

LAUTOKA CITY COUNCIL



ANNUAL REPORT

(Section 19 – Local Government Act Cap 125)

**FOR THE YEAR ENDED
DECEMBER 31, 2011**

Mr. JONE NAKAUVADRA
CHIEF EXECUTIVE OFFICER

Mr. PRAVEEN BALA
SPECIAL ADMINISTRATOR

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1.0 COAT OF ARMS



The coat of arms comprises of:

The Shield - is divided into three parts and each part symbolizes the industries that led to the growth of Lautoka City from a small commercial centre to a city of commerce, industries and service industry.

- i. **Top Part**- comprises of Lautoka Sugar Mill with its original one chimney, a steam locomotive which was used until late 1960s pulling cane laden trucks and some sugar cane plant.
- ii. **Bottom Right**- comprises of cruise ship and an off shore island depicting that the city has a port for imports and exports and also for cruise ship for tourists.
- iii. **Bottom Left** - comprises of pine trees, logs and sawn timber which is becoming a major industry.

The Supports - two bullocks yoked together seen ploughing through young cane field.

The Crest-resting on top of the shield is a helmet. On top of the helmet is a wreath of twisted cloth which holds the mantling with jagged edges. Upon the wreath rest two Fijian war clubs.

The Scroll - with the words “**City of Lautoka**”.

2.0 DIRECTORY

LOCATION: CIVIC CENTRE
169 VITOGO PARADE
LAUTOKA

ADDRESS: P O BOX 124, LAUTOKA
TELEPHONE: (679) 666 0433
VODAFONE: (679) 990 8559/990 8560 - RECEPTION
FAX: (679) 666 3288
EMAIL: lcc@connect.com.fj
WEBSITE: www.lautokacity.org

AUDITOR: AUDITOR GENERAL

BANKER: WESTPAC BANKING CORPORATION - LAUTOKA

LENDERS: WESTPAC BANKING CORPORATION LAUTOKA
BANK OF SOUTH PACIFIC - LAUTOKA
BSP LIFE (FIJI) LTD

SOLICITORS: MESSRS S B PATEL & COMPANY – LAUTOKA
MESSRS MISHRA PRAKASH & ASSOCIATES – LAUTOKA
MESSRS IQBAL KHAN & ASSOCIATES – LAUTOKA

INSURERS: AON RISKS (FIJI) LIMITED till SEPTEMBER 16, 2011
NEW INDIA ASSURANCE CO. LTD from SEPTEMBER 17, 2011

3.0 BACKGROUND INFORMATION

3.1 HISTORY

Legend has it that within the bounds of today's Lautoka city, there lived two tribes each with a chief. As a result of an argument one day, a fight broke out between the two chiefs at a spot which is now known as "Farquhar's point". As one chief speared the other screamed "LAU-TOKA" meaning "spear -hit" or "hit to win." And so, Lautoka acquired a name.

The development of Lautoka perhaps began in 1899 when sugar milling company, Colonial Sugar Refining Company Limited made an application to the government to build a wharf at Lautoka in order to export sugar from western Viti Levu. In that year it had decided to build a sugar mill in Lautoka which was completed in 1903.

3.2 ESTABLISHMENT

Lautoka was proclaimed a township on February 2, 1929 under Municipal Institutions Ordinance. It was proclaimed a town on January 1, 1944 under towns' ordinance having an area of 107ha (265ac). In 1952 area was increased to 607ha (1500ac).

The first election was held on March 28, 1952. The area was further increased to 1000ha (2500ac). On November 4, 1972 with the enactment of Local Government Act, 1972, municipal elections were held on common roll basis with four wards each having three councillors. Lautoka was declared a city on February 25, 1977 when 1976 census report stated that it had more than 25,000 residents. The city area was further increased to 1607ha (4000ac) in 1991. There are sixteen councillors and four wards in the city. Replacing the councillors, the government of the day had appointed a Special Administrator on February 16 2009 till September 2014.

3.3 POPULATION

It has about 8,164 ratepayers, 13,415 school children attended primary & secondary school within the city vicinity and a total of 43,473 residents were recorded from the December 2008 Census.

Lautoka is an ideal city where people from various ethnic backgrounds have settled and have lived harmoniously and have prospered with their hard work and dedication.

3.4 LOCATION

The city is situated in the western side of Viti Levu, the largest island of Fiji. It is only 25km away (towards north) from Nadi International Airport. The city is surrounded with the blue Pacific Ocean on the western side together with sugar cane and pine trees on the other sides.

3.5 INDUSTRIES

Lautoka is the sugar city as many people describe. Sugarcane has been the major industry of Fiji and Lautoka is the base. Here, one finds the industries, headquarters, the largest sugar mill, central sugar bulk storage, modern loading facilities and a large wharf.

Apart from this, there are a number of other industries such as timber, pine chips,

garment, distillery, brewery, jewelers, blending, steel, fishing, hatchery, domestic items, paints, building, flour mill, soap factory, oil/ghee refinery factory, aerated water and juice factories, concrete industries, engineering and steelwork workshop, hardware, pipe factory, tube makers and roofing iron factory and many more.

All government departments in the western division are controlled through their respective Lautoka Offices. The city is also the headquarters for the following government entities such as:- The Fiji Pine Commission, Fiji Sugar Corporation Limited, Sugar Cane Growers Council, Fiji Sugar Commission and The Agricultural Tribunal Office.

3.6 WEATHER

Lautoka is renowned for its fantastic weather with beautiful sunny days and clear blue skies all the year round. The two seasons annually May to September is cool and dry and October to April the hot and wet. Humidity is usually low even though the temperature is high. The average warm temperature is 30°C.

3.7 APPOINTED SPECIAL ADMINISTRATOR – Lautoka City Council

In the absence of an elected Council, the Minister of Local Government with the Amended Local Government Act 125, section 9A, (1) & (2) appointed:

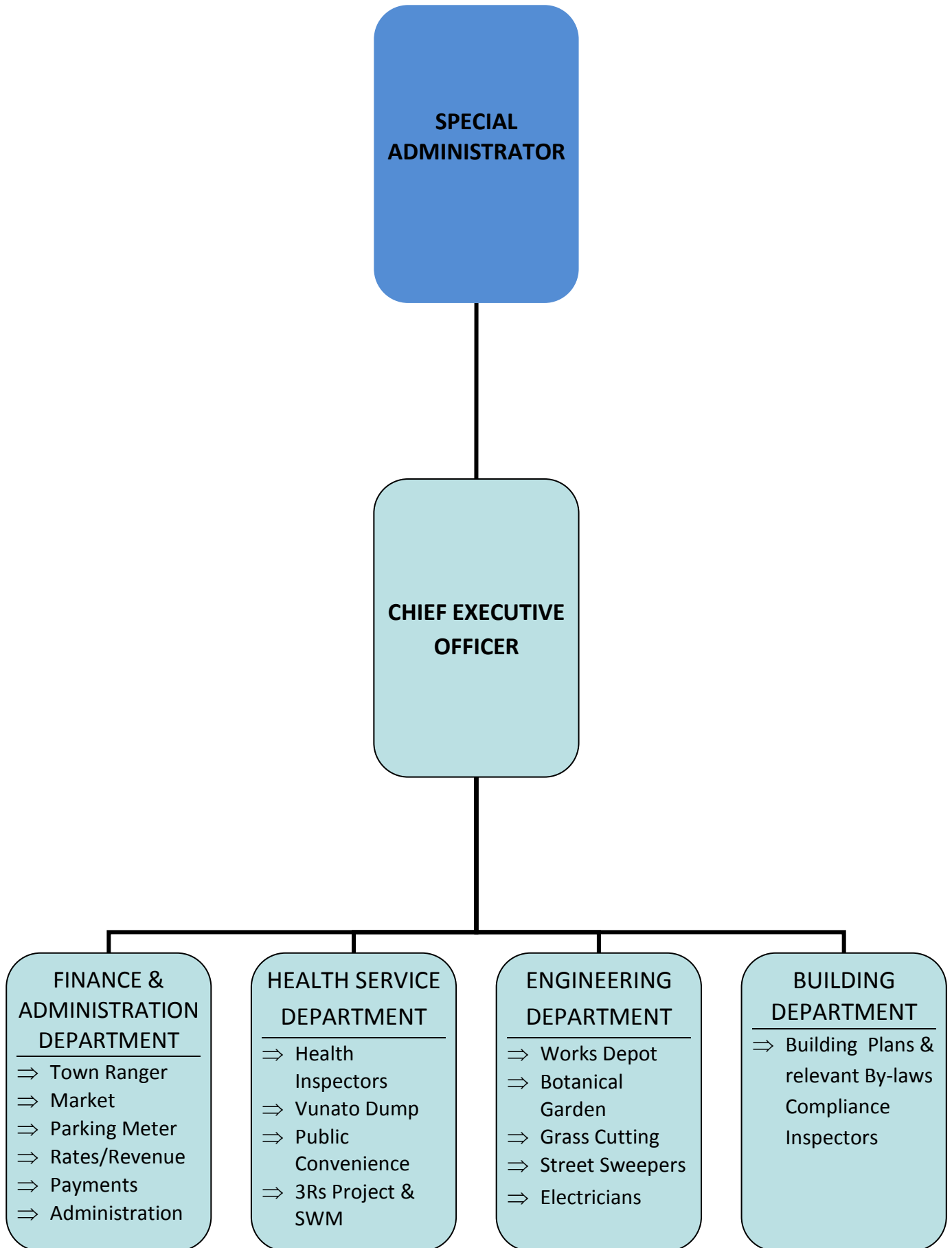
- 1) Mr. Praveen Kumar Bala, former Ba Town Mayor, to be Special Administrator from August 01, 2010 until to date.

3.11 PRINCIPAL OFFICERS:

The following were the principal officers of the council for the year 2011:-

- 1) Chief Executive Officer – *Mr. Jone Nakauvadra* [appointed on 11th Jul, 2011]
- 2) Acting Chief Executive Officer – *Siva Rajan* [1st Jan.-10th Jul, 2011]
- 3) Director Finance & Administration Services - *Shiva Rajan*
- 4) Director Health Services – *Gyneshwar Rao*
- 5) Acting Director Engineering Services - *Rimal Karan*
- 6) Acting Director Building Services - *Shalendra Dass*

4.0 ORGANISATION STRUCTURE



5.0 COUNCIL OVERVIEW

5.1 OUR CORPORATE VISION

To be the best HEALTH, SPORTS & CULTURAL tourism city in the South Pacific

5.2 OUR CORPORATE MISSION

With sugar being synonymous with Lautoka City, the council will continue to promote and facilitate:

- Clean and Healthy Environment
- Safety and Security
- Prosperous Investment
- Better wellbeing of Ratepayers

5.3 OUR CORPORATE GOALS

- (a.) To enhance the quality of life of residents by maximizing their sense of community ownership
- (b.) To protect and encourage a wider appreciation of the city's natural environment
- (c.) To support and promote the city's economy taking into account its social and environmental values
- (d.) To create a city where organic keeps changing; there is room for breathing, moving, memory of past, a pleasant place to live and have a mind for human being
- (e.) To have an affordable city

5.4 2011 TARGET

Strengthen Financial Controls & Income Generating through Prudent Management & Strict Monitoring

5.5 OUR CORPORATE VALUES

- ⇒ Leadership
- ⇒ Integrity
- ⇒ Transparent
- ⇒ Responsible
- ⇒ Cleanliness
- ⇒ Timeliness
- ⇒ Standardization
- ⇒ Customer Delight

6.0 HIGHLIGHTS OF 2011

6.1 LAUNCHING OF THE ENVIRONMENT BUS

On February 02, 2011 the Hon. Col. Samuaela Saumatua, the Minister of Local Government, Urban Development, Housing and Environment launched an “*Environment Awareness Bus*” that serviced the Lautoka-Nadi corridor. The initiative was the group effort of Department of Environment, Lautoka City Council and Nadi Town Council. The launching was held at the carnival ground.

6.2 STATE FUNERAL – LATE TUI VUDA/FORMER PRESIDENT OF FIJI

The council in collaborations with the Punjas Group, the Chamber of Commerce, Retailers Associations, and Municipal Market Vendors Associations with some ratepayers led the traditional “*reguregu*” to Viseisei village to pay its respect to the late Ratu Josefa Iloilo, the *Turaga Tui Vuda* and former President of the Fiji Islands on Tuesday, February 15, 2011.

The business houses in Lautoka voluntarily close down their business for half-day during the funeral day to shows their respect for the passed away of a high chief and prominent figure in Fiji.

6.3 APPOINTMENT OF NEW CHIEF EXECUTIVE OFFICER

The post of the Chief Executive Officer was replenished in July, 2011 with the appointment of Mr. Jone Qio Nakauvadra. Mr. Nakauvadra was with the Fiji Sugar Corporation Limited for the last 30 years and hailed from Namena in Tailevu. He attained Masters of Business Administration from the University of the South Pacific.

6.4 COURTESY TO JAPANESE STUDENTS AT FREEBIRD INSTITUTE

The Special Administrator, Mr. Parveen Bala visited the Japanese students at the Freebird Institute as civic duty of encouraging them and also sympathized with those students that had lost their loved ones during the devastated tsunami that affected Japan.

6.5 MAJOR EVENTS HELD AT THE MAIN CHURCHILL PARK – 2011

	SPORTS	DATES	ORGANISER	EVENT
(a.)	Rugby	12 th Mar.	Digicel Cup Challenge	Lautoka vs. Tailevu
		19 th Mar.	Pacific Rugby Cup	Fiji Warriors vs. Tonga
		23 rd Mar.	Pacific Rugby Cup	Fiji Warriors vs. Samoa
		26 th Mar.	Digicel Cup Challenge	Lautoka vs. Macuata
		16 th Apr.	Digicel Cup Challenge	Lautoka vs. Ovalau
		14 th May	Digicel Cup Challenge	Lautoka vs. Nadroga
		21 st May	Digicel Cup Challenge	Lautoka vs. Navosa
		18 th Jun.	Lautoka Rugby Union	Local Challenge Cup
		13 th Jul.	Pacific Nations Cup	Samoa vs. Tonga Fiji vs. Japan
(b.)	Soccer	22 nd – 27 th Aug.	Fiji Rugby Union	Minor Union Rally Tournament
		15 th Jan.	O’League Match	Lautoka vs. Hekari FC
		26 th Jan.	Champion Series	Lautoka vs. Ba

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	<u>SPORTS</u>	<u>DATES</u>	<u>ORGANISER</u>	<u>EVENT</u>
(b.)	Soccer	05 th Feb.	O'League Match	Lautoka vs. Koloale FC
		05 th Mar.	Fiji Sun/Weetbix NF League	Lautoka vs. Savusavu
		25 th Mar.	Fiji Sun/Weetbix NF League	Lautoka vs. Nadi
		27 th Mar.	Champion Series	Lautoka vs. Rewa
		01 st Apr.	Fiji Sun/Weetbix NF League	Lautoka vs. Labasa
		17 th Apr.	Fiji Sun/Weetbix NF League	Lautoka vs. Suva
		22 nd May	Fiji Sun/Weetbix NF League	Lautoka vs. Olympians U23
		29 th May	Fiji Sun/Weetbix NF League	Lautoka vs. Lautoka
		9 th -13 th Jun.	Fiji Football Association	Vodafone Fiji FACT 2012
		3 rd Jul.	Fiji Sun/Weetbix NF League	Lautoka vs. Tavua
		15 th Jul.	Friendly International Match	Fiji vs. Vanuatu
		28 th Aug.	Fiji Sun/Weetbix NF League	Lautoka vs. Rewa
		18 th Sept.	Fiji Sun/Weetbix NF League	Lautoka vs. Navua
		23 rd Oct.	Fiji Sun/Weetbix NF League	Lautoka vs. Ba
(c.)	Others	18 th Feb.	Fiji Prisons & Correctional Service	Launching of Yellow Ribbon Campaign
		22 nd – 25 th Apr.	Fiji Muslim League	2011 Annual Sports Tournament
		25 th May	United Nation/Fiji Government	Launching of UN Action Plan for Road Safety
		26 th Jun – 1 st Jul	National Farmers Union	Farmers Carnival
		20 th -30 th Jul	Sugar Festival Association	2011 Digicel Sugar Festival Golden Jubilee
		20 th – 28 th Aug	Assembly of God Churches	2012 National AOG Conference
		10 th Oct.	Fiji Government	40 th Anniversary of Independent
		26 th -30 th Oct	Ba Provincial Council	Adi Salusalu Festival
		11 th Nov.	Fiji Ex-Servicemen League	Remembrance Day

7.0 ADMINISTRATION & FINANCE

7.1 LAND VALUATION & RATE

The total unimproved capital valuation of land within the city for rating purposes was \$219,345,550 and the rate levy for 2011 was 1.5261cent in the \$ based on UCV and rates income were as follows:-

RATES	Levy	U.C.V.	Rate Income
	C	\$	\$
General	0.8592	219,074,720	1,882,290
Loan	0.6669	230,491,872	1,537,150
Agriculture	0.185	4,019,600	7,436
			3,426,876

[2010 rate levy 1.5261c and total rate income \$3,424,029.67].

7.2 TOWN RATE COLLECTION

Collection Status	2011 Rate Levy	Arrears	Total Due
Collected to 31.12.2011	2,443,432	1,245,171	3,688,603
Balance	983,444	2,769,143	3,752,587
% Collected	71.30%	31.02%	47.64%
[Same Period 2010] %	66.19%	20.95%	40.37%

7.3 TOWN RATES IN ARREARS

The above arrears of \$2,769,143 were due from as follows:-

(1)	Estate of Deceased Persons	525,583
(2)	Namoli Landholding & Housing Co-operative	594,682
(3)	Absent Landlord	111,179
(4)	Under Receivership	366,205
(6)	Individuals	1,171,494
	TOTAL	2,769,143

7.4 RATE ASSESSMENTS/RATEPAYERS

Total number of town ratepayers for the year ending 2011 is: 8,164

[2010: 8,164]

7.5 RECURRENT REVENUE & EXPENDITURE

The total recurrent revenue and expenditure of the council for the year ending December 31, 2011 were as follows:-

Fund	Revenue	Expenditure	Surplus
	\$	\$	\$
General	6,664,899	5,706,835	958,064
Loan	1,537,150	1,463,221	73,929
Parking Meter	297,932	254,165	43,767
Total	8,499,981	7,424,221	1,075,760

[2010 : 8,118,168 6,984,219 1,133,949]

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7.6 GENERAL FUND INCOME

<u>INCOME TYPE</u>	<u>AMOUNT(\$)</u>
1) Agricultural Rate	7,436
2) General Rate	1,882,290
3) Interest – on overdue rates	114,709
-- investment	52,907
Fees and charges	
4) Amortization of Deferred Income	61,815
5) Building and subdivision	45,688
6) Bus station	85,095
7) Business, trading and other licences	417,553
8) Capital expenditure (undischarged) write off	811,529
9) Contribution from parking meter fund	30,000
10) Fiji National University Grant	280
11) Garbage dump	423,940
12) Market Vendor Fees	929,375
13) Municipal Carpark	87,946
14) Parking lots and facilities	194,257
15) Parks and tennis courts	198,175
16) Plant hire	229,175
17) Provisional Tax Written Off	-
18) Rent from council properties	956,977
19) Sundries	121,697
20) Visit by tourist from Cruise Ships	-
21) Gain on Sale of Council Vehicle – EE303	\$1,283
TOTAL	\$6,652,127

7.7 GENERAL FUND EXPENDITURE

<u>TYPE OF EXPENDITURE</u>	<u>AMOUNT(\$)</u>
1) Advertising	16,392
2) Audit Fees	8,696
3) Bus Station, Civic Building, Depot & Staff Quarters	254,912
4) Contribution – Western Regional Library	-
5) Council Expenses	26,528
6) Cleaning of Navutu & other creeks	-
7) Depreciation	712,532
8) Destruction of stray dogs	20,685
9) Drains Maintenance	455,212
10) Garbage removal service	530,792
11) Hurricane Expenses	-
12) Insurance	37,653
13) Leave Allowance & Passage Grants	955
14) Legal	45,578
15) Market	234,692

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16) Materials for celebrations and costs	27,648
17) Miscellaneous	58,323
18) Mosquito Control	4,728
19) Municipal Carpark	62,322
20) Open Day Expense	-
21) Parks, gardens and multipurpose courts	363,823
22) Plant, equipment, machinery and tools	234,224
23) Postage & Telephone	38,552
24) Printing, Stationery & Office Expenses	107,305
25) Public Convenience	160,439
26) Salaries, Wages & Related Payments	1,055,625
27) Sick, Accident and Holiday Pay	66,347
28) Street & Gutter Cleaning	203,044
29) Street names and traffic signs	37,266
30) Street, Footpaths & Verges	418,198
31) Streetlights	409,838
32) Subscriptions	2,155
33) Town Cleaning Campaign	5,474
34) Traffic Lights	19,057
35) Valuation fees and expenses	87,840
Total	\$5,706,835
Excess of Income over Expenditure	\$945,292

7.8 LOAN RATE FUND

		\$	\$
Income	- Loan Rate	1,537,150	
			<u>1,537,150</u>
Expenditure	- Interest	651,692	
	- Principal repayment	811,529	
			<u>1,463,221</u>
Net surplus for the year			<u>73,929</u>

7.9 CURRENT LOAN

The council's loan liability on December 31, 2011 amounted to **\$9,228,992**

7.10 CAPITAL EXPENDITURE

The total capital expenditure of the council for the fiscal year ending December 31, 2011 was

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Fund	Total Expenditure
General	\$801,260
TOTAL	\$801,260
[2010:	\$213,900]

7.12 CAPITAL WORKS

The council carried out capital works to the value of **\$801,260** and the details are as follows:-

i. Office Equipment, Furniture and Fittings	\$ 3,229
ii. Plant and Equipment	\$ 5,089
iii. Roads	\$ 354,295
iv. Land and Building	\$ 285,836
v. Motor Vehicles	\$ 140,000
vi. Drain	\$ 12,811
<u>TOTAL CAPITAL WORKS</u>	<u>\$ 801,260</u>

7.10 PARKING METER FUND:

Revenue	\$	\$
1) Meter Tolls	64,947	
2) Infringement Fines	203,732	
3) Parking Meter Fees	29,253	
		297,932
Expenditure	\$	\$
1) Administrative charges to general fund	30,000	
2) Commission to Car Park	700	
3) Depreciation	9,093	
4) Interest on Loan	4,851	
5) Marking on Parking Bays	1,409	
6) Meter Maintenance	53,881	
7) Miscellaneous	3,679	
8) Office Rent	5,700	
9) Postage	3	
10) Printing & Stationery	5,673	
11) Salaries, Wages and Related Payments	139,176	
		254,165
<u>Net surplus for the year</u>		<u>43,767</u>

8.0 PUBLIC HEALTH & ENVIRONMENT

8.1 ESTABLISHMENT:

1 Director Health Services
 1 Manager Health Services
 1 Senior Health Inspector
 4 Health Inspectors
 1 Secretary

8.2 LICENCES/REGISTRATION OF PREMISES:

<u>Types of Business</u>	<u>No. of Licences</u>
Hotels/ Guest Houses	9
Restaurant and Refreshment Bars	4
Refreshment Bars/Takeaways	76
Restaurant with Liquor Licence	9
Refreshment Bars	38
Bake House	18
Butcher Shop	12
Aerated Water, Ice Cream Factories	2
Confectionery/Sweet Meat Factories	2
Theatres	4
Hairdresser/Barbershop/Chiropodists	37
Billiard Tables/Amusement Centre	4
Laundries	1
Masseur	1
Dance Halls/Night Clubs	2
Hawkers	19
Fish Retail	4
Food Processing	3
<u>Total</u>	<u>235</u>

[2010: 193]

8.3 HAWKERS:

<u>Types of Business</u>	<u>No. of License</u>
Ice Cream Cart	6
Roasted Peanuts	5
Sweetmeat Cart	3
<u>Total</u>	<u>19</u>

[2010: 14]

8.4 SUMMARY OF INSPECTIONS

Type of Inspections		Nos. Existing	Total Inspection	Total Re-inspection	Total
01	House to house inspection of district	-	5,893	3,497	9,390
02	Investigation of complaints nuisance, food etc.	-	1,372	865	2,237
03	Hotels, Guest Houses or Private Hotels	7	74	128	202
04	Swimming Pools	8	46	30	76
05	Laundries	2	15	7	22
06	Hairdresser & Chiropodists	22	304	229	533
07	Restaurants, Refreshment Bars, Takeaways	142	919	580	1,499
08	Food shops, Food stores, Supermarkets & Market	27	303	181	484
09	Spice Pounding	4	43	29	72
10	Bake Houses	14	208	146	354
11	Butcher shops	12	113	86	199
12	Food Kitchens	3	34	21	55
13	Aerated Water, Ice & Ice-cream Factories	3	22	14	36
14	Food Vehicles & Carts & Food stalls	39	181	135	316
15	Food Processing Factories	9	56	36	92
16	Bulk stores	63	191	136	327
17	Premises Inspected for Business License	-	13	9	22
18	Inspection of Vacant Lots	-	1,062	760	1,822
19	Hawkers for License	-	14	10	24
20	Factories & Workshops	113	539	284	823
21	Schools & Kindergartens	45	167	84	251
22	Theatres	6	42	28	70
23	Dance Halls & Night-clubs	4	35	21	56
24	Billiard Rooms	9	54	34	88
25	Public Conveniences	13	561	460	1,021
26	Sanitary Drains & St. Drains	-	552	431	983
27	Parks, Streets & Road Reserves	-	597	593	1,190
28	Works Orders sent to Director Engineering Services/P.W.D.	-	66	52	118
29	Refuse Survey	-	-	-	-
30	Derelict Vehicles on-Roadside/Compound	-	9	8	17
31	Survey of Litter Bins	24	185	113	298
32	Club Houses	6	30	17	47
		Total	13,700	9,024	22,724
		[2010:	17,533	14,459	31,992]

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8.5 SUMMARY OF SANITARY IMPROVEMENTS, ETC.

Improvement Works		Ordered	Completed	Total
01	Filling in of insanitary pit privies	5	-	5
02	Repairing or cleaning or fly-proofing of privies	17	13	30
03	Repairs, cleansing or improvements to drains	25	24	49
04	Repairs, cleansing of bathroom/washing places	8	10	18
05	Public or street drains referred to Director Engineering Services for maintenance & cleaning	93	71	164
06	Clearing of sewer line blockage	104	104	208
07	Repairs to Septic Tank & Water closet	9	6	15
08	Repairs to rubble drain and soakage pit	1	1	2
09	Reconnection of water supply	7	7	14
10	Removal of accumulation of refuse/litter-other s	1,134	1,011	2,145
11	Renewal or provision of garbage pans or lids	266	233	499
12	Clearing of overgrowth of weeds and long grass	761	236	997
13	Abatement of mosquito breeding	112	101	213
14	Abatement of nuisance from poultry	53	8	61
15	Abatement of nuisance from animals	17	4	21
16	Repairs or improvements to hotels, guest houses or private hotels	29	20	49
17	Repairs, cleansing or improvements to restaurants or refreshment bars	129	92	221
18	Repairs, cleansing or improvements to food stores, supermarkets and market	125	91	216
19	Cleansing or improvement to food vehicles and carts	35	34	69
20	Repairs, cleansing or improvements to butcher shops	53	35	88
21	Repairs, cleansing or improvements to bake houses	45	30	75
22	Repairs, cleansing or improvements to aerated water/ ice cream factory	18	17	35
23	Repairs, cleansing or improvements to hairdressers shop	55	43	98
24	Repairs , cleansing or improvement to theatres/dance halls	21	14	35
25	Repairs, cleansing of laundries	9	8	17
26	Repairs, cleansing of food kitchens	6	2	8
27	Provision of ventilation	-	-	-
28	Cleansing or improvements to schools and kindergartens	16	22	38
29	Derelict vehicles – removal	18	20	38
30	Public Conveniences – cleansing/repairs	77	58	135
31	Sewer connections	3	-	3
32	Dead Animals for removal referred to contractor	129	122	251
<u>TOTAL</u>		3,380	2,437	5,817
[2010:		2,771	2,260	5,031]

8.6 WRITTEN NOTICES ETC. ISSUED

Number of intimation notices issued	1,028
Number of statutory notices issued	39
Number of poultry and animal notices issued	55
Number of notices in letter form issued	355
Number of Litter Notices Issued	85
Number of Summons Served	2
Total	1,424

[2010: 1,430]

8.7 SPECIAL HOUSEHOLD DRAINAGE INSPECTION

Total number of inspections	164
Number completed satisfactorily	78
Number connected to sewer	160
Number connected to septic tank	-
Total	402

[2010: 410]

8.8 BUILDING PLANS PROCESSED:

Total Number of Plans Processed: 374 [2010: 429]

8.9 UNSOUND FOOD ITEMS CONDEMNED AND DESTROYED

Articles	Quantity
Frozen Chicken [Breast]	0.001 tons
Confectionary	0.009 tons
Spices	0.002 tons
Rice	0.2 tons
Lentils, Dhal, Besan	21.59 tons
Fruits & Vegetables [Fresh & Tin Packed]	0.17tons

8.10 DISPOSAL OF DEAD ANIMALS

Number of dead dogs disposed at the dump: 350 [2010: 423]

Number of dead cats disposed at the dump: 102 [2010: 142]

8.11 GARBAGE/REFUSE AND OTHER WASTE DISPOSAL

The garbage collection and removal services were carried out by contractors and all wastes disposed at the council's dump including refuse from market. All other refuse arising from the cleaning of streets, gutters, drains, grass cutting, moving of road verges and parks by the council and contractors together with all residential garden refuse and other such matters arising from private, commercial, industrial premises including condemned foods and dead animals were disposed at the council's dump.

The garbage from Nadi Town Council and other Industrial/Commercial premises in Lautoka/Nadi Rural including Island resorts were also disposed in the dump. The private

contractors also disposed industrial/commercial waste from Nadi and Ba into the rubbish dump.

Total number of loads of refuse disposed at the council's dump was **10,610 loads** during the year amounting to **24,796.60 tons**.

[2010: 12,328 loads]

8.12 MUNICIPAL GARBAGE DUMP

The garbage dumpsite is at Vunato. There are 1 full-time attendant, 3 3R project workers, 1 heavy machine operator and 5 securities at the dump deployed for general supervision of all garbage disposals and the collection of dumping fees and providing of security for 24 hours. The area is low-lying mangrove swamp and the method of disposal is by controlled tipping. The total area of the dump site is 16 hectares.

The dump has been regularly sprayed against flies by council employees.

8.13 WASTE MINIMIZATION AND RECYCLING PROMOTION PROJECT

The council continued with the implementation of the “**Waste Minimization and Recycling Promotion Project in the Republic of Fiji Islands**” or referred to as the “3R Project” under the technical cooperation of JICA for a term of three and half years which commenced in October 2008. The project was implemented to strengthen the capacity of Lautoka City to promote waste minimization.

The comprehensive approach was significant towards great achievement of the project. First for all, Solid Waste Management (SWM) Plans for both the councils were formulated after conducting series of baseline surveys to grasp the existing situation and issues relating to SWM. Based on the plans, waste minimization practices like; home-compositing, market waste compositing, clean schools program, separate collection of recyclables and green waste collection and chipping were proposed and implemented through 3R Pilot projects to examine the applicability, sustainability and expandability of these initiatives.

Wide range of educational tools were developed under the project which were utilized for extensive awareness raising to citizens through house to house visits, community meetings etc. Based on the validity and lessons learnt from the pilot projects, two councils expanded 3R activities to other areas to within the jurisdiction.

In addition to above activities, operation and management of Vunato Disposal Site (VDS) in Lautoka was significantly improved including the establishment of weighbridge system and the adoption of ‘Open Evaporation Method’ of land filling.

Based on the experiences gained in two councils, a 3R Guideline has been developed as a national policy to promote 3R activities nationwide and a 3R Promotion Manual as a handbook to put 3R activities into practice. Legislation is also being drafted to regulate the recycling initiatives to ensure sustainability of the project.

The capacity building of C/P's developed through baseline study and Pilot Project by experiencing try & errors and the optimal use of the equipments procured was significant to success of the 3R Project. The experiences of this project will be further expanded to other municipalities in Fiji and then other countries in the Pacific Region.

8.14 SUPERVISION OF CONTRATUAL WORKS

The Health Department supervised garbage collection and disposal, market cleaning, garden refuse collection and fourteen [14] public convenience cleaning.

8.15 MOSQUITO CONTROL WORKS

(a.) Survey Works: Larval

During the year, as part of mosquito control works, monthly survey and four (4) sentinel survey works were carried out in order to monitor the density of mosquito population in the city. Specimen of larva was collected and identification was carried out by Health Department inspectorate to ascertain the presence of vector responsible for the spread of dengue fever and Ross River fever. Copies of reports were sent to Ministry of Health.

(b.) Mosquito Spraying

The anti-mosquito spraying was carried out in the city area in collaboration with Ministry of Health in order to control a possible outbreak of Dengue Fever in December 2011. The entire exercise lasted for 12 days and involved 3 staffs from council’s Health Department and 2 personnel from Ministry of Health.

(c.) Spraying in Private Premises

The spraying of private residential premises and industrial premises was also carried out for the destruction of mosquitoes. A total of 50 private premises were sprayed during the year.

(d.) Other Control Measures

Routine house-to-house visits by the inspectorate staff to check likely mosquito breeding grounds on the premises were carried out throughout the year. The residents were advised on source reduction by destruction of mosquitoes’ breeding grounds. Also emphasis was placed on the clearing of vacant lots and compounds with overgrown grass.

8.16 FLY CONTROL AT MARKET

The market and bus terminal area were sprayed against house flies and blow flies by using suitable knock down insecticides.

8.17 ANTI-LITTER WORK

The Litter Promulgation 2008 was enforced by the council’s Litter Prevention Officers. Verbal warnings were given and on the spot fines were also imposed as provided in the Degree.

Number of fixed penalty notices and notice to attend court served	85
Number of offenders paid on spot fines	85
Number warned	1,103

8.18 LEGAL PROCEEDINGS

Offences committed by various persons under Public Health Act Cap 111 were referred for legal action.

(a.) Overgrowth of Grass

Legal proceedings were instituted against two (2) people for permitting vacant land to become overgrown with long grass and bush weed.

(b.) Contravention of Lautoka (Animals) By-Laws Cap. 111

Legal proceedings were instituted against one (1) person for keeping animals.

9.0 TOWN PLANNING/ZONINGS/SUBDIVISION

9.1 CHANGES TO ZONING

The following applications for rezoning were received during the year 2011:-

<u>Applicant</u>	<u>Subject Area</u>	<u>Nature of Amendment</u>
1. Cadastral Solutions	Proposed Rezoning of Lot 1, DP.2321, NL.25531 for Mr. Sant Kumar	Residential to Commercial
2. Peceli Methodist Church	Proposed Rezoning of Lots 5-8, SO.1434, Sukanaivalu Road	Civic & Residential to Commercial
3. Patson & Associates	Proposed Rezoning of Lots 97 & 98, ND. 4843, Calcutta Street formerly known as Waiyavi Kali Temple	Residential B to Civic (Special Use/Religious)
4. Challenge Engineering Ltd	Proposed subdivision of Nabare (Pt. of) S/D Lot 2, Vomo Street, Lautoka	Residential B to Commercial
5. John Shannon & Sidney Shannon	Proposed rezoning of Bal. Lot3, DP.5247, Tavewa Avenue	Residential A to Special Use (Hotel Development)

9.2 SCHEME PLANS:

<u>Applicant</u>	<u>Location</u>
1. Housing Authority	Housing Authority Subdivision, Tavakubu Stage 6, Balance of (Part of DP 4945) Lautoka
2. Lautoka City Council	Subdivision of Shirley Park
3. Dr. Mukesh Bhagat	Proposed scheme plan, Lot 5, ND 3194 (Section 18) Drasa Avenue, Lautoka

9.4 CITY BOUNDARY AREA AND PRESENT ZONING

The city has a total area of 1,607 ha and the zoning is as follows:-

Residential A	131 ha	
Residential B	272.2 ha	
Residential C	194.6 ha	
Residential D	69.6 ha	
	667.9 ha	(42%)
Commercial A	6 ha	
Commercial B	18.1 ha	
Commercial C	1.6 ha	
	25.7 ha	(2%)
Industrial Light	165 ha	
Industrial Heavy	148.2 ha	
Industrial Noxious	23.3 ha	
	336.5 ha	(21%)
Civic	184 ha	(11%)
Special Use	16 ha	(1%)
Open Space	174 ha	(11%)
Rural	17 ha	(1%)
Roads	185.8 ha	(11%)
TOTAL	1,606.9 ha	

10.0 PARKS & GARDENS

10.1 CHURCHILL PARK

Churchill Park ground no.1 was closed down from 1st November, 2011 to allow re-turfing of playing field arena. The re-turfing works was necessary, so that high standard turf is maintained as our Churchill Park is being earmarked for international sporting events in Fiji for year 2012. The park turf is planted with Santa-Ana couch replacing the Bermuda couch.

10.2 BOTANICAL GARDENS

Continuous up-keep and maintenance of botanical garden inclusive turf nursery, fish pond and potted plants nursery. Approximately 10,000 potted plants from the nursery were used on the beautification works with the city.

The council has a composting shed within the vicinity of Botanical garden whereby grass cuttings, fallen leaves and chipped tree branches are composted for our beautifications works and for the ratepayer's usage with the cost of \$3.00 per 10kg bag. Approximately 100 tons composts have been produced from the Botanical garden.

10.3 BEAUTIFICATION WORKS

The construction of a man-made miniature water fall at the corner of Drasa Avenue and Thompson Crescent beside the Botanical Garden is part of the beautification works that would attracts tourist and also part of the city landmarks. It also enhanced the outlook of the area after the Department of National Road in partnership with the Council constructed a cemented roundabout.

10.4 INTERNATIONAL YEAR OF FOREST/ 2011 ARBOR WEEK

The council celebrated International Year of Forest with its stakeholders on April 13, 2011 at the MN Naidu Road Creek Reserve and also commemorated the opening of 2011 Arbor Week. It was encouraging to note the presences of the Taukei Vidilo, members of the business community, statutory bodies, school children and senior citizen of Lautoka in planting 87 seedlings on the subject area as part of the *One Million Trees Planting National Campaign* in conjunction with Ministry of Forestry's initiative.

11.0 BUILDING WORK

11.1 ESTABLISHMENT

- 1 Director Building Services (Vacant)
- 1 Manager Building Services
- 1 Senior Building Inspector
- 2 Building Inspectors

11.2 SUMMARY OF BUILDING APPLICATIONS RECEIVED

	<i>Nos.</i>	Amount (\$)
Commercial Buildings	01	2,800,000
Industrial Buildings	03	3,152,835
Residential Buildings	44	3,508,195
Civic and Special Use	04	475,265
Alterations & Repair	127	7,593,036
Miscellaneous: retaining walls, fence, sewer connections, etc	60	666,102
TOTAL	239	18,195,433

[2010: (262) (8,367,243)]

11.3 SUMMARY OF BUILDING PERMITS ISSUED:

	<i>Nos.</i>	Amount (\$)
Commercial Buildings	01	2,800,000
Industrial Buildings	05	4,727,646
Residential Buildings	38	3,078,990
Civic and Special Use	01	140,000
Alterations & Repair	97	6,750,677
Miscellaneous: retaining walls, fence, sewer connections, etc.	53	492,999
TOTAL	195	17,990,312

[2010: (236) (10,238,772)]

11.4 SUMMARY OF COMPLETION CERTIFICATES ISSUED:

	<i>Nos.</i>	Amount (\$)
Commercial Buildings	03	3,975,350
Industrial Buildings	01	1,058,453
Residential Buildings	14	1,120,767
Civic and Special Use	01	22,554
Alterations and Repairs	43	4,794,815
Miscellaneous: retaining walls, fence, sewer connections, etc.	04	26,238
TOTAL	66	10,998,177

[2010: (59) (2,860,814)]

11.5 NON-CONFORMING AND ILLEGAL DEVELOPMENTS

- Case Completed 16 (5)
- Cases Attended 04 (22)
- Court Cases Notices Issued 49 (45)

11.6 OUTLINE APPLICATIONS PROCESSED – 15(11)

11.7 TOTAL BUILDING INSPECTIONS – 1,375(1,343)

11.8 TOTAL BUILDING FEE COLLECTED - \$51,328.60 (\$36,548.60)

(Note: Figures in bracket are for corresponding period last year)

12.0 OTHER CIVIC RESPONSIBILITY

12.1 BUSINESS LICENSING

The council is the licensing authority under:

- Business Licensing Act, Cap.124
- Second Hand Dealers Act, Cap.238
- Cinematographic Films Act, Cap.271
- Petroleum Act, Cap 190

During the year the council had issued a total of 2,100 business licence and total revenue was \$351,901

12.2 FAIR RENT

The Town Clerk/Chief Executive Officer is the fair rents officer under the provisions of Fair Rent Act, Cap.269 for the city. During the year the fair rent officers received no application for fair rent assessment.

13.0 SERVICES OUTSOURCING

Services	Contractor
1. Garbage Removal	- <i>S. Adam Transport</i>
2. Street Sweeping – Area A	- <i>Casual Labourers</i>
3. Street Sweeping – Area B	- <i>Suresh Chand</i>
4. Traffic Light Maintenance	- <i>Bethel Electric Service Ltd</i>
5. Market Cleaning	- <i>Ashok Kumaran</i>
6. Public Convenience Cleaning	- <i>Tavaita Beranaliva – Kamikamica Park</i> - <i>Josega Sokovagone – Drasa / Vitogo Ground</i> - <i>Sheik Mehmood – IYC Park</i> - <i>Suriya Pillay – Narara Parade</i> - <i>Suruj Kumari – Bus Station / Market</i> - <i>Suruj Kumari – New Market</i> - <i>Abdul Khalil – Nadovu Park</i> - <i>Sheik Azmat Sahib – Field 40 Ground</i> - <i>Suruj Kumar – Shirley Park</i> - <i>Sheik Azmat Sahib – Sugar City Mall</i>
7. Churchill Park Floodlights Maintenance	- <i>Modern Electric Company</i>
8. Fuel & Oil Supply	- <i>B.P. (SWP) Limited</i>
9. Street Lights	- <i>Council's Electrician</i>
10. Park Works	- <i>Casual Labourers</i>
11. Collection of Refuse	- <i>Ravin Kumar</i>

LAUTOKA CITY COUNCIL – 2011 ANNUAL REPORT

12. Botanical Garden - Labour Supply	- <i>Casual Labourers</i>
13. Supply of Toilet Tissues	- <i>C.J.Patel & Co Ltd</i>
14. Towing of Vehicles	- <i>Great Kiwi Deal Ltd</i>
15. Drain Cleaning & Grass Cutting	<ul style="list-style-type: none"> - <i>Mohammed Kamal – Waiyavi Area A</i> - <i>Ambika Prasad – Waiyavi Area B, C & D</i> - <i>Abdul Rafiq – Tavakubu Area A</i> - <i>Emmanuel Sami – Tavakubu Area B</i> - <i>Ram Prasad – Tavakubu Area C</i> - <i>Counci Labourers – Tavakubu Area D</i> - <i>Jai Govind – Veitari Area A</i> - <i>Ashok Kumaran – Veitari Area B</i> - <i>Sarwan Kumar – Veitari Area C</i> - <i>Mohammed Kamal – Veitari Area D</i> - <i>Emmanuel Sami – Veitari Area E</i> - <i>Ram Chandra– Simla Area A</i> - <i>Ashok Kumaran – Simla Area B</i>
16. Security Services	<ul style="list-style-type: none"> - <i>Churchill Park (Soccer Matches) – All Time Security Services Ltd</i> - <i>Sugar City Mall – All Time Security Services Ltd</i> - <i>Civic Center – ADT Security Alarm System</i>

14.0 VISITING DIGNITARIES

	<u>NAME</u>	<u>DESIGNATION</u>
1)	Hon. Cmdr. Josaia Voreqe Bainimarama	Prime Minister, Minister for Finance, National Planning, Public Service, Provincial Development, Sugar Industry, Lands & Mineral Resource, Multi-Ethic & Indigenous Affairs
2)	Hon. Colonel Samuela Saumatua	Minister for Local Government, Urban Development, Housing & Environment
3)	Brid.Gnl. Iowane Naivalurua	Commissioner of Police
4)	Lt. Col. Ifereimi Vasu	Commissioner of Fiji Prisons & Correctional Service
5)	Ms. Sadako Ogata	President of Japan International Cooperation Agency (JICA)
6)	Mr. Lin Fenzhin led the Tianhe District of China	Director Overseas Chinese and Foreign Affairs Officer of Tianhe District Guanzhou Municipality
7)	Mr. Shalendra Prasad	Marketing General Manager for Vodafone Fiji

15.0 HUMAN RESOURCE/INDUSTRIAL RELATIONS

15.1 At the end of the year, the council had following employees on its payroll:-

Department	Staff	Un-established	Total
Town Clerk's	22	2	24
City Engineer	8	60	68
Building	4	-	4
Public Health	9	8	17
Parking Meter/Car Park	14	-	14
Total	57	70	127

[2010: 58 71 129]

15.2 RETIREMENT

Un-established: - Mr. Amar Singh

15.3 RESIGNATION

Staff: - Mrs. Nicolas Mathais [Receptionist]
Mr. Vijesh Prasad [Manager Administration Service]

15.4 TERMINATED

Un-established: - Mr. Panapasa Naicoka

15.5 INDUSTRIAL MATTERS - None

15.6 OBITUARY

Staff: - Mr. Deo Kumar [Market Attendant]
Mr. Ponsamy Mudaliar [Market Master]

15.7 TRAINING – LOCAL (STAFF)

1. Maintenance Supervisor-Mr. Mirza Kaleem Begg attended *TPAF's Fundamentals on Project Management Course* at their Lautoka Center from March 3rd & 4th, 2011
2. Director Finance & Administration Service - Mr. Shiva Rajan, Cost/Payment Clerk – Mrs. Devika Prasad and Accounts Clerk – Mr. Abdul Israaz Khan attended *Internal Control System & Awareness Workshop for Municipalities* conducted by Ministry of Local Government at Lautoka City Council's Chamber from May 18th & 19th, 2011
3. Senior Health Inspector – Mr. Shalend Prem Singh and Health Inspector – Mr. Mithun Prasad attended *Participation at Sustainability Learning and Action Forum* conducted by University of Fiji at Saweni, Lautoka from June 15th & 16th, 2011.
4. Rates Clerk – Mr. Irinale Nabalarua and Accounts Clerk – Mr. Abdul Israaz Khan attended *Financial Management Workshop for Municipalities* conducted by Ministry of Local Government at Suva City Council's Chamber from November 29th & 30th, 2011

15.8 TRAINING (OVERSEAS)

1. Special Administrator - Mr. Parveen Bala attended the *Preparation Phase for Expo Garden in Chongqing, China* from April 14th - 22nd, 2011.
2. Chief Executive Officer - Mr. Jone Nakauvadra, Health Inspector – Mr. Mithun Rajendra Prasad & Health Inspector – Ms. Ronika Mishra attended the *Counterpart Training Programme for Promotion of Shibushi Model, Japan* from September 9th – 19th, 2011
3. Special Administrator - Mr. Parveen Bala and Horticulturist – Mr. Shri Charan *Visit to Garden City in Chongqing, China* from October 19th – 22nd, 2011
4. Special Administrator – Mr. Parveen Bala attended *Opening of Garden Expo in Chongqing, China* from November 17th – 21st, 2011

16.0 APPRECIATION

The council wishes to convey its appreciation and gratitude to the ratepayers for paying their rates and other dues to meet the running cost of the city administration.

The council also wishes to acknowledge the dedicated and loyal services rendered by its staff and employees.

Mr. JONE Q. NAKAUVADRA
CHIEF EXECUTIVE OFFICER

Mr. PRAVEEN K. BALA
SPECIAL ADMINISTRATOR



8th Floor, Ratu Sukuna House,
MacArthur Street,
P. O. Box 2214,
Government Buildings,
Suva, Fiji Islands.

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Excellence in Public Sector Auditing

File: 1300

8 March 2013

Praveen Bala
Special Administrator
Lautoka City Council
P. O. Box 124
LAUTOKA

Dear Mr. Bala

**AUDITED ACCOUNTS OF LAUTOKA CITY COUNCIL
FOR THE YEAR ENDED 31 DECEMBER 2011**

The audited financial statements of the Lautoka City Council for the year ended 31 December 2011, together with my audit report on them are enclosed.

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

Yours sincerely

Tevita Bolanavanua
AUDITOR GENERAL

cc: Mr. Jone Nakauvadra, Chief Executive Officer, Lautoka City Council, Lautoka.

Encl.

LAUTOKA CITY COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

**LAUTOKA CITY COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

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LAUTOKA CITY COUNCIL
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011
INDEPENDENT AUDIT REPORT

Scope

I have audited the financial statements of Lautoka City Council for the year ended 31 December 2011 in accordance with section 13 of the Audit Act (Cap 70) and the provisions of the Local Government Act. The Council is responsible for the preparation of the financial statements and the information contained therein. The financial statements consist of the Balance Sheet, Income Statement, Statement of Cash Flows and the accompanying notes.

I have conducted an independent audit of these financial statements in order to express an opinion on them.

My audit has been conducted in accordance with the Fiji Standards on Auditing to provide reasonable assurance as to whether the financial statements are free of material misstatements. The audit procedures included examination on a test basis, or evidence supporting amounts and other disclosures in the financial statements and the evaluation of the accounting policies. These procedures were undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly and in accordance with the Fiji Accounting Standards and statutory requirements so as to present a view which is consistent with my understanding of the Council's financial position and results of its operations and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Qualification

Rate debtors amounting to \$4,860,809 could not be substantiated as the Council did not provide proper reconciliation. Accordingly, the accuracy and completeness of the rate debtors as at 31 December 2011 could not be ascertained.

Qualified Audit Opinion

In my opinion, except for the matter discussed in the qualification paragraph, the financial statements present fairly, in accordance with Fiji Accounting Standards, the financial position of the Lautoka City Council as at 31 December 2011 and the results of its operations for the year then ended.

Without further qualifying the financial statements, attention is drawn to the following matters:

- (a) The Council did not comply with the requirements of the International Financial Reporting Standards while preparing the financial statements for 2011.
- (b) Property, Plant and Equipment have not been revalued in accordance with Fiji Accounting Standard (FAS) 16 *Property, Plant and Equipment*.

Tevita Bolanavanua
AUDITOR GENERAL

Suva, Fiji

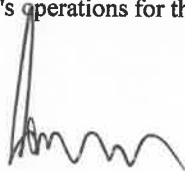
8 March 2013



**LAUTOKA CITY COUNCIL
GENERAL FUND
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2011**

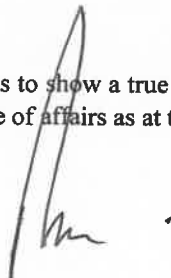
COUNCIL'S STATEMENT

In our opinion the financial statements have been properly drawn up so as to show a true and fair view of the Lautoka City Council's operations for the year ended 31 December 2011 and of the state of affairs as at that date.



.....
Jone Nakauvadra
Chief Executive Officer

Date: 4-03-2013



.....
Praveen Bala
Special Administrator

Date: 4-03-2013

LAUTOKA CITY COUNCIL
STATEMENT OF FINANCIAL POSITION - GENERAL FUND
AS AT 31 DECEMBER 2011

	Notes	2011 \$	2010 \$
Current Assets			
Cash on hand	2	325,051	1,000
Term deposit	3	1,496,385	702,120
Receivables	4	4,233,385	4,438,275
Inventories	5	40,588	39,507
Other assets	6	7,265	9,101
Total current assets		<u>6,102,674</u>	<u>5,190,003</u>
Non-Current Assets			
Property, plant and equipment	7	<u>55,838,285</u>	<u>55,750,777</u>
Total non-current assets		<u>55,838,285</u>	<u>55,750,777</u>
TOTAL ASSETS		<u>61,940,959</u>	<u>60,940,780</u>
Current Liabilities			
Bank overdraft	2	-	209,067
Creditors	8	780,343	687,070
Provisions	9	622,512	660,324
Term loans	10	741,721	646,850
Deferred Income		548,246	610,061
Total current liabilities		<u>2,692,822</u>	<u>2,813,372</u>
Non-Current Liabilities			
Term loans	10	<u>8,410,942</u>	<u>8,325,434</u>
TOTAL LIABILITIES		<u>11,103,764</u>	<u>11,138,806</u>
NET ASSETS		<u>50,837,195</u>	<u>49,801,974</u>
Municipal Funds			
Accumulated general fund (Page 8)		1,909,034	963,742
Loan rate fund (Page 9)		227,240	153,311
Car park fund	11	228,832	212,832
Reserves	12	48,472,089	48,472,089
TOTAL MUNICIPAL FUNDS		<u>50,837,195</u>	<u>49,801,974</u>

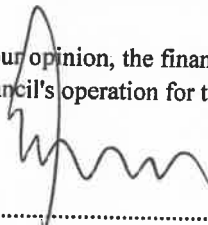
The accompanying notes form an integral part of this statement of financial position.

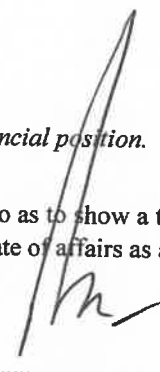
**LAUTOKA CITY COUNCIL
STATEMENT OF FINANCIAL POSITION - PARKING METER FUND
AS AT 31 DECEMBER 2011**

	Notes	2011 \$	2010 \$
Current Assets			
Cash	2	461,082	401,278
Total current assets		<u>461,082</u>	<u>401,278</u>
Non-Current Assets			
Property, plant and equipment	7	105,097	114,190
Total non-current assets		<u>105,097</u>	<u>114,190</u>
TOTAL ASSETS		<u>566,179</u>	<u>515,468</u>
Current Liabilities			
Creditors and borrowings	8	18,047	2,575
Provisions	9	19,530	22,479
Term loans	10	4,843	4,430
Total current liabilities		<u>42,420</u>	<u>29,484</u>
Non-Current Liabilities			
Term loans	10	71,486	77,478
Total non-current liabilities		<u>71,486</u>	<u>77,478</u>
TOTAL LIABILITIES		<u>113,906</u>	<u>106,962</u>
NET ASSETS		<u>452,273</u>	<u>408,506</u>
ACCUMULATED FUNDS (Page 10)		<u>452,273</u>	<u>408,506</u>

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

In our opinion, the financial statements have been properly drawn up so as to show a true and fair view of the Lautoka City Council's operation for the year ended 31 December 2011 and of the state of affairs as at that date.


.....
Jone Nakauvadra
Chief Executive Officer


.....
Praveen Bala
Special Administrator

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

	Notes	2011 \$	2010 \$
INCOME			
Agricultural rate fees		7,436	7,436
Amortization of Deferred Income		61,815	74,587
Building and subdivision fees		45,688	40,895
Bus station fees		85,095	78,268
Business, trading and other licenses fees		417,553	351,901
Capital expenditure (undischarged) write off		811,529	685,523
Contributions from parking meter fund		30,000	30,000
Fiji National Training Council (TPAF) grant		280	-
Garbage dump fees		423,940	377,498
General rate fees		1,882,290	1,881,142
Interest - overdue rates		114,709	33,362
- investment		52,907	41,219
Market vendor fees		929,375	784,592
Municipal car park fees		87,946	104,163
Parking lots and facilities fees		194,257	134,885
Parks and tennis courts hire fees		198,175	168,877
Plant hire fees		229,175	251,805
Provisional tax written off		-	248,301
Rent from council properties		956,977	906,849
Sundries		121,697	82,345
Visits by tourists from cruise ships		-	1,383
Gain on Sale of Council Vehicle		1,283	-
Total income		<u>6,652,127</u>	<u>6,285,031</u>
EXPENDITURE			
Advertising		16,392	10,398
Audit fees		8,696	8,924
Bus station, civic building, depot and staff quarters		254,912	235,846
Cleaning of Navutu and other creeks		-	2,667
Contribution – Western Regional Library		-	409
Council expenses		26,528	29,942
Depreciation	14	712,532	725,995
Destruction of stray dogs		20,685	4,372
Drains maintenance		455,212	481,974
Footpath		-	-
Garbage removal service		530,792	482,333
Hurricane Expenses		-	8,660
Insurance		37,653	38,900
Leave allowance and passage grants		955	3,508
Legal		45,578	29,532

LAUTOKA CITY COUNCIL
STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 \$	2010 \$
Market		234,692	193,341
Materials for celebrations and costs		27,648	15,363
Miscellaneous		58,323	39,828
Mosquito control		4,728	7,932
Municipal car park		62,322	35,526
Open day expenses		-	2,290
Parks, gardens and multipurpose courts		363,823	426,817
Plant, equipment, machinery and tools hire		234,224	195,900
Postage and telephone		38,552	44,135
Printing, stationery and office expenses		107,305	79,293
Public convenience		160,439	189,783
Salaries, wages and related payments		1,055,625	1,024,758
Sick, accident and holiday pay		66,347	55,430
Street and gutter cleaning		203,044	171,312
Street names and traffic signs		37,266	36,935
Street, footpath and verges maintenance		418,198	282,573
Streetlights		409,838	366,389
Subscriptions		2,155	2,700
Town cleaning campaign		5,474	888
Traffic lights		19,057	35,648
Valuation fees and expenses		87,840	3,103
Total expenditure		<u>5,706,835</u>	<u>5,273,404</u>
Net (deficit)/surplus for the year		945,292	1,011,627
Accumulated funds at the beginning of the year		963,742	(47,885)
Accumulated funds at the end of the financial year		<u><u>1,909,034</u></u>	<u><u>963,742</u></u>

The accompanying notes form an integral part of this statement of income and expenditure.

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

	Notes	2011 \$	2010 \$
INCOME			
Loan rate		1,537,150	1,534,722
Total income		<u>1,537,150</u>	<u>1,534,722</u>
EXPENDITURE			
Interest		651,692	786,223
Principal repayment		811,529	685,523
Total expenditure		<u>1,463,221</u>	<u>1,471,746</u>
Net surplus/(deficit) for the year		73,929	62,976
Accumulated funds at the beginning of the year		153,311	90,335
Accumulated fund at the end of the financial year		<u>227,240</u>	<u>153,311</u>

The accompanying notes form an integral part of this statement of income and expenditure.

LAUTOKA CITY COUNCIL
STATEMENT OF INCOME AND EXPENDITURE - PARKING METER FUND
FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 \$	2010 \$
INCOME			
Infringement fines		64,947	40,421
Meter tolls		203,732	224,402
Parking meter fees		29,253	33,592
Total income		<u>297,932</u>	<u>298,415</u>
EXPENDITURE			
Administrative charges to general fund		30,000	30,000
Commission to car park		700	700
Depreciation		9,093	10,187
Interest on loan		4,851	7,271
Marking on parking bays		1,409	14,412
Meter maintenance		53,881	24,945
Miscellaneous		3,679	3,624
Office rent		5,700	5,700
Postage		3	-
Printing and stationery		5,673	3,401
Salaries, wages and related payments		139,176	138,829
Search fees		-	-
Total expenditure		<u>254,165</u>	<u>239,069</u>
Net surplus/deficit for the year		43,767	59,346
Accumulated funds at the beginning of the year		408,506	349,160
Accumulated fund at the end of the financial year		<u><u>452,273</u></u>	<u><u>408,506</u></u>

The accompanying notes form an integral part of this statement of income and expenditure.

LAUTOKA CITY COUNCIL
STATEMENT OF CASH FLOWS - GENERAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 Inflows/ (Outflows)	2010 Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from ratepayers and customers		5,877,872	6,072,112
Payments to trade creditors, other creditors and employees		(3,462,752)	(4,149,180)
Interest paid		(651,692)	(786,223)
Interest received		167,616	74,581
Net cash provided by/(used in) Operating Activities	19 (a) (i)	<u>1,931,044</u>	<u>1,211,290</u>
Cash flows from investing activities			
Acquisition of property, plant & equipment		(800,040)	(213,989)
Net cash provided by/(used in) Investing Activities		<u>(800,040)</u>	<u>(213,989)</u>
Cash flows from financing activities			
Proceeds/Repayment of term loan, net		180,379	(687,410)
Contribution from other funds		16,000	23,999
Net cash (used in)/provided by Financing Activities		<u>196,379</u>	<u>(663,411)</u>
Net increase/(decrease) in cash and cash equivalents		1,327,383	333,890
Cash and cash equivalent at the beginning of the year		494,053	160,163
Cash and cash equivalent at the end of the year	19 (a) (ii)	<u><u>1,821,436</u></u>	<u><u>494,053</u></u>

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

LAUTOKA CITY COUNCIL
STATEMENT OF CASH FLOWS - PARKING METER FUND
FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 Inflows/ (Outflows)	2010 Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from customers (meter tolls and other revenues)		297,932	298,415
Payments to suppliers and employees		<u>(227,698)</u>	<u>(235,989)</u>
		70,234	62,426
Interest and other costs of finance paid		<u>(4,851)</u>	<u>(7,271)</u>
Net cash provided by/(used in) Operating Activities	19 (b) (i)	<u>65,383</u>	<u>55,155</u>
Cash flows from financing activities			
Repayment of term loans		<u>(5,579)</u>	<u>(4,478)</u>
Net cash used in Financing Activities		<u>(5,579)</u>	<u>(4,478)</u>
Net increase/(decrease) in cash and cash equivalents		59,804	50,677
Cash and cash equivalent at the beginning of the year		401,278	350,601
Cash and cash equivalent at the end of the year	19 (b) (ii)	<u>461,082</u>	<u>401,278</u>

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

**LAUTOKA CITY COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2010**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Set out hereunder are the significant accounting policies by the Council in the preparation of the accounts for the year ended 31 December 2011. Unless otherwise stated, the policies were consistent with those of the previous year. All amounts are stated in Fijian currency.

(a) Basis of Accounting

The accrual basis of accounting is adopted for all financial transactions with the exception of interest and parking meter infringement fines. The financial statements have been prepared on the basis of historical cost and do not take into account changing money values, or current valuation of non-current assets.

(b) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation as at the balance date. When assets are retired or otherwise disposed, the related cost is removed from the accounts and any profit or loss arising there from is included in the statement of income and expenditure.

(c) Depreciation

Property, Plant and Equipment are depreciated over their estimated useful lives using the diminishing value method at the following rates:-

	Rate
Leasehold land	over life of lease
Buildings	1.25% - 2.50%
Furniture and fittings	5% - 20%
Plant and equipment	5% - 20%
Office equipment	10% - 20%
Motor vehicles	10% - 20%
Road, footpath and drains	1%

(d) Receivables

Receivables are stated at expected realisable value as certified by the Council. A provision is raised for any doubtful debts based on a review by Council of all outstanding amounts at year end. Bad debts are written off during the year in which they are identified.

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

(e) Expenditure relating to Roads, Footpaths and Drains

The Council has capitalised expenditure in relation to the establishment and upgrade of roads, footpaths and drains with effect from January 1, 2004. The valuation of the above items had been carried out by Council's engineering staff.

(f) Inventories

Quantities of inventories on hand have been determined by physical count. Inventories are valued at the lower of cost and net realisable value on the basis of First-In-First Out (FIFO).

(g) Provision for Self-Insurance

The Council has self-insured itself against any damages to Council properties arising out of a cyclone or a similar catastrophe. It has set aside funds specifically for this purpose, which are maintained as term deposits (refer Note 3).

(h) Fund Accounting

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

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:-

Parking Meter Fund

The Council, in compliance with the Land Transport Act, has to maintain a separate account for the operation of Parking Meters in designated areas of roads within the city.

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

Loan Rate Fund

This fund has been created for rates charged to ratepayers for loans undertaken by the Council . The fund will be used to repay all external borrowings undertaken by the Council.

(i) Income Tax

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

(j) Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

(k) Leave Entitlement

The Council provides for long service leave entitlements for all employees who have served the Council continuously for 15 years or more at the rate of 10 days per year of service.

The leave entitlement for the employees who avail their long service leave after completing the initial 15 years, is provided after completion of every 7 years of continuous service thereafter at the above rate.

NOTE 2	CASH	2011	2010
		\$	\$
	General Fund		
	Cash on hand	1,000	1,000
	Cash at Bank	324,051	-
	Bank Overdraft	-	(209,067)
		<u>325,051</u>	<u>(208,067)</u>
	Parking Meter Fund		
	Cash at bank	461,082	401,278
		<u>461,082</u>	<u>401,278</u>
NOTE 3	TERM DEPOSITS		
	General Fund		
	Cyclone self -insurance reserve	801,120	702,120
	Interest Bearing Deposit	695,265	
		<u>1,496,385</u>	<u>702,120</u>

Interest earned from the above term deposits are credited to General Fund.

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

		2011	2010
		\$	\$
NOTE 4	RECEIVABLES		
	General Fund		
	Rate debtors	4,860,809	5,188,779
	Other sundry debtors	<u>372,576</u>	<u>249,496</u>
		5,233,385	5,438,275
	Provision for doubtful debts	<u>(1,000,000)</u>	<u>(1,000,000)</u>
		<u>4,233,385</u>	<u>4,438,275</u>
NOTE 5	INVENTORIES		
	General Fund		
	Material - others	40,488	39,456
	Fuel and oil	<u>100</u>	<u>51</u>
		<u>40,588</u>	<u>39,507</u>
NOTE 6	OTHER ASSETS		
	General Fund		
	Prepayments	<u>7,265</u>	<u>9,101</u>
NOTE 7	PROPERTY, PLANT AND EQUIPMENT		
	General fund		
	Land and buildings - at cost	11,107,353	10,821,516
	Less: Accumulated depreciation	<u>(2,144,173)</u>	<u>(2,018,107)</u>
		<u>8,963,180</u>	<u>8,803,409</u>
	Plant and equipment - at cost	995,906	990,817
	Less: Accumulated depreciation	<u>(806,155)</u>	<u>(779,197)</u>
		<u>189,751</u>	<u>211,620</u>
	Furniture and fittings - at cost	218,835	210,905
	Less: Accumulated depreciation	<u>(146,644)</u>	<u>(140,745)</u>
		<u>72,191</u>	<u>70,160</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	\$	\$
NOTE 7 PROPERTY, PLANT AND EQUIPMENT (Continued)		
Office equipment - at cost	191,644	188,415
Less: Accumulated depreciation	<u>(160,784)</u>	<u>(152,438)</u>
	<u>30,860</u>	<u>35,977</u>
Motor vehicles - at cost	919,285	826,396
Less: Accumulated depreciation	<u>(472,920)</u>	<u>(428,883)</u>
	<u>446,365</u>	<u>397,513</u>
Roads - at valuation and cost	21,273,765	20,919,470
Less: Accumulated depreciation	<u>(1,749,732)</u>	<u>(1,555,155)</u>
	<u>19,524,033</u>	<u>19,364,315</u>
Footpaths - at valuation and cost	12,883,727	12,883,727
Less: Accumulated depreciation	<u>(1,112,951)</u>	<u>(994,054)</u>
	<u>11,770,776</u>	<u>11,889,673</u>
Drains - at valuation and cost	16,241,517	16,228,706
Less: Accumulated depreciation	<u>(1,400,388)</u>	<u>(1,250,596)</u>
	<u>14,841,129</u>	<u>14,978,110</u>
	<u>55,838,285</u>	<u>55,750,777</u>
Parking Meter Fund		
Parking meters - at cost	466,421	466,421
Less: Accumulated depreciation	<u>(394,308)</u>	<u>(386,296)</u>
	<u>172,113</u>	<u>80,125</u>
Furniture and fittings - at cost	2,267	2,267
Less: Accumulated depreciation	<u>(2,053)</u>	<u>(2,030)</u>
	<u>214</u>	<u>237</u>
Streetlights - at cost	20,782	20,782
Less: Accumulated depreciation	<u>(18,148)</u>	<u>(17,490)</u>
	<u>2,634</u>	<u>3,292</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	\$	\$
NOTE 7 PROPERTY, PLANT AND EQUIPMENT (Continued)		
Plant and equipment - at cost	3,198	3,198
Less: Accumulated depreciation	<u>(2,885)</u>	<u>(2,786)</u>
	<u>313</u>	<u>412</u>
Tui Street car park construction - at cost	32,157	32,157
Less: Accumulated depreciation	<u>(2,334)</u>	<u>(2,033)</u>
	<u>29,823</u>	<u>30,124</u>
	<u>105,097</u>	<u>114,190</u>

(a) Movements in Carrying Amounts - General Fund

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

General Fund

Land and buildings - at cost

Carrying amount at beginning	8,803,409	8,902,337
Additions	285,837	29,037
Depreciation expense	<u>(126,066)</u>	<u>(127,965)</u>
Balance as at 31 December	<u>8,963,180</u>	<u>8,803,409</u>

Plant and equipment - at cost

Carrying amount at beginning	211,620	229,078
Additions	5,089	12,350
Depreciation expense	<u>(26,958)</u>	<u>(29,808)</u>
Balance as at 31 December	<u>189,751</u>	<u>211,620</u>

Furniture & fittings - at cost

Carrying amount at beginning	70,160	63,663
Additions	7,930	12,147
Depreciation expense	<u>(5,899)</u>	<u>(5,650)</u>
Balance as at 31 December	<u>72,191</u>	<u>70,160</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	\$	\$
NOTE 7		
PROPERTY, PLANT AND EQUIPMENT (Continued)		
(a) Movements in Carrying Amounts - General Fund		
<u>Office equipment - at cost</u>		
Carrying amount at beginning	35,977	39,975
Additions	3,229	5,759
Depreciation expense	(8,346)	(9,757)
Balance as at 31 December	<u>30,860</u>	<u>35,977</u>
<u>Motor vehicles - at cost</u>		
Carrying amount at beginning	397,513	484,766
Additions	140,000	-
Disposal	(9,151)	-
Depreciation expense	(81,997)	(87,253)
Balance as at 31 December	<u>446,365</u>	<u>397,513</u>
<u>Roads - at valuation 2004</u>		
Carrying amount at beginning	19,364,315	19,408,733
Additions	354,295	149,794
Depreciation expense	(194,577)	(194,212)
Balance as at 31 December	<u>19,524,033</u>	<u>19,364,315</u>
<u>Footpaths - at valuation 2004</u>		
Carrying amount at beginning	11,889,673	12,009,770
Additions	-	-
Depreciation expense	(118,897)	(120,097)
Balance as at 31 December	<u>11,770,776</u>	<u>11,889,673</u>
<u>Drains - at valuation 2004</u>		
Carrying amount at beginning	14,978,110	15,124,461
Additions	12,811	4,902
Depreciation expense	(149,792)	(151,253)
Balance as at 31 December	<u>14,841,129</u>	<u>14,978,110</u>
Total balance as at 31 December 2011	<u><u>55,838,285</u></u>	<u><u>55,750,777</u></u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

		2011	2010
		\$	\$
NOTE 7	PROPERTY, PLANT AND EQUIPMENT (Continued)		
(a)	Movements in Carrying Amounts -Parking Meter Fund		
	<u>Parking meters - at cost</u>		
	Carrying amount at beginning	80,125	89,028
	Depreciation expense	(8,012)	(8,903)
	Balance as at 31 December	<u>72,113</u>	<u>80,125</u>
	<u>Furniture and fittings - at cost</u>		
	Carrying amount at beginning	237	264
	Depreciation expense	(23)	(27)
	Balance as at 31 December	<u>214</u>	<u>237</u>
	<u>Streetlights - at cost</u>		
	Carrying amount at beginning	3,292	4,115
	Depreciation expense	(658)	(823)
	Balance as at 31 December	<u>2,634</u>	<u>3,292</u>
	<u>Plant and equipment - at cost</u>		
	Carrying amount at beginning	412	542
	Depreciation expense	(99)	(130)
	Balance as at 31 December	<u>313</u>	<u>412</u>
	<u>Construction of Tui Street car park - at cost</u>		
	Carrying amount at beginning	30,124	30,428
	Depreciation expense	(301)	(304)
	Balance as at 31 December	<u>29,823</u>	<u>30,124</u>
	Total balance as at 31 December 2009	<u>105,097</u>	<u>114,190</u>
NOTE 8	CREDITORS AND BORROWINGS		
	Current		
	<u>General Fund</u>		
	Sundry creditors and accruals	389,488	374,620
	Other creditors	143,104	83,259
	Security deposits	190,788	174,642
	Refundable building deposits	56,963	54,549
		<u>780,343</u>	<u>687,070</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	\$	\$
NOTE 8 CREDITORS AND BORROWINGS (Continued)		
Current		
<u>Parking Meter Fund</u>		
Sundry creditors and accruals	18,047	2,575
	<hr/>	<hr/>
NOTE 9 PROVISIONS		
<u>General Fund</u>		
In-house cyclone reserve	418,490	418,490
Workmen compensation reserve	9,000	9,000
Cyclone reserves	28,000	28,000
Long service leave	76,437	138,457
Annual leave	90,585	66,377
	<hr/>	<hr/>
	622,512	660,324
	<hr/>	<hr/>
<u>Parking Meter Fund</u>		
Long service leave	6,245	9,676
Annual leave	13,285	12,803
	<hr/>	<hr/>
	19,530	22,479
	<hr/>	<hr/>
NOTE 10 TERM LOANS		
<u>General Fund</u>		
Westpac Banking Corporation	5,691,506	5,105,183
Colonial Life (Fiji) Limited	2,277,182	2,558,870
Colonial National Bank	1,183,975	1,308,231
Lautoka City Council	-	-
	<hr/>	<hr/>
	9,152,663	8,972,284
	<hr/>	<hr/>
Loan principal commitment at balance date:		
Payable within one year	741,721	646,850
Payable later than one year, not later than two years	805,211	733,115
Payable later than two years, not later than five years	2,911,603	2,493,249
Payable later than five years	4,694,128	5,099,070
	<hr/>	<hr/>
	9,152,663	8,972,284
	<hr/>	<hr/>
Represented in the balance sheet as:		
Current	741,721	646,850
Non-current	8,410,942	8,325,434
	<hr/>	<hr/>
	9,152,663	8,972,284
	<hr/>	<hr/>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

		2011	2010
		\$	\$
NOTE 10	TERM LOANS (Continued)		
	<u>Parking Meter Fund</u>		
	Westpac Banking Corporation	76,329	81,908
	Loan Principal Commitment at balance date:		
	Payable within one year	4,843	4,430
	Payable later than one year, not later than two years	5,293	5,370
	Payable later than two years, not later than five years	19,023	17,404
	Payable later than five years	47,170	54,704
		76,329	81,908
	Represented in the balance sheet as:		
	Current	4,843	4,430
	Non-current	71,486	77,478
		76,329	81,908

Loans raised by the Council bear interest charges ranging from 6.5% to 8.75% per annum. All loans are secured by Pari Passu Debenture Deeds covering the present and future assets of the Council.

NOTE 11 CAR PARK FUND

Opening balance		212,832	188,833
Add: Contribution for car parks		16,000	23,999
Balance as at 31 December		228,832	212,832

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	\$	\$
NOTE 12 RESERVES		
Asset revaluation reserve	<u>48,472,089</u>	<u>48,472,089</u>
<u>Asset Revaluation Reserve comprise of :</u>		
Revaluation increment on roads	19,672,089	19,672,089
Revaluation increment on footpaths	12,800,000	12,800,000
Revaluation increment on drains	<u>16,000,000</u>	<u>16,000,000</u>
	<u>48,472,089</u>	<u>48,472,089</u>
NOTE 13 CONTRIBUTION FROM PARKING METER FUND		
Amounts representing salaries, accounting and administrative expenses as approved by the Council in connection with the management and operations of Parking Meter undertaking is reimbursed to the General Fund from the account of the Parking Meter Fund. The amount represents the reimbursement made during the year		
NOTE 14 DEPRECIATION		
Land and buildings	126,066	127,965
Furniture and fittings	5,899	5,650
Plant and equipment	26,958	29,808
Office equipment	8,346	9,757
Motor vehicle	81,997	87,253
Roads	194,577	194,212
Footpaths	118,897	120,097
Drains	<u>149,792</u>	<u>151,253</u>
	<u>712,532</u>	<u>725,995</u>

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 15 CAPITAL COMMITMENTS

The Council has committed \$1,117,742 (2010: \$1,000,000) for the various capital works.

NOTE 16 CONTINGENT LIABILITIES

Contingent liabilities at balance date, not otherwise provided for in these financial statements, include various legal claims involving the Council, including the following law suits:

- (i) The Council is a defendant in a legal action by Jale Osisaya Baba, Alipate Baravilala and Aloesi Johns. This is an action by the Trustees of the Lautoka Sports and Social Club against the Council to recover the balance of the proceeds from the sale of their property by the council pursuant to No.159 of 2001. The matter has been adjourned to the 21/11/12 for mention to check on pre-trial conference minutes.
- (ii) The Council is a second defendant in a case by Siri Raj Singh, it relates to water overflow problem on the plaintiffs property.
- (iii) The Council is a defendant in a legal action by Mitieli Seru. In this matter a person was electrocuted by touching an exposed streetlight and a claim has been made against the Council.
- (iv) The Council is a defendant in a case by Surendra Prasad, who is claiming \$175,000 plus interest at a rate of 10%. Now, the plaintiff has withdrawn the case and the Council is claiming for legal costs.
- (v) The Council was a defendant in a case by Value City who is claiming \$75,322 plus interest at a rate of 13.5%. The plaintiff withdrew its action and the matter was adjourned to determine costs.
- (vi) The Council is a second defendant in a case by Rajesh Kumar who is claiming \$12,000 in costs for lost of purchase price in property, general damages and aggravated damages.

- (vii) The Council is also a second defendant in a legal action by Abraham Narsey Properties Limited, who is claiming approximately \$1,485,000 in costs for demolition and reconstruction of a building or loss of rental.

The Council's solicitors are vigorously defending these claims and it is the Council's opinion that no material damages will arise.

**LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011**

NOTE 17 PRINCIPAL ACTIVITY

The Lautoka City Council was established under the Local Government Act to provide for the health, welfare and convenience of the inhabitants of the Lautoka City Municipality and to preserve the amenities or credit thereof.

NOTE 18 SUBSEQUENT EVENTS

With effect from 01 January 2013, significant portion of the assets (roads) with the written down value as at 31/12/11 of \$19,524,033 would be transferred to Fiji Roads Authority

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	\$	\$
NOTE 19 NOTES TO THE STATEMENT OF CASH FLOWS		
(a) General Fund		
(i) Reconciliation of Net Cash provided by Operating Activities to Net Surplus		
Net surplus for the year	1,019,221	1,074,603
Depreciation	712,532	725,995
Net cash provided by operating activities before changes in assets and liabilities	1,731,753	1,800,598
Change in assets and liabilities:		
Increase/Decrease in receivables	204,890	(191,431)
Increase/Decrease in other assets	755	19,653
Increase/Decrease in creditors and borrowings	31,458	(372,148)
Decrease in accrued employment entitlement	(37,812)	(45,382)
Net cash inflows/(outflows) from operating activities	1,931,044	1,211,290

(ii) Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash comprises of cash on hand and at bank. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash on hand	325,051	1,000
Bank overdraft	-	(209,067)
Term deposit	1,496,385	702,120
	1,821,436	494,053

LAUTOKA CITY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	\$	\$
NOTE 19 NOTES TO THE STATEMENT OF CASH FLOWS (continued)		
(b) Parking Meter Fund		
(i) Reconciliation of Net Cash provided by Operating Activities to Net Surplus		
Net surplus for the year	43,767	59,346
Depreciation	9,093	10,187
Net cash provided by operating activities before changes in assets and liabilities	52,860	69,533
Change in assets and liabilities:		
Decrease in sundry creditors	15,472	(12,833)
Increase/decrease in provisions	(2,949)	(1,545)
Net cash inflows/(outflows) from operating activities	65,383	55,155
(ii) Cash and Cash Equivalents		
For the purpose of the statement of cash flows, cash comprises of cash on hand and at bank, net of outstanding bank overdraft. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash at bank	461,082	401,278