not maintain the grass in their compound.

10.1.7 Public Convenience

The public convenience is every time vandalized. The council repairs the public convenience three or four times in a year.

10.1.8 Health Inspections

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

10.1.9 Anti Mosquito Clean Up Campaign

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

10.1.10 Dog Trapping Exercise

The councils agreed to work together with Ministry of Agriculture to hold programmes to catch dogs which would be creating licensing awareness during the day and trapping dogs in the night. And looking at the effectiveness of this exercise, councils and agriculture department will decide on the number of rounds in year to hold these exercises.

11.0 TOWN PLANNING AND BUILDING

Council engaged Ba Town Council Building Inspector to look after Town Planning and Building Section.

11.1 Building Statistics

11.1.1 Building Applications Received for Consideration

<u>TYPE OF DEVELOPMENT</u>	<u>NUMBER</u>	<u>VALUE</u>
Commercial Buildings/Extension	3	\$43,500
Residential	2	\$268,000
Miscellaneous Works	2	\$35,000
TOTAL	7	\$346,500

11.1.2 Building Applications Approved

<u>TYPE OF DEVELOPMENT</u>	<u>NUMBER</u>	<u>VALUE</u>
Commercial Extension	3	\$43,500
Residential	2	\$268,000
Miscellaneous Works	2	\$35,000
TOTAL	7	\$346,500

11.1.3 Completion Certificate Issued

<u>TYPE OF DEVELOPMENT</u>	<u>NUMBER</u>	<u>VALUE</u>
New Dwelling	2	\$268,000
Commercial	3	\$ 43,500
<u>TOTAL</u>	<u>5</u>	<u>\$311,500</u>

11.1.4 Building Permit Fees

The total revenue for issuance of building permit was \$3562

12.0 MARKET

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

12.1 Revenue

Breakdown of revenue received from Market is as follows.

SOURCE	2018	2017
Market Stall Fees	\$76,977	\$79,181
Fish Market Fees	\$3,174	\$2,386
Lockup Shop Rental	\$27,478	\$16,694
TOTAL	\$107,629	\$98,261

12.2 Market Washing

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

13.0 BUSINESS LICENSING

The Council is the Licensing Authority under Business Licensing Act, Cap 204 and businesses were issued with Licenses to operate. Total Business License fee collected for year 2018 - \$66,652

14.0 GRANTS

14.1 Tavualevu Village Public Convenience Project - \$100,000

Ministry of Housing funded the construction of 4 blocks of washrooms and public convenience at Tavualevu Village,

14.2 Multipurpose Sports Court Changeroom - \$60,000

Change room constructed at the Multipurpose Sports Court funded by Ministry of Local Govt.

14.3 Heritage Park - \$20,000

Total of \$20,00 grant received from Ministry of Local Govt for the construction of heritage park in Tavua.

14.4 Extended Town Area - \$7,500

Ministry of Local Govt funded Council for services provided in to Extended Town boundary

14.5 Drainage Project - \$100,000

Ministry of Waterways provided funding for drainage works around the municipality.

15.0 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	-	15
Total revenue collected during the year	-	\$6,393
Total Expenditure for the year	-	\$4,778

16.0 CONCLUSION

The Tavua Town Council is focused on its vision, mission and values in order to achieve its strategic long and short term goals. Reviewing the Strategic Plan on regular basis is vital as this will assist in accomplishing goals and priorities.

The challenges are great. However, our hope lies in this Strategic Plan and continued support from stakeholder's particularly central government under the Ministry of Local Government, Housing and Environment, to meet such challenges. It will enable Tavua Town Council to balance its core functions with the ability to support active citizenship, and promote our Town.

Further I wish to endorse my appreciation and gratitude for support and cooperation of our Special Administrator, 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.

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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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 2018

The audited financial statements for Tavua Town Council for the year ended 31 December 2018 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 2018

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**TAVUA TOWN COUNCIL
EXECUTIVE MEMBERS REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

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 2018 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 2018 was	73,117
Retained earnings at the beginning of the year were	1,840,666
Leaving accumulated profit at the end of the year	\$ <u><u>1,913,783</u></u>

RESERVES

It is not proposed to make any transfer to reserves.

The state of the Council as at 31 December 2018 was:-

Assets Totaled	\$ <u><u>2,087,378</u></u>
and were financed by:-	
Liabilities of and Councils Surplus of	173,595
	<u>1,913,783</u>
	\$ <u><u>2,087,378</u></u>

Executive Members

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

Special Administrator (Chair) - Mr. Luke Mataiciwa
Special Administrator - Ms. Praveena Devi Lal
Chief Executive Officer (CEO) - Mr. Sailosi Sawana
Corporate 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 2018 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 MARCH 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 2018

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 2018;
- (b) The accompanying Statement of Changes in Council Fund for the year ended 31 December 2018 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 2018;
- (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

18th

day of

MARETT

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 2018, 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 2018, 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 \$53,949 in the Statement of Financial Position as at 31 December 2018. Included in the amount are Trade Receivables of \$38,999, 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 \$3,956 exists between Trade Receivables listing provided by the Council and 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 \$53,949 is fairly stated in the Statement of Financial Position.
2. The Council was unable to provide the details of receipts, reconciliations and other appropriate supporting documents to support the un-deposited funds or Cash on Hand balance of \$10,833 reported in Note 4 to the financial statements. Consequently, I was not able to ascertain the existence and accuracy of the un-deposited fund balance of \$10,833 recorded in the Statement of Financial Position as at 31 December 2018.
3. The Council was unable to provide the Value Added Tax (VAT) reconciliations to support the VAT payable balance of \$49,730 reported in Note 8 to the financial statements. Consequently, I was not able to ascertain the completeness and accuracy of the VAT payable balance of \$49,730 recorded in the Statement of Financial Position as at 31 December 2018.

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 2018 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 2018. However, the Council notes that the impact of COVID-19 global pandemic will have a significant impact on all the major revenue streams of the Council in the financial year 2020 and beyond.

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:

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

- 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.

S D

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 2018

	Notes	2018 \$	2017 \$
Revenue	3	628,400	645,964
Total revenue		<u>628,400</u>	<u>645,964</u>
Administrative expenses		384,659	341,273
Marketing expenses		2,018	4,917
Other operating expenses		48,316	102,071
		<u>434,993</u>	<u>448,261</u>
Net surplus before depreciation and finance cost		193,407	197,703
Depreciation and finance costs		(120,290)	(77,678)
Net surplus for the year		<u><u>73,117</u></u>	<u><u>120,025</u></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 2018

	Accumulated Fund \$	Total \$
Balance at the beginning of the year	1,720,641	1,720,641
Net surplus for the year 2017	120,025	120,025
Balance as at 31 December 2017	<u>1,840,666</u>	<u>1,840,666</u>
Net surplus for the year 2018	73,117	73,117
Balance as at 31 December 2018	<u>1,913,783</u>	<u>1,913,783</u>

TAVUA TOWN COUNCIL
 STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2018

	Notes	2018 \$	2017 \$
Current Assets			
Cash and cash equivalent	4	46,853	5,456
Trade and other receivables	5	53,949	51,316
Total current assets		<u>100,802</u>	<u>56,772</u>
Non-Current Assets			
Property, plant and equipment	7	1,982,224	1,938,870
Intangible asset	6	4,352	5,447
Total non current assets		<u>1,986,576</u>	<u>1,944,317</u>
TOTAL ASSETS		<u>2,087,378</u>	<u>2,001,089</u>
Current Liabilities			
Bank overdraft	10	3,423	7,900
Trade and other payables	8	129,789	151,778
Provision for annual leave		8,073	745
Total current liabilities		<u>141,285</u>	<u>160,423</u>
Non-Current Liabilities			
Deferred income	9	32,310	-
Total non-current liabilities		<u>32,310</u>	<u>-</u>
TOTAL LIABILITIES		<u>173,595</u>	<u>160,423</u>
NET ASSETS		<u>1,913,783</u>	<u>1,840,666</u>
Municipal Funds			
Accumulated funds		1,913,783	1,840,666
TOTAL MUNICIPAL FUNDS		<u>1,913,783</u>	<u>1,840,666</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 2018

	Notes	2018 \$	2017 \$
Cash flows from operating activities			
Receipts from customers and government		458,077	481,758
Payments to suppliers and employees		(449,512)	(425,768)
Net cash provided by operating activities		<u>8,565</u>	<u>55,990</u>
Cash flows from investing activities			
Payment for property, plant and equipment		(162,691)	(190,635)
Net cash used in investing activities		<u>(162,691)</u>	<u>(190,635)</u>
Cash flows from financing activities			
Receipt of government grant		200,000	-
Net cash flows provided by financing activities		<u>200,000</u>	<u>-</u>
Net increase / (decrease) in cash and cash equivalents		45,874	(134,645)
Cash and cash equivalent at the beginning of the year		(2,444)	132,201
	17	<u>43,430</u>	<u>(2,444)</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 2018**

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 2018 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.

TAVUA TOWN COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2018

NOTE 2. BASIS OF PRESENTATION (continued)

(d) Intangible Assets (continued)

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.

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 2018

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 2018, no provision for impairment has been made as the Council reasonably believes that no indicators for impairment exist.

NOTE 3. REVENUE	2018	2017
	\$	\$
General funds revenue	622,676	635,935
Parking meter revenue	5,724	10,029
	<u>628,400</u>	<u>645,964</u>

NOTE 4. CASH AND CASH EQUIVALENTS

Petty cash	50	50
Cash at Bank - Special community account	2,769	3,996
Cash at Bank - Challenge fund	32,310	-
Cash at Bank - Parking meter account	666	-
Cash at Bank - Extended local authority account	225	-
Undeposited funds account / cash on hand	10,833	1,410
	<u>46,853</u>	<u>5,456</u>

TAVUA TOWN COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2018

NOTE 5. TRADE AND OTHER RECEIVABLES	2018 \$	2017 \$
Trade receivables	38,999	36,366
Enforcement and parking meter infringement	3,500	3,500
Other debtors	11,450	11,450
	<u>53,949</u>	<u>51,316</u>

NOTE 6. INTANGIBLE ASSET		
Software installation	10,957	10,957
Amortization of software	(6,605)	(5,510)
	<u>4,352</u>	<u>5,447</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	1,542,164	161,604	-	(72,594)	1,631,174
Plant and machinery	4,714	-	-	(1,499)	3,215
Office equipment and furniture	906	1,087	-	(264)	1,729
Motor vehicle	81,086	-	-	(44,980)	36,106
Net written down value	<u>1,938,870</u>	<u>162,691</u>	<u>-</u>	<u>(119,337)</u>	<u>1,982,224</u>

(ii) Reconciliations

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

	2018 \$	2017 \$
Land - at cost	310,000	310,000
Net book value	<u>310,000</u>	<u>310,000</u>
Building - at cost	1,973,276	1,811,672
Accumulated depreciation	(342,102)	(269,508)
Net book value	<u>1,631,174</u>	<u>1,542,164</u>
Plant and machinery - at cost	23,736	23,736
Accumulated depreciation	(20,521)	(19,022)
Net book value	<u>3,215</u>	<u>4,714</u>
Motor vehicle - at cost	215,096	218,400
Accumulated depreciation	(178,990)	(137,314)
Net book value	<u>36,106</u>	<u>81,086</u>
Office equipment and furniture - at cost	14,127	13,040
Accumulated depreciation	(12,398)	(12,134)
Net book value	<u>1,729</u>	<u>906</u>
Parking meter - at cost	11,560	11,560
Accumulated depreciation	(11,560)	(11,560)
Net book value	<u>-</u>	<u>-</u>
Total written down value	<u>1,982,224</u>	<u>1,938,870</u>

TAVUA TOWN COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
NOTE 8. TRADE AND OTHER PAYABLES		
Value added tax	49,730	63,460
Trade payables and accruals	74,300	82,559
Other payables - Parking meter	5,759	5,759
	<u>129,789</u>	<u>151,778</u>
NOTE 9. DEFERRED INCOME		
Local Government	32,310	-
	<u>32,310</u>	<u>-</u>
NOTE 10. BANK OVERDRAFT		
Cash at bank - General Operating Chq A/C - ANZ	3,423	7,498
Cash at bank - Challenge Fund	-	138
Cash at bank - Parking Meter Account	-	264
	<u>3,423</u>	<u>7,900</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
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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

Capital commitments as at 31 December 2018 amounted to \$37,310 for which \$32,310 relates to drainage works and \$5,000 for retention payment for the multipurpose change room (2017: Nil).

NOTE 14. CONTINGENT LIABILITIES

As at balance date there are no known contingent liabilities which has been received by the board of TAVUA TOWN COUNCIL (2017: Nil).

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.

TAVUA TOWN COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2018

NOTE 15. SUBSEQUENT EVENTS (continued)

(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 2018 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:

	2018 (\$)	2017 (\$)
<u>Government of Fiji</u>		
Government grant contribution - revenue	282,370	263,265
Government grant contribution - deferred income	32,310	-
	<u>314,680</u>	<u>263,265</u>

(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 2018 was:

Salary, allowances, and benefits	<u>39,004</u>	<u>33,960</u>
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TAVUA TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2018

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:

	2018	2017
	\$	\$
Cash at bank	46,853	5,456
Bank overdraft	(3,423)	(7,900)
	<u>43,430</u>	<u>(2,444)</u>

TAVUA TOWN COUNCIL
 DETAILED STATEMENT OF INCOME AND EXPENDITURE
 FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 \$	2017 \$
Revenue		
Building fees	3,406	2,684
Business, trading and license	66,652	66,751
Government grant	282,370	263,265
Rates	60,692	52,633
Compost bin	55	-
Market fees and charges	74,185	81,567
Carnival income and sponsorship	40,126	63,436
Miscellaneous	29,355	43,072
Ground and park fee	13,966	7,642
Rent from property	27,119	30,965
Sundry income	908	903
Taxi, bus and carrier stand fees	23,842	23,017
	622,676	635,935
Other Income		
Add: Profit from Parking Meter	1,153	1,371
Total Revenue	623,829	637,306
Less Expenses		
Administration Expense		
Accounting and audit fees	18,245	7,973
Amortization of intangible assets	1,095	1,096
General expenses	13,385	13,181
Garbage services	5,133	4,984
Insurance	2,102	4,853
Office expenses	229	1,814
Printing, postage and stationery	2,712	3,708
Motor vehicle expenses	8,209	6,849
Repair and maintenance	29,178	20,450
Superannuation	36,462	24,881
Roads, drains and footpath improvement	35,930	44,328
Salary and wages	200,442	174,331
Special community project	-	290
Telephone	2,914	5,906
Utilities	24,580	18,006
Total Administration expenses	380,616	332,650
Marketing expense		
Advertising and marketing	2,018	4,917
Total Marketing expenses	2,018	4,917

TAVUA TOWN COUNCIL
 DETAILED STATEMENT OF INCOME AND EXPENDITURE (CONT'D)
 FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
Other Operating Expenses		
Clean-up campaign and waste minimization	682	2,636
Carnival expenses	25,442	36,700
Entertainment	4,669	4,950
FNU levy	1,031	-
Legal fees	30	60
Parks and beautifications	1,144	46,221
Rent and rates	-	834
Staff amenities and training	14,790	10,635
Total Other Operating Expenses	<u>47,788</u>	<u>102,036</u>
Total Expenses	<u>430,422</u>	<u>439,603</u>
Earnings before Interest and Depreciation	193,407	197,703
Depreciation	119,337	76,578
Interest and bank charges	953	1,100
Net Surplus for the year	<u><u>73,117</u></u>	<u><u>120,025</u></u>

TAVUA TOWN COUNCIL
 DETAILED INCOME STATEMENT - PARKING METER FUND
 FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 \$	2017 \$
Revenue		
Meter tolls	5,724	10,029
Total Revenue	<u>5,724</u>	<u>10,029</u>
Expenses		
FNPF contribution	2,658	1,715
Salaries and wages	1,385	6,908
General expenses	528	35
Total Expenses	<u>4,571</u>	<u>8,658</u>
Net Profit for the year	<u><u>1,153</u></u>	<u><u>1,371</u></u>