



SAVUSAVU TOWN COUNCIL



ANNUAL REPORT 2015

Parliamentary No 187/24

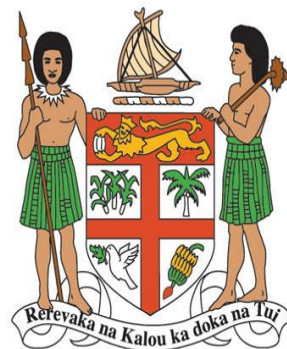


TABLE OF CONTENT

1. Mission/ Vision/ Slogan/ Value/ Key Strategies	03
2. Message from the Special Administrator & CEO	05
3. Organization Structure	06
4. Annual Report	07
5. Profiling	08
6. Finance Department	09
7. Market	12
8. Administration	14
9. Building, Health & Environment	17
10. Ongoing projects / Proposed projects	25
11. Tourist Visitations	26
12. Conclusion	28



Our Vision

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

Our Mission

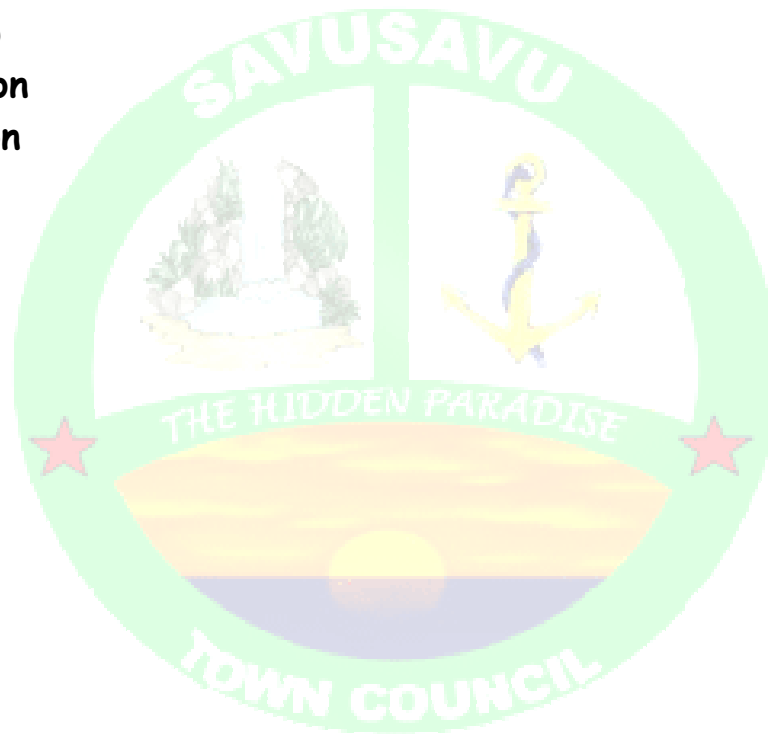
Creating Savusavu, a Healthy and Safer place to live in. ★ ★

Our Slogan

'A fast developing tourist hot spot.'
'The Hidden Paradise'
'The Up-North'

Value

Good Governance
Consultation
Resourcefulness
Efficient Service
Integrity
Customer focus
Innovation
Partnership
Co-operation
Participation



MESSAGE FROM THE SPECIAL ADMINISTRATOR

Firstly, I would like to appreciate the CEO and the support staff/laborers of Savusavu Town Council for trusting me with this role. This year is not an easy one but one that we soon move on from, putting our differences aside to work together for the ratepayers and the community as a whole.

I commit myself to working with my support staff to serving the people of Savusavu and outer Savusavu to the best of my ability with energy integrity in order to create lasting positive change in our small town. We are fifteen-person team including the Special Administrator, each with different skills, strengths and talents, all the while, ensuring our core services to the community are being delivered to a very high standard. We have done all this in a time where local government is facing increasing constraints on the way it can work. Together we have advocated strongly to all levels of government for better outcomes for our community. Through all this work, it is clear that our differences are our strengths.

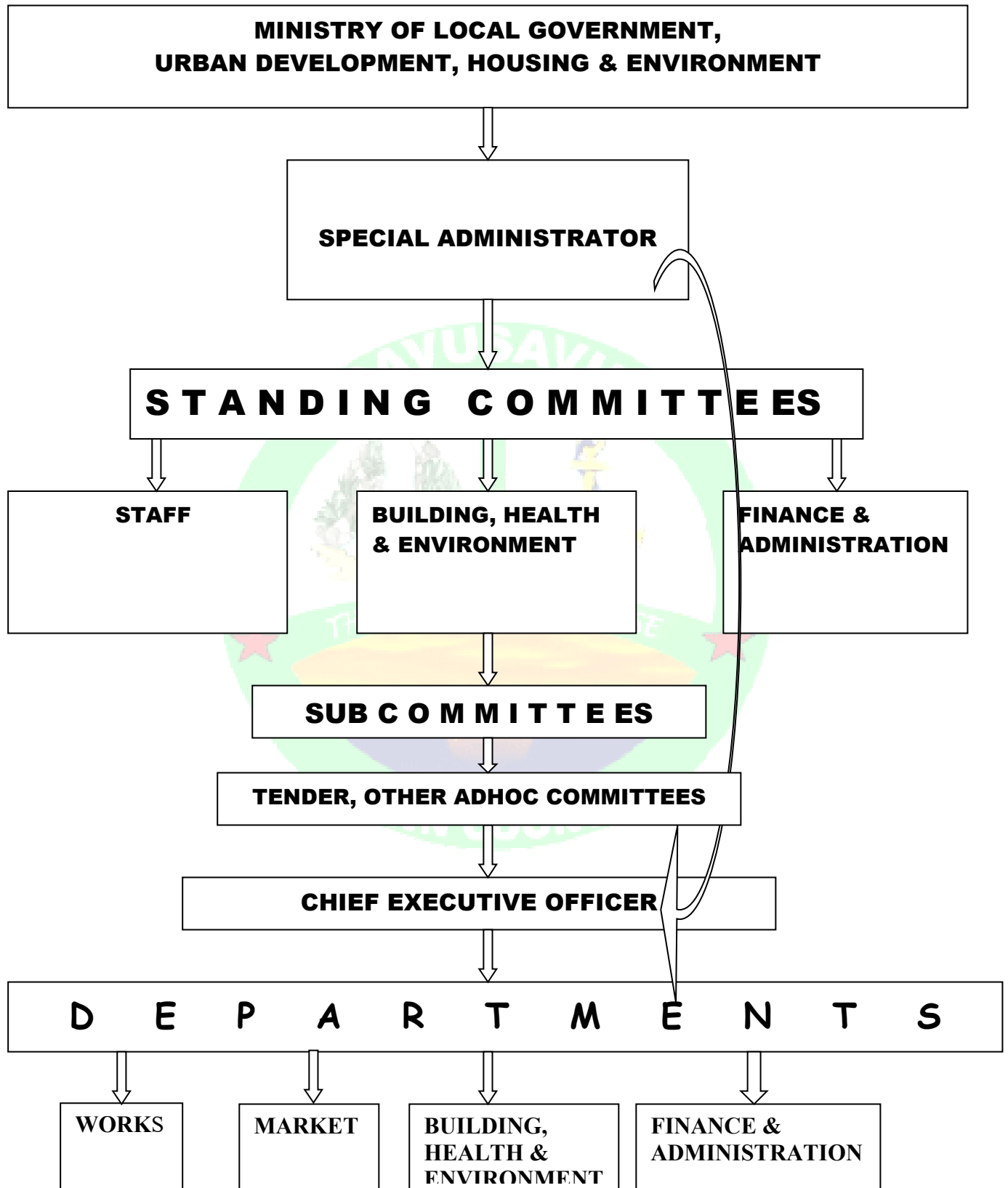
I also wish to acknowledge the work of all those outgoing Mayors and Councilors who have come before us, in helping make Savusavu what it is today. They have done a great job as our representative and have reached out to the community in many ways.

Savusavu is a great municipality – we know this. We also know that there are things that can be done to make it even better. I am looking forward to the challenge and working with the CEO and Council staff/laborers to deliver the best outcomes for the community.

It was an honor to serve as the town Special Administrator for Savusavu/Labasa Town Council for this year.

Thank you.

Mr. Vijay Chand
Special Administrator
Savusavu/Labasa Town Council



ANNUAL REPORT

INTRODUCTION

Annual Report is a summary of proceedings and activities of the Council from January 1, 2015 to December 31, 2015 (s19).

ORGANISATION

The Ministry of Local Government, Urban Development, Housing and Environment appointed Mr. Vijay Chand as the Special Administrator of Labasa & Savusavu Town Council's on the 11th of February, 2009.

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

The organization comprises of the Office of the Special Administrator, the Chief Executive Officer and four functional departments namely:

- Works
- Market
- Building, Health & Environment
- Finance/Administration

RESPONSIBILITIES OF THE COUNCIL

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

SENIOR OFFICERS OF THE COUNCIL

Chief Executive Officer	-Mr Dharmendra Lal(JP)
Properties Manager/Revenue HOD	-Mr Shiu Chand
Health Department HOD	-Mr. Timoci Vakabua(<i>retired in October</i>)
	-Mr. Faizal Ali/Actg Health Inspector/Building Surveyor
Market Manager	-Mr Wame Nabete
Works/Depot Manager	-Mr Sanjesh Go

PROFILING

Population - 6'000
Ratepayers - 308

Savusavu Town is the main trading center in Cakaudrove Province and the second major town in Vanua Levu. Savusavu was transformed into a township by proclamation No. 26 of 1969 and upgraded as a town by legal Notice No. 23 of 1973 to be known as the Town of Savusavu.

Some 6000 people live in Savusavu; of these there are about 3300 Fijians, 2059 Indians and 1141 of other minorities. In addition there is influx of people from the surrounding rural communities lured into the town for employment opportunities, education, medical treatment or enjoyment of amenities available here.

Being a "transit lounge" on transportation network, availability of land for residential developments coupled with proposed tourism developments, the town's population is expected to rise within the next decade.



FINANCE DEPARTMENT

Administered by the Chief Executive Officer, the department consist of a :

- Properties Manager/Revenue HOD
- Accounts Officer
- Pay Clerk
- Rates Officer

RATES

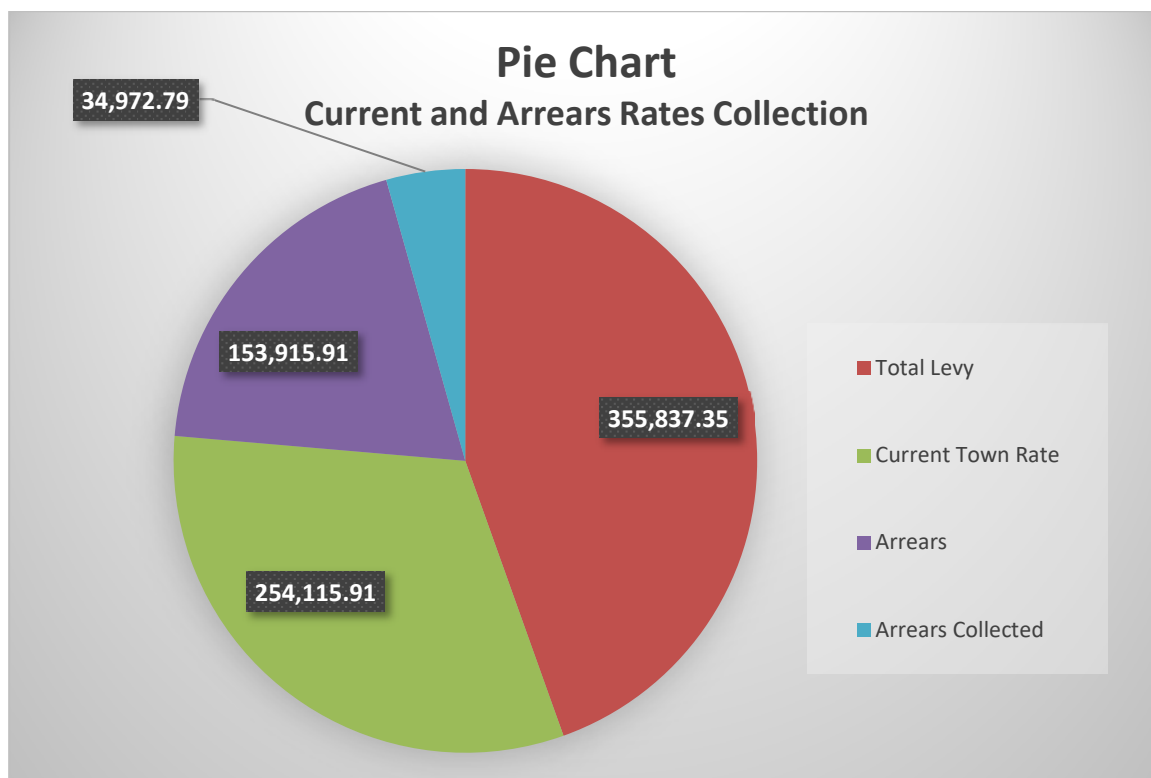
Town Rates are the highest income source for the Council Rates are levied on unimproved capital value of all ratable properties within the town.

Rates Levied for the year 2015 were as follows:-

General Rate	-	0.01895 cents in the \$ on UV
Special Loan rate	-	0.0053 cents in the \$ on UV

		0.02425 cents in the \$ on UV

Total Levy	\$355,837.35
Current Town Rate Collected 2015	\$254,115.9
Percent Collected	71%
Arrears As at 31st December 2014	\$153,915.91
Arrears Town Rate Collected as at 2015	\$34,972.79
Percent Collected	23%



Total Value of Properties

Total value of ratable properties based on year 2004 valuation:
\$15,703,060.00 UV.

Sexennial Valuation

- After 10 years the Council has carried out Valuation;
- 2015 Valuation was deferred by ministry after the public consultation held at the Council Chamber (December 15th, 16th and 17th)

Action taken by the Council

- Deduction at Source
- Member of Data bureau
- Attornment of leases – given to the tenants.
- Lodge Fiji charge (Caveat) on land
- Small claims tribunal
- Magistrate court
- Council will hold on building plan and other developments.

The Ministry of Local Government will closely monitor the rates collection after the Amnesty period on 31st March, 2015 and assist the Council to take stringent action against the ratepayer who are in arrears.

Council Solicitor;

Samusamuivodre Solicitors (SS Law)

COUNCIL AUDITORS

The Office of the Auditor General's Office of Fiji.

COUNCIL BANKERS

- Westpac Banking Corporation Limited.
Maintains a cheque account for Council's daily operation.
- Australia and New Zealand Banking Group Limited.
Maintains land dealings account of the Council.
- Bank of South Pacific
Maintains the project account of the Council.



MARKET

Major Source of Revenue

Market
Business License
Town Rates
Land Lease
Taxi Stands
Bus Stands
Flea Markets



Major Business Operation

- ⊙ Supermarkets - 4
- ⊙ Retail Stores - 14
- ⊙ Restaurants - 18
- ⊙ Hotel - 1, Boarding house - 4
- ⊙ Hardware Shops - 7
- ⊙ Market - 1
- ⊙ Marinas - 3
- ⊙ Sawmill - 1
- ⊙ Hospital - 1
- ⊙ Bus Company - 1
- ⊙ Taxi Operators - 109



Main CBD

Most concentrated area in town

ADMINISTRATION

Apart from the Council's daily functions, the Department had attended to various tasks which included:

➤ Training of Development of Officers

To continue with Council's commitment with on the job training and learning, officers are provided with the opportunity to undergo training to the relevant field of work at recognized local institution and on certain occasion, officers are selected to attend courses overseas.



Staff In-House Training

- Customer service
- Telephone skills
- Attending to complaints
- Other avenues to rake in more revenue for the Council
- Performance

External Training

Course	Month	Staff Attendees	Venue	Facilitator
Prosecution Training	March	-Mr. Lasaro Tavui/Town Ranger -M. Akuila Baledrokadroka/Litter Officer	Labasa	Department of Public Prosecution
Clean School Programme/Home Composting Subsidy program/Launching & Technical Workshop	March	-Mr. Lasaro Tavui/Town Ranger	Nadi	Department of Environment
Food Sampling Workshop	April	-Mr. Timoci Vakabua/Health Inspector, Building Surveyor	Suva	Ministry of Health
Introduction to Disaster Management & Initial Damage Assessment	May	-Mr. Lasaro Tavui/Town Ranger	Provincial Administrator's Office, Savusavu	Department National Disaster Management
Solid Waste Management	June	-Mr. Wame Nabete/Market Manager	Suva	Dept of Environment in partnership with JICA & Suva City Council
GIS	July	-Mr. Rahul Sharma/Rates Officer	Suva	Department of Town & Country Planning
Food Establishment Licensing Workshop	October	-Mr. Dharmendra Lal/CEO	Suva	Ministry of Health
GIS	November	-Mr. Rahul Sharma/Rates Officer	Suva	Department of Town & Country Planning

Overseas Training

Course	Month	Staff Attendees	Country	Facilitator
Ninth Advance International program on Municipal Finance, Expenditure & Performance Outcomes	September 6 – October 3 rd	-Mr. Dharmendra Lal/CEO	India	Society for Development Studies/New Delhi

Human Resource Management

The Savusavu Town Council had a total of 11 staff and 18 laborers working under the leadership of the Special Administrator, Savusavu/Labasa Town Council, Mr. Vijay Chand.

At the end of the year, Mr. Timoci Vakabua/Health Inspector, Building Surveyor retired from work after five (5) years of service working with Savusavu Town Council.



BUILDING, HEALTH & ENVIRONMENT

Environment

A National Clean-Up Campaign Program was organised for Savusavu Town from the 7th – 14th February, 2015. The Savusavu Community & other stakeholders such as the Savusavu National Fire Authority, Savusavu Rural Local Authority & other Government Departments were involved.

1. Program includes house to house awareness, circulation of clean-up notices;
2. Community, Residential and Area Clean- Ups;
3. Mosquito Spraying within Clean – Up Areas;
4. Currently monitoring areas covered during the Clean – Up Program;
5. Total number of tonnes collected & disposed during the Program – **141 tonnes**;
6. - Proposed Budget - **\$11002.67**
- Expenditures Incurred - **\$5229.38**



NFA workers & Nasuvusu Rural Local Authority staff helping Council workers with loading and disposal of collected waste materials. – 14/02/15



Clean-Up rubbish also collected from schools. (Schools also participate in cleaning their school compounds) – 09/02/15



Some members of the Vanudamu Youth Group during the Clean-Up Program.



Communities participating in cleaning up their respective compounds. – 09/02/15

Waste Management

- Garbage collection 3 days per week
- Garbage bins need tight fitting lid
- All tenants have to pay \$24.00/bin/year
- House to house awareness conducted on usage of plastic bag as garbage disposal method
- Approximately three hundred(300) tonnes per week delivered for disposal;
- Quarterly Cleanup Campaign Conducted
- Introduction on the segregation of waste in Savusavu
- Clean School programme introduced in schools located next the town boundary.

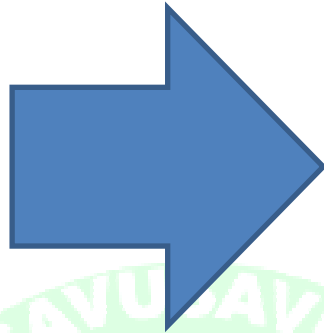


- Exposure to dogs thus contributing to Litter and related environmental issues and diseases.
- Use proper & standard waste bins as waste storage & disposal purposes.

Council's Concern on Rubbish Bins

It has been noted that bins are left along the roadsides after garbage collections exposing it to strong winds and chances of being damaged.





Picture illustrates discarded rubbish bins lying down at nights and day.

Practice of 3R's

- With the assistance of embassy of Japan, Council will be getting a compactor truck worth of \$202,385.00
- Soon the Council will enforce 3R Program whereby the Ratepayers and the stake holders will have to segregate their waste before disposing
- Upgrading of dumpsite is in progress to segregate wastes



Public Health, Sanitary Services

Building Development Control

- 92 building applications received over the last twelve(12) months;
- During the last three(3) year's trend:
2011 – 70 2012 – 81 2013 – 76 2014 -70
- Developments in squatter settlements monitored and controlled. Team from Housing Unit visited areas at Nakama Heights in June, 2012;

➤ **HEALTH ISSUES**

Dengue Fever Cases - NIL	<u>ACTION TAKEN</u>
	Spraying with chemicals to control adult mosquitoes Clean-up campaign on quarterly basis
	Awareness for destruction of Mosquitoes breeding site
	Larval Survey to control vector breeding grounds

LITTERING - AN EYESORE AND HEALTH HAZZARD



- Please stop littering and be aware of consequences.

Littering is an offence, if found, a penalty spot fine of \$40.00 will be charged to offenders.



Litter Awareness Program

- Community participation in cleanup campaign encouraged to control littering. Community also set up to facilitate community reach outs.
- Litter Awareness during Pocket Meetings.
- House to house Awareness Programme.
- Serving of Litter Fines. [No. of Litter Fines served : 10]

WORKS



- Foreshore clean-up programme with Council Staff and Labourers.

- Collection of green waste & e-waste
- Drain construction & Improvements



- Dump Spraying
- Drainage & Siltation

- Garbage Collection-3days/Week
- Central Business District – 7days/Week
- Backyard Rubbish Collection – Quarterly
- Beautification of Parks, Gardens and Landscaping



PROJECT AND ACHIEVEMENTS



- 600 meters Health Board Walk.
- Conjoined Project by Council and Savusavu Tourism Association



New Market Extension

- In the light of high demand for space and increasing vendors application received.
- Through the PSIP program the government has assisted the council to achieve its goal to meet its demand by providing funds for the new market



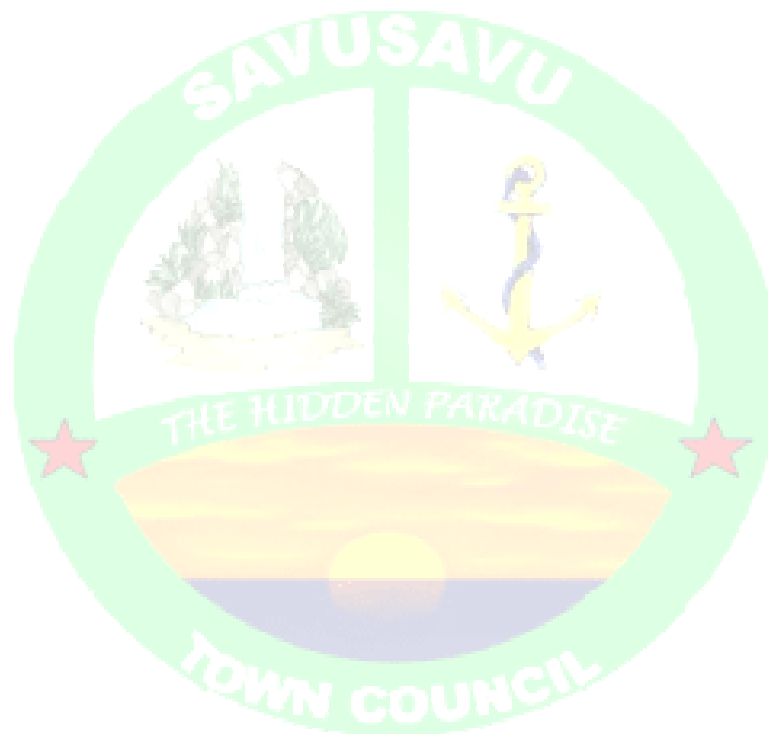
Parcel Seller's shed



- Looking at the demand of the public the council has constructed a new parcel seller hall for the women.
- The total cost incurred was \$22,725.07
- This project is in-line with Government policy to promote women and empower them in business and also alleviate poverty.
- Currently there are 18 vendors and looking forward to accommodate another 32 vendors.
- This will include women from Naweni, and outskirts of Savusavu.

PROPOSED PROJECT

- Footpath at Narains Height (First Phase)
- Solar lights along the foreshore boardwalk
- Rehabilitation of Rubbish Dump
- Upgrading of Ganilau Park Facilities



TOURIST VISITATION

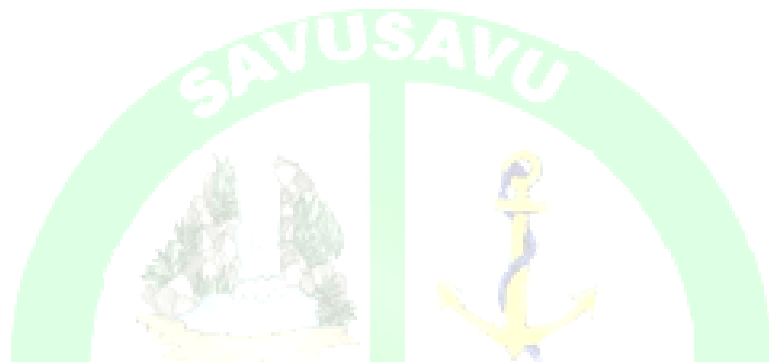
Cruise Ship Arrival



Name	Month	Port of Entry
Sun Princess	1 st February	Savusavu
Sun Princess	28 th February	Savusavu
Silver Spirit	10 th March	Savusavu
Sun Princess	28 th June	Savusavu
Paul Gaugin	28 th October	Savusavu
Paul Gaugin	12 th November	Savusavu
Diamond Princess	2 nd December	Savusavu
Dawn Princess	15 th December	Savusavu
Caledonian Sky	31 st December	Savusavu

Visitors to the Council office: 25

Ministerial visit	- 4
Ambassadors	- 2
High Commissions	- 4
Departments	- 7
Others (Stakeholders, Individuals)	- 8



CONCLUSION

Submitted to the Hon. Minister for Local Government,
Urban Development, Housing and Environment.

**For Mr. Vijay Chand
SPECIAL ADMINISTRATOR**



Chief Executive Officer
Seema Shiwani Dutt
03/08/2020

Special Administrator (Chair)
Justin Hunter
03/08/2020



OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



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Website: www.oag.gov.fj



File: 955/1

19 May 2023

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

Dear Mr. Kholi

SAVUSAVU TOWN COUNCIL

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

The audited financial statements for Savusavu Town Council for the year ended 31 December 2015 together with my audit report on them are enclosed.

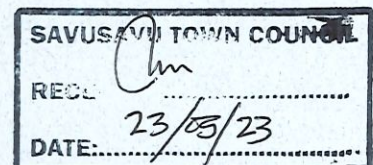
Particulars of errors and omission arising from the audit have been forwarded to the Management of the Council for necessary action.

Yours sincerely

Sairusi Dukuno
ACTING AUDITOR-GENERAL

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

Encl.



SAVUSAVU TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

**SAVUSAVU TOWN COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

CONTENT	PAGE NO.
Councils' Report	3 - 4
Statement by the Council	5
Independent Audit Report	6 - 8
Statement of Comprehensive Income	9
Statement of Changes in Accumulated Funds and Reserves	10
Statement of Financial Position	11
Statement of Cash Flows	12
Notes to the Financial Statements	13 - 20
Statement of Income and Expenditure - General Fund	21- 22
Statement of Income and Expenditure - Loan Rate Fund	23

**SAVUSAVU TOWN COUNCIL
COUNCILS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

The Council herewith submits the statement of financial position at 31 December 2015, the related statement of comprehensive income, statement of cash flows and the statement of changes in accumulated funds for the year then ended and reports as follows:

Management Staff

Vijay Chand – Special Administrator Chairperson Labasa/Savusavu – resigned 19 December 2018
Ami Kohli – Special Administrator Chairperson Labasa/Savusavu – appointed 18 March 2022
Doreen Robinson – Special Administrator – appointed 18 March 2022
Seema Shiwani Dutt – Chief Executive Officer

Principal activities

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

Results

The operating surplus/(loss) for the year is:

2015	\$107,884
2014	\$(101,269)

Basis of accounting

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

Events subsequent to balance date

Amendments to the Local Government Act 1972

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

Business Licenses

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

Base and Market Fees

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

Covid-19

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

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

**SAVUSAVU TOWN COUNCIL
COUNCILS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

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

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

Other circumstances

As at the date of this report:

- a) no charge on the assets of the Council has been given since the end of the financial year to secure the liabilities of any other person;
- b) no contingent liabilities have arisen since the end of the financial year for which the Council could become liable; and
- c) no contingent liabilities or other liabilities of the Council have become or are likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the management, will or may substantially affect the ability of the Council to meet its obligations as and when they fall due.

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

Management benefits

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

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

Dated this 5th day of May, 2023.



Special Administrator



Chief Executive Officer

**SAVUSAVU TOWN COUNCIL
STATEMENT BY THE COUNCIL
FOR THE YEAR ENDED 31 DECEMBER 2015**

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

- (a) the accompanying statement of comprehensive income of the Council is drawn up so as to give a true and fair view of the results of the Council for the year ended 31 December 2015;
- (b) the accompanying statement of changes in accumulated funds is drawn up so as to give a true and fair view of the movement in the Council's funds for the year ended 31 December 2015;
- (c) the accompanying statement of financial position of the Council is drawn up so as to give a true and fair view of the state of affairs of the Council as at 31 December 2015;
- (d) the accompanying statement of cash flows is drawn up so as to give a true and fair view of the state of the cash flows of the Council for the year ended 31 December 2015;
- (e) at the date of this statement there are reasonable grounds to believe the Council will be able to pay its debts as and when they fall due; and
- (f) all related party transactions have been adequately recorded in the books of the Council

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

Dated this 5th day of May, 2023.



Special Administrator



Chief Executive Officer

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INDEPENDENT AUDITORS REPORT

Savusavu Town Council

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of Savusavu Town Council ("the Council"), which comprise the Statement of Financial Position as at 31 December 2015, Statement of Comprehensive Income, Statement of Changes in Accumulated Funds and Reserves, the Statement of Cash Flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Council as at 31 December 2015, 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 Receivable of \$546,678 (Note 4) in the financial statements. The Council was unable to provide listings, subsidiary ledgers, and reconciliations to support the above balance. Furthermore, the Council has not provided evidence of impairment assessment carried out on its Trade Receivable. As a result, I was unable to ascertain whether Trade Receivable balance of \$546,678 is fairly stated in the Statement of Financial Position as at 31 December 2015.
2. The Council recorded Trade Creditors balance of \$227,587 (Note 6) in the financial statements. The Council was unable to explain or provide relevant supporting documents to substantiate the balance. As a result, I was unable to ascertain whether Trade Creditors balance of \$227,587 recorded is fairly stated in the Statement of Financial Position as at 31 December 2015.
3. The Council recorded land sale deposits amounting to \$457,406 in the financial statements. The Council was unable to provide detailed listing and relevant supporting documents to substantiate the balance. Furthermore, the Council has not maintained separate bank account for these deposits and nor the Councils holds sufficient cash and cash equivalent to cater for refund should depositors require a refund. As a result, I was unable to ascertain the accuracy and existence of the land sale deposits balance of \$457,406 recorded in the Statement of Financial Position as at 31 December 2015.
4. The Council have not disclosed Related Party Transactions as required by Section 33 of IFRS for SMEs— Related Party Disclosures. As a result, the financial statements of the Council are not complete nor fairly disclosed in accordance with all the requirements of IFRS for SMEs.

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

Emphasis of Matter

I draw attention to Note 11 of the financial statements which notes the announcement made in the 2020/2021 National budget, that effective from 01 August 2020, Fiji's business license regime would be abolished, and fees will no longer be collected by the Council.

My opinion is not modified in respect of 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 and Special Administrators.
- 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
19 May 2023

SAVUSAVU TOWN COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	\$	\$
Income		
Rates:		
General	257,519	254,806
	<u>257,519</u>	<u>254,806</u>
Less: Rates discount	(9,477)	(10,717)
	<u>248,042</u>	<u>244,089</u>
Amortisation of capital grant	27,456	26,064
Other operating grant	90,870	-
Profit on sale	6,304	-
Business license fees	39,520	34,709
Fees, charges and rent	255,758	228,069
Loan rates	71,727	70,722
Others	110,263	92,684
	<u>601,898</u>	<u>452,248</u>
Total income	<u>849,940</u>	<u>696,337</u>
Expenses		
Administrative and operating costs	126,891	241,357
Auditor's remuneration	9,150	9,150
Depreciation and amortization	61,861	46,984
Employees salaries and benefits	388,429	332,899
Finance cost	15,989	11,441
Maintenance costs	139,736	182,775
Total expenses	<u>742,056</u>	<u>797,606</u>
Other comprehensive income	-	-
Total comprehensive profit/ (loss) for the year	<u><u>107,884</u></u>	<u><u>(101,269)</u></u>

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

SAVUSAVU TOWN COUNCIL
STATEMENT OF CHANGES IN ACCUMULATED FUNDS AND RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2015

2015

	Reserves	Accumulated Funds	Total
Note	(\$)	(\$)	(\$)
Balance at January 1, 2015	6,914,681	11,435	6,926,116
General fund	-	36,157	36,157
Loan rate fund	-	71,727	71,727
Balance at 31 December 2015	9 6,914,681	119,319	7,034,000

2014

	Reserves	Accumulated Funds	Total
	(\$)	(\$)	(\$)
Balance at January 1, 2014	7,108,371	112,704	7,221,075
General fund	-	(171,991)	(171,991)
Loan rate fund	-	70,722	70,722
Transfer of assets	(193,690)	-	(193,690)
Balance at 31 December 2014	9 6,914,681	11,435	6,926,116

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

SAVUSAVU TOWN COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	2015 (\$)	2014 (\$)
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	234,306	254,168
Trade and other receivables	4	547,664	471,707
		<u>781,970</u>	<u>725,875</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	7,813,619	7,497,302
		<u>7,813,619</u>	<u>7,497,302</u>
TOTAL ASSETS		8,595,589	8,223,177
LIABILITIES			
CURRENT LIABILITIES			
Bank Overdraft	3	282,711	236,691
Trade and other payables	6	334,602	230,395
Borrowings	7	5,143	5,143
Land sale deposits		457,406	456,549
		<u>1,079,862</u>	<u>928,778</u>
NON-CURRENT LIABILITIES			
Deferred grant	8	481,727	368,283
		<u>481,727</u>	<u>368,283</u>
TOTAL LIABILITIES		1,561,589	1,297,061
NET ASSETS		7,034,000	6,926,116
MUNICIPAL FUNDS			
Reserves	9	6,914,681	6,914,681
Accumulated funds		119,319	11,435
TOTAL MUNICIPAL FUNDS		7,034,000	6,926,116

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

Dated this 5th day of May, 2023.


Special Administrator


Chief Executive Officer

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

**SAVUSAVU TOWN COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 \$	2014 \$
Cash flows from operating activities			
Receipts from customers		851,251	953,026
Payments to trade creditors, other creditors and employees		(542,878)	(658,021)
Net VAT movement		3,923	55,102
Net cash provided by operating activities	2	<u>312,296</u>	<u>350,107</u>
Cash flows from investing activities:			
Acquisition of property, plant and equipment		(378,178)	(232,328)
Net cash used in investing activities		<u>(378,178)</u>	<u>(232,328)</u>
Net increase/(decrease) in cash and cash equivalents held		(65,882)	117,779
Cash and cash equivalents at beginning of year		17,477	(100,302)
Cash and cash equivalents at end of financial year	3	<u>(48,405)</u>	<u>17,477</u>

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

SAVUSAVU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1 Corporate information

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

1.2 Basis of preparation of the financial statements

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

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

New or amended Accounting Standards and interpretations adapted

The Council has adopted all of the new or amended accounting standards and interpretations issued by the International Accounting Standards Board and the Local Government Act that are mandatory for the current reporting period.

Any new or amended accounting standards or interpretations that are not yet mandatory have not been early adopted.

Statement of compliance

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

1.3 The Savusavu Town Council reporting entity

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

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

1.4 Significant accounting judgments, estimates and assumptions

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

Judgments

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

**SAVUSAVU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

Estimations and assumptions

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

Impairment of non-financial assets

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

1.5 Summary of significant accounting policies

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

a) Cash and cash equivalents

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

b) Investments and other financial assets

Initial recognition of financial instruments

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

Receivables

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

c) Impairment of financial assets

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

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

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

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

**SAVUSAVU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

d) Property, plant and equipment

Property, plant and equipment are tangible items that:

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

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

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

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

- | | | | |
|---------------------|------|------------------------------|------|
| • Land and building | 2.5% | • Motor vehicle | 10% |
| • Office equipment | 10% | • Tools, plant and equipment | 2.5% |
| • Roads & drains | 2.5% | | |

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

e) Intangible assets

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

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

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

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

f) Impairment of non-financial assets

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

**SAVUSAVU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

f) Impairment of non-financials assets (continued)

generating unit) exceeds its recoverable amount. the asset (or cash generating unit) is considered impaired and is written down to its recoverable amount.

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

g) Fund accounting

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

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

Details of Special Purpose Funds maintained by the Council are:

Land Dealing

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

h) Provisions

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

i) Employee entitlements

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

Wages and salaries, sick leave and annual leave

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

j) Leased assets

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

k) Trade and other payables

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

**SAVUSAVU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

l) Deferred grant

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

m) Revenue recognition

Revenue is recognised in the financial statements using the accrual concept of accounting. The major stream of revenue for the Council is rates collection.

n) Income tax

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

o) Comparative figures

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

SAVUSAVU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

2 Cash Flow Information

Reconciliation of net income / (deficit) to net cash provided by operating activities:

	2015 (\$)	2014 (\$)
Net surplus/ (deficit) for the year	107,884	(101,269)
Non-cash flows in profit:		
Depreciation	61,861	46,984
Amortisation of deferred grant	(118,326)	(26,064)
Bad debts	36,176	143,719
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(112,133)	(83,573)
- increase/(decrease) in trade and other payables	105,064	14,701
- increase/(decrease) in deferred income	231,770	355,609
Net cash flow from operating activities	<u>312,296</u>	<u>350,107</u>

3 Cash and Cash Equivalents

Land Dealing-5591532	14,763	10,904
Grant account – 9805345056 - <i>refer to (a)</i>	-	175,895
Naveria Tenants-7652788 - <i>refer to (b)</i>	57	117
Petty Cash-9800157712	4,754	6,628
BSP Project account - <i>refer to (c)</i>	214,732	60,624
	<u>234,306</u>	<u>254,168</u>
Bank overdraft		
Bank overdraft - secured	282,711	236,691
Total cash and cash equivalents	<u>(48,405)</u>	<u>17,477</u>

(a) The Grant account was opened in 2014 specifically for grant from Embassy of Japan to purchase Compact truck.

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

(c) BSP Project account records other grants such as Ministerial grants for the purpose of development project.

4 Trade and Other Receivables

Trade receivables	546,678	470,721
Deposits	986	986
	<u>547,664</u>	<u>471,707</u>

SAVUSAVU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

5 Property, plant and equipment

	Ganilau Park (\$)	Nakama Stage 3 (\$)	Nakama Stage 4 (\$)	Foreshore (\$)	Market (\$)	Bus Stand (\$)	Office Equipment (\$)	Plant Machinery & Tools (\$)	Motor Vehicles (\$)	Total (\$)
Gross carrying amount										
At 31 December 2014	705,163	555,975	3,496,100	856,669	1,055,812	803,700	8,804	18,681	174,046	7,674,950
Additions	10,581	-	-	7,087	37,481	-	13,117	45,544	264,368	378,178
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 December 2015	715,744	555,975	3,496,100	863,756	1,093,293	803,700	21,921	64,225	438,414	8,053,128
Accumulated depreciation										
At 31 December 2014	25,766	-	-	1,982	50,552	33,159	3,691	10,581	51,917	177,648
Depreciation	1,768	-	-	667	18,582	8,843	1,579	2,850	27,572	61,861
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 December 2015	27,534	-	-	2,649	69,134	42,002	5,270	13,431	79,489	239,509
Net carrying amount										
As at 31 December 2014	679,397	555,975	3,496,100	854,687	1,005,260	770,541	5,113	8,100	122,129	7,497,302
As at 31 December 2015	688,210	555,975	3,496,100	861,107	1,024,159	761,698	16,651	50,794	358,925	7,813,619

**SAVUSAVU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

11 Events after the end of the Reporting Period

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

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

Amendments to the Local Government Act 1972

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

Business Licenses

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

Base and Market Fees

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

Covid-19

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

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

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

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

12 Approval of the financial statements

These financial statements were approved by the Council and authorised for issue on the ^{5th} day of May, 2023.

SAVUSAVU TOWN COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

6 Trade and other payables

	2015	2014
	\$	\$
Trade creditors	227,587	122,089
Other payables	7,910	15,277
Payroll liabilities	4,847	4,068
VAT payable	94,258	88,961
	<u>334,602</u>	<u>230,395</u>

7 Borrowings

FNPF loan	5,143	5,143
	<u>5,143</u>	<u>5,143</u>

8 Deferred Grant

At 1 January	368,283	172,491
Grant received	140,900	355,608
Amortisation of deferred grant	(27,456)	(26,064)
Released to accumulated funds	-	(133,752)
At 31 December	<u>481,727</u>	<u>368,283</u>

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

2014: Embassy of Japan - \$175,000 to purchase compactor truck which is unutilised

2014: Ministry of Local Government - \$225,000 to construct market

9 Reserves

Balance at January 1	6,914,681	7,108,371
Transfer of asset	-	(193,690)
At 31 December	<u>6,914,681</u>	<u>6,914,681</u>

10 Contingent Liabilities

As at 31 December 2015, the Council's contingent liabilities not otherwise provided for in the financial statements amounted to \$Nil (2014: \$Nil).

SAVUSAVU TOWN COUNCIL

STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND

FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	\$	\$
Income		
Amortisation of deferred income	27,456	26,064
Other operating grant	90,870	-
Backhoe hire	1,388	4,774
Building fees	23,843	11,890
Business, trading and other licenses	39,520	34,709
Profit on sale	6,304	-
Carnival charity	10,333	17,847
Ganilau Park	7,352	5,882
Garbage Dump charges	22,842	21,222
General rates	257,519	254,806
Interest - overdue rates	59,676	48,473
Jetty lease	51,083	41,469
Market fees and charges	107,916	98,269
Miscellaneous	8,075	5,715
Litter fine	-	35
Road Show	5,482	2,067
Taxi, bus and carrier stand fees	36,176	36,624
Webster lease	1,334	-
Rates [unidentified]	26,954	25,738
Other income	3,565	747
Total income	787,688	636,331
Expenditure		
Advertising	1,658	1,294
Audit and accounting fees	9,150	9,150
Back hoe maintenance	6,123	1,512
Civic Reception	6,227	8,620
Depreciation	61,861	46,984
Discount	9,477	10,717
City wide project	758	-
FNPF	27,051	22,432
TPAF levy	4,241	3,516
General	9,179	10,688
Incidental & emergency	158	-
Insurance	12,350	10,619
Interest and bank charges	15,989	11,441
Land rent	717	980
Legal	2,945	1,265
Motor Vehicle maintenance	67,271	56,263
Parks and beautification	294	74
Office equipment maintenance	-	217
Office and market maintenance	-	3,194

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

SAVUSAVU TOWN COUNCIL

STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND

FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	(\$)	(\$)
Office stationery, postage, printing and advertising	10,298	8,429
General repairs and maintenance	32,129	11,768
Roads and drains maintenance	19,204	42,579
Bad debts	39,838	143,719
Other expenses	3,004	2,578
Salaries, wages and allowances	343,271	296,013
Security	11,065	11,174
Staff training and welfare	10,381	9,791
Uniform	3,485	1,147
Road upgrade	5,007	48,466
Travelling and incidental	10,708	8,232
Utilities	27,692	25,460
Total expenditure	751,531	808,322
Surplus/ (deficit) for the year	36,157	(171,991)

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

SAVUSAVU TOWN COUNCIL

STATEMENT OF INCOME AND EXPENDITURE - LOAN RATE FUND

FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	(\$)	(\$)
Income		
Loan rates	71,727	70,722
	<u>71,727</u>	<u>70,722</u>
Expenditure		
Loan rate expenses	-	-
	<u>-</u>	<u>-</u>
Surplus for the year	<u>71,727</u>	<u>70,722</u>