



INDEPENDENT AUDITOR'S REPORT

To the Members of the Honiara City Council

Report on the Financial Report

I was engaged to audit the accompanying financial statements of the Honiara City Council, which comprise the Statement of Receipts and Payments and Balance Sheets for the year ended 31 December 2011, and a summary of significant accounting policies and other explanatory notes.

The scope of my audit was limited to the mandatory standards prescribed under Part 1 of the International Public Sector Accounting Standards under the Cash Basis of Accounting (IPSAS Cash) and Balance Sheet as required by section 47 subsection 1 (c) of the Honiara City Act 1999. Any voluntary disclosure under this part are reviewed for consistency and any matters of concern included in my accounts and records report to the Honiara City Council Councilors and are not referred to in my opinion.

Honiara City Council and Management's Responsibility for the Financial Statements

The Honiara City Council and management are responsible for the preparation and fair presentation of these financial statements in accordance with the International Public Sector Accounting Standards under the Cash Basis of Accounting (IPSAS Cash) and Balance Sheet as required Honiara City Act, and for such internal controls as management determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

My audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on my judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, I have considered the internal controls relevant to the Council's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances. My audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the financial statements.

Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

The disclaimer of opinion is attributed to the continued failure in the system of recording and controlling accounting transactions and insufficient audit evidence to support transactions and accounts. I was unable to confirm or verify by alternative means the balances and disclosures with respect to the financial statements. The system failures related to the following matters:

Most HCC officers had not had formal training in using the MYOB accounting system including officers who used the MYOB system routinely and were responsible for entering data into the system.

Significant errors existed in the 2011/2013 actual revenue figures reflected in the 2013/2014 Approved Budget Estimates.

The reason given for the failure of HCC to produce financial statements for 2011 - 2013 during the opening meeting was that HCC lacks the knowledge to produce financial statements that comply with international accounting standards.

HCC has produced its previous financial statements in accordance with cash basis IPSAS, rather than preparing financial statements that include a Balance Sheet (accrual) as per HCC Act (1999).

Restrictions on access to MYOB system limited the ability of HCC officers to obtain or provide financial information in the absence of the Deputy Treasurer.

The IT function (IT officer) is outsourced by HCC. The IT officer has overall control of domain and application passwords, and there is little or no input from Senior HCC Officers reducing their ability to manage the HCC IT environment.

HCC has no logbook or register to record IT issues, despite the regular difficulties in using the system and down time resulting from power and server problems noted by several members of HCC.

In order to correct MYOB errors, instead of posting journal adjustments or reversing accounting entries the Deputy Treasurer deletes the original posting and inputs a replacement entry.

Basic Rates and Business License Officers are required to reconcile their data with the main system to ensure its accuracy. However this was not completed for 2013 until June 2014, and no reconciliations have been carried out for 2014 at the time of audit.

There is no external backup of HCC accounting data offsite, such as hard copies of the general ledger or held on external hard drives.

There is a lack of segregations of duties over the review of data entry in the main MYOB system. Also the same officer is responsible for checking reconciliations on the MYOB system, journal entry, system access, and report production.

The main HCC bank account is not reconciled on a timely basis, with delays of over eight months from the date of the bank statement to the date on which reconciliation was performed.

Bank reconciliations of the HCC main bank account are not signed and dated as prepared. In addition, this reconciliation is not signed off as reviewed by a second officer.

Failure to investigate a large number of significant reconciling items on the bank reconciliation, including some entries that appear to have been mis-posted to the reconciliation.

With the above issues OAG will not do further substantive testing but issue a disclaimer on the financial statements of Honiara City Council for 2011.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements of the Honiara City Council for the financial year ended 31 December 2011.

Report on other Matters

- General Ledger data not provided.
- No audit trail exist
- MYOB not conveniently accessed by Auditors
- Honiara City Council Act 1999 does not have specific due date for audit certification.

OTHER REGULATORY AND REPORTING REQUIREMENTS

The financial statement was not submitted in time and the 31/03/2012 deadline for certification was missed. This has also been documented within the audit opinion. According to HCC Act, s47 subsection 3 states;

"The Accounts shall be sent to the Auditor General as soon as practicable after the end of the Financial Year to which they are related but, in any event, not later than 3 months after the end of that year".



Peter Lokay
Auditor-General

Office of the Auditor-General
Solomon Islands

17 February 2017



Honiara City Council

Financial Statements

For the year ended 31st December 2011



Honiara City Council

Financial Statements

For the year ended 31st December 2011

Table of Contents

Page

Statement of Cash Receipts & Payments

1

Statement of Comparison of Budget & Actual Amount

2

Notes to the Accounts

3-8

Statement of Assets & Liabilities (exl Fixed Assets)

Appendix A

Fixed Asset Schedule

Appendix B

Honiara City Council
Statement of Cash Receipts & Payments
For the year ended 31st December 2011

	Notes	2011 Receipts / (Payments) controlled by entity SBD \$	2011 Payment by third parties SBD \$	2010 Receipts / (Payments) controlled by entity SBD \$	2010 Payment by third parties SBD \$
Receipts					
Grants & Aid					
SIG Grants	6	1,415,499	3,006,533	1,906,809	1,012,531
External Assistance					
Multilateral Agencies (World Bank REP)	7	-	6,511,290	1,592,349	
Other Grants & Aid					
Non Governmental organisations assistance - Commonwealth Local Government Forum (CLGF)	8	326,740	-	1,292,321	5,935,157
Other Receipts					
Fees, Rates and Licenses	9	16,934,407	-	13,910,441	-
House Rental Income		110,370	-	116,950	-
Income from Commercial Activities / Investments	10	29,419	-	22,344	-
Sundry Receipts	11	392,559	-	264,117	-
Councillors Advances (Repaid)		-	-	10,955	-
Staff Advances (Repaid)		-	-	6,312	-
Other Receipts		37,228	-	-	-
Total receipts		19,246,222	9,517,823	19,122,598	6,947,688
Payments					
Operations					
Salaries and Wages	12	2,970,042	2,187,974	2,618,160	-
Employee Expenses - Non-Direct Employees	13	-	187,023	-	6,109,182
Allowances (Employees)	14	1,629,788	-	1,438,644	-
Allowances and Grants (Elected Members)	15	1,676,830	-	2,070,534	-
Operating Disbursements / Office Expenses	16	8,251,348	6,347,339	7,439,674	838,505
Repairs & Maintenance	17	1,922,259	-	1,377,413	-
Other Disbursements		-	-	-	-
Councilor & Other Receivables		707,945	-	-	-
		17,158,212	8,722,336	14,944,425	6,947,687
Capital Expenditures					
Plant & Equipment	18	391,104	192,479	587,129	-
Vehicles	19	295,827	603,008	322,412	-
Land & Buildings	20	187,771	-	2,324,990	-
Total Capital Expenditures		874,702	795,487	3,234,531	-
Total Payments		18,032,914	9,517,823	18,178,956	6,947,687
Increase/(Decrease) in Cash		1,213,307	-	943,644	-
Cash at beginning of year (1 January 2011)		2,140,600	-	1,196,956	-
Increase/(Decrease) in Cash		1,213,307	-	943,644	-
Cash at end of year (31 December 2011)		3,353,907	-	2,140,600	-

The above information is a true and fair view of the receipts and payments for the year ended 31st December 2011.

City Clerk

City Mayor

Date Authorised: 3/02/17.

Honiara City Council
Statement of Comparison of Budget & Actual Amount
For the year ended 31st December 2011
(Classification of Payments by Function)

	Actual Amounts (Receipts / (Payments) controlled by entity) SBD \$	Final Budget SBD \$	Original Budget SBD \$	Difference (Final Budget & Actuals) SBD \$
Cash Inflows				
Mayors Office	-	-	-	-
Administration	256,559	130,000	130,000	126,559
Finance	12,706,276	10,472,000	10,472,000	2,234,276
Market Services	3,277,508	3,628,640	3,628,640	-351,132
Planning	760,293	630,000	630,000	130,293
Works	125,435	123,487	123,487	1,948
Law Enforcement	1,210	30,000	30,000	-28,790
Youth, Sports & Women	244,843	360,500	360,500	-115,657
Education	17,050	26,000	26,000	-8,950
Health & Medical	3,084,113	81,250	81,250	3,002,863
Rapid Employment Project	6,511,290	7,666,570	7,666,570	-1,155,280
External Revenues	1,742,239	4,591,530	4,591,530	-2,849,291
Total Receipts	28,726,816	27,739,977	27,739,977	986,839
Cash Outflows				
Mayor Office	2,359,331	3,843,367	3,843,367	-1,484,036
Administration	1,662,812	2,048,723	2,048,723	-385,911
Finance	2,028,543	2,004,062	2,004,062	24,481
Market Services	1,496,901	1,812,891	1,812,891	-315,990
Planning	454,459	641,859	641,859	-187,400
Works	5,809,777	6,625,720	6,625,720	-815,943
Law Enforcement	1,171,442	1,274,555	1,274,555	-103,113
Youth, Sport & Women	958,016	969,745	969,745	-11,729
Education & Training	1,197,754	571,354	571,354	626,400
Health & Medical	3,065,523	2,099,834	2,099,834	965,689
Rapid Employment Project	6,638,233	4,802,000	4,802,000	1,836,233
Total Payments	26,842,791	26,694,110	26,694,110	148,681
Net Cash Flows	1,884,026	1,045,867	1,045,867	838,159

Honiara City Council

Notes to the Financial Statements

1. Accounting Policies

Basis of preparation

The financial statements have been prepared in accordance with Cash Basis IPSAS (International Public Sector Accounting Standards) *Financial Reporting Under the Cash Basis of Accounting*.

Reporting Entity

The financial statements are for the Honiara City Council.

The Council's operations are governed by the *Honiara City Act 1999*.

The Council is a body corporate established under section 4(1) of the *Honiara City Act 1999*. Its main office is located in Honiara City, Solomon Islands. The Council operates in the local government jurisdiction of Honiara City within the State of Solomon Islands.

The Minister for Home Affairs administers the *Honiara City Act 1999*. The Minister has oversight of aspects of the Council's operations and can suspend or dissolve the Council for failure to perform its functions.

Objective of the Honiara City Council

The Council is the local government body responsible for administering Honiara City. Its functions are set out in the *Honiara City Act 1999*. These functions relate to: trade and industry; culture and environment; finance; local matters; health; education; housing; rivers and waters; local government; corporate or statutory bodies; employment; and medical services.

Payment by third parties

The government also benefits from goods and services purchased on its behalf as a result of cash payments made by third parties during the period by way of contributions. The payments made by third parties do not constitute cash receipts or payments by the government but do benefit government. They are disclosed in the *Payments by third parties* column in the Cash Receipts and Payments statements.

The amounts of payments received by third parties reflected in the Statements of Cash Receipts and Payments, have been converted from New Zealand Dollars to Solomon Island Dollars at a yearly average rate.

Reporting Currency

The reporting currency is Solomon Islands Dollars (SBD)

2. Cash

Cash included in the statement of cash receipts and payments comprise the following amounts:

	2011	2010
BSP Current Cheque Account	2,304,013	994,730
REP BSP Cheque Account	-	115,699
BSP Term Deposit	1,037,583	1,017,171
REP Petty Cash	-	5,000
Finance Petty Cash	9,312	3,000
Works Petty Cash	3,000	5,000
Cash at end of year	3,353,908	2,140,600

3. Borrowings

There have been no borrowings by the Honiara City Council in this financial year.

4. Authorisation Date

The financial Statement was authorised for publication on 6th of February, 2017 by Charles Kelly, City Clerk & Andrew Mua, City Mayor.

Honiara City Council

Notes to the Financial Statements

5. Original and Final Approved Budget and comparison of Actual & Budget Amounts

The approved budget is developed on the same accounting basis (cash basis), same classification basis, and for the same period (1 January 2011 to 31st December 2011) as for the financial statements. The original budget was approved by legislative action on the 25th of November, 2010

Overall actual expenditure is less than the total expenditure budget. The Education division was overspent due to teachers travel and transport cost which was not fully budgeted for. The Rapid Employment Project (REP) was also over spent compared to budget (both income and expenditure). No supplementary budget was done, due to having no Council sitting from August 2010 until December 2010.

	2011 Receipts / (Payments)	2011 Payment by third parties	2011 Final Budget (controlled by)
	\$	\$	\$
Note 6 - SIG Grants			
SI Government grants	1,415,499	-	2,480,697
Education Grant	-	-	191,000
Health Services Grant	-	3,006,533	1,919,833
Seconded Staff	-	-	-
Total - SIG Grants	1,415,499	3,006,533	4,591,530

Note 7 - External Assistance

External Assistance was received in the form of a grant from a multilateral donor agency under the agreements specifying the purposes for which the assistance will be utilised

World Bank - Rapid Employment Project (REP)	-	6,511,290	7,666,570
	-	6,511,290	7,666,570

Undrawn External Assistance

Undrawn external assistance grants at reporting date are amounts specified in a binding agreement which relate to funding for projects currently under development, where conditions have been satisfied, and their ongoing satisfaction is highly likely, and the project is anticipated to continue to completion.

The World Bank REP is over a five year period which started in June 2010. The exchange rate used for the undrawn funds calculation is USD to SBD 7.5

	2011	2010
Closing balance of undrawn grants @ 31st December 2011	-	38,731,295
	-	27,879,051

Note 8 - Other Grants & Aid

Commonwealth Local Government Forum (CLGF)	326,740	-	-
Total Other Grants & Aid	326,740	-	-

Note 9 - Fees, Rates and Licenses

Basic Rates / Head Tax	3,655,401	-	3,000,000
Business Licenses	3,573,107	-	2,802,000
Property Rates	4,617,243	-	4,000,000
Liquor Licenses	696,316	-	670,000
Works Income	125,435	-	123,487
Land & Planning Fees	760,293	-	630,000
Education & Training Fees	17,050	-	26,000
Health & Medical Fees	77,580	-	81,250
Youth, Women & Sports Fees	244,843	-	360,500
Market Income	3,277,508	-	3,628,640
Total - Fees, Rates and Licenses	17,044,777	-	15,321,877

Honiara City Council

Notes to the Financial Statements

	2011 Receipts / (Payments) controlled by entity	2011 Payment by third parties	2011 Final Budget (controlled by entity only)
	\$	\$	\$
Note 10 - Income from Investments			
Bank South Pacific Interest	29,419	-	10,000
Total Income from Investments	<u>29,419</u>	<u>-</u>	<u>10,000</u>
Note 11 - Sundry Receipts			
Other Admin Income	236,147	-	120,000
Miscellaneous Receipts	155,202	-	0
Litter & Sport Fines	1,210	-	20,000
Magistrate Court Fines	-	-	10,000
Total Sundry Receipts	<u>392,559</u>	<u>-</u>	<u>150,000</u>
Total Revenue	<u>19,208,993.69</u>	<u>6,511,290</u>	<u>27,739,977</u>
Note 12 - Salary & Wages			
Mayor Office	17,159	-	23,309
Administration	325,343	-	569,780
Finance	410,397	-	441,960
Market	317,877	-	382,744
Lands & Planning	173,791	-	280,436
Works	1,009,619	-	1,065,558
Law Enforcement	441,932	-	482,220
Youth, Sport & Women	182,679	-	185,356
Education	91,246	-	91,581
Health	-	1,448,089	679,511
Rapid Employment Project	-	739,885	851,000
Total Salary & Wages	<u>2,970,042</u>	<u>2,187,974</u>	<u>5,053,455</u>
Note 13 - Employee Expenses - Non-Direct Employees			
SIG seconded staff	-	-	-
Rapid Employment Project	-	187,023	-
CLGF Technical Assistance	-	-	-
Total Employee Expenses - Non Direct	<u>-</u>	<u>187,023</u>	<u>-</u>
Note 14 - Allowances & Grants (Employees)			
Housing allowances	427,687	-	780,658
Other Allowances	314,911	-	652,229
Overtime Allowances	887,191	-	884,161
Rapid Employment Project	-	-	93,000
Total Allowances & Grants (Employees)	<u>1,629,788</u>	<u>-</u>	<u>2,317,048</u>
Note 15 - Allowances and Grants (Elected Members)			
Members Housing Allowance	28,600	-	28,600
Members Transport Allowance	28,600	-	28,600
Members Overseas Allowances	23,268	-	50,000
Ward Development Grants	1,085,000	-	2,520,000
Members Allowances	380,583	-	383,030
Members Other costs	-	-	79,200
Mayor Salary & Rental	130,779	-	125,500
Total Allowances & Grants (Elected Members)	<u>1,676,830</u>	<u>-</u>	<u>3,214,930</u>

Honiara City Council

Notes to the Financial Statements

	2011 Receipts / (Payments) controlled by entity	2011 Payment by third parties	2011 Final Budget (controlled by entity only)
	\$	\$	\$
Note 16 - Operating Disbursements			
Employers NPF	316,761	-	474,972
Home Leave - Employees	570,027	-	720,000
Home Leave - Members	77,453	-	88,000
Home Leave-Teachers	860,687	-	200,000
Computer Expenses	159,276	-	309,040
Electricity	664,411	-	611,600
Fuel & Lubricants	1,104,575	-	1,219,755
Minor Office Equipment	73,125	-	87,000
Office Expenses	334,976	-	443,500
Printing & Publications	218,697	-	225,800
Telephone	303,111	-	294,150
Uniforms	191,646	-	111,220
Water	152,642	-	196,900
Mayor Entertainment	130,533	-	50,000
Mayors Donation	81,930	-	50,000
Members Medical Expenses	3,000	-	10,000
Councilors Meeting Expenses	59,130	-	40,000
Adhoc Committees	14,953	-	15,000
Executive Committee	24,962	-	15,000
Ward Advisory Committees	120,000	-	120,000
Standing Committee Expenses	36,365	-	73,920
Admin Committee	29,281	-	25,000
Advertising Expenses	107,785	-	106,000
Cleaning Supplies HQ	5,501	-	10,000
Courses & Training (SI)	65,491	-	30,000
Death Condolences	8,384	-	12,000
Disaster Expense	300	-	50,000
Insurance-Workmen Compensation	35,405	-	50,000
Insurance-Vehicle	136,298	-	150,000
Legal Expenses	52,814	-	50,000
Licensing Program	4,365	-	10,000
Liquor Board Expenses	15,040	-	20,000
Long Service Benefits	137,464	-	50,000
Official Entertainment	20,377	-	30,000
Other Employer Expense	100	-	5,000
Overseas Expenses	34,481	-	50,000
Postage expense	550	-	5,000
SI Independence Costs	62,783	-	50,000
Bank Fees	34,126	-	35,000
CLGF Expense	2,316	-	-
Contingencies	134,831	-	150,000
City Hall concept plan	-	-	100,000
Penalty/Surcharge	36,947	-	8,000
Revenue Collection Exp	18,706	-	30,000
Market Cleaning	69,889	-	75,000
Market Ice Block Purchase	220,300	-	190,000
Market UpKeep-Central/Kukum/Multi-purpose Hall	118,028	-	97,000
Protective Cloth	92,477	-	106,360
Engineering Cost- TCPB	73,250	-	64,000
Town & Country Planning Board	26,511	-	25,000
Land Lease & Rent	47,659	-	-
Lands & Planning Equip & Materials	1,200	-	4,000
Bus Stop & Streets Signs	5,000	-	5,000
Hire of Plants & Vehicles	17,086	-	20,000
Land Fill Maintenance	59,950	-	62,000

Honiara City Council

Notes to the Financial Statements

	2011 Receipts / (Payments) controlled by entity	2011 Payment by third parties	2011 Final Budget (controlled by entity only)
	\$	\$	\$
Refuse Contracts	445,900	-	448,000
Roads & Garden	98,721	-	130,000
Standby Generator	674	-	-
Tools & Equip Replacements	59,461	-	60,000
Workshop Consumable	75,898	-	70,000
Enforcement Equipment & Materials	5,991	-	10,000
Youth Other Operating Expenses	56,237	-	72,000
Sports Other Operating Expenses	73,002	-	66,800
Women Other Operating Expenses	63,625	-	100,000
Library Services	31,993	-	30,000
Health Operating Expenses	38,853	1,558,444	466,259
REP Home leave travel	-	114,472	-
REP Operating Other Admin Expenses	128,039	262,480	191,000
REP Project Expenses	-	4,411,943	3,667,000
Total Operating Disbursements	8,251,348	6,347,339	12,341,276
Note 17 - Repairs & Maintenance			
R&M Buildings	304,340	-	320,000
R&M Cemetery	23,549	-	30,000
R&M Clinics	212,928	-	190,000
R&M Central Market	80,117	-	100,000
R&M Kukum Market	63,284	-	70,000
R&M Furnitures & Fittings	44,124	-	53,000
R&M Lockup Shop	46,627	-	45,500
R&M Multi-Purpose Hall	199,819	-	97,000
R&M Trucks	283,246	-	353,000
R&M Staff Housing	253,216	-	305,000
R&M heavy plant	188,670	-	220,000
R&M Small plant	3,270	-	10,000
R&M Vehicles	204,109	-	155,000
R&M Small Equipment	14,960	-	20,000
Total Repairs & Maintenance	1,922,259	-	1,968,500
Total Expenditure	16,450,267	8,722,336	24,895,210
Note 18 - Capital Expenditure Plant & Equipment			
Furniture	49,211	-	49,000
IT Hardware	231,761	-	340,000
Fixture & Fittings	5,400	-	5,400
Skip Bins	75,670	-	89,000
Photocopier	17,910	-	63,000
Note book & IT Equipment	11,152	-	-
Total Capital Expenditure Plant & Equipment	391,104	-	546,400
Note 19 - Capital Expenditure Vehicle			
Compactor truck	102,311	-	103,000
Replacement vehicle	100,000	-	130,000
Education vehicle	93,516	-	80,000
Total Capital Expenditure Vehicle	295,827	-	313,000
Note 20 - Capital Expenditure Land, Roads & Buildings			
Kukum Market Building	72,250	-	72,500
Kukum Market- Road Access	49,012	-	50,000
Kukum Eye Clinic	-	-	30,000

Honiara City Council
Notes to the Financial Statements

Kukum Market Freezer	-	-	10,000
Kukum labour line toilet	-	-	100,000
Central Market roof extension	-	-	10,000
Green Valley Fencing	36,574	-	37,000
Portable Workshop	7,960	-	8,000
Public Toilet	5,000	-	105,000
Termite spraying	-	-	100,000
Workshop and Car Wash	16,975	-	17,000
Works 2 new staff houses	-	-	400,000
Rapid Employment Project	-	795,487	-
Total Capital Expenditure Land & Buidlings	187,771	795,487	939,500
Net Surplus/(Deficit)	1,884,025	-	1,045,867.05

Honiara City Council

Statement of Assets & Liabilities (excl Fixed Assets)

As At 31st December 2011

<u>Assets</u>	2011	2010
Current Assets		
Cash On Hand	\$3,353,908	\$2,140,600
Accounts Receivables	\$424,482	\$456,769
Staff Debtors	\$137,976	\$62,565
Councilor Debtors	\$576,100	\$66,565
Non-Staff Debtors	\$81,159	\$81,159
Other Debtors	\$117,520	\$33,230
Total Assets	\$4,691,145	2,840,889
 <u>Liabilities</u>		
Current Liabilities		
Liquor License Prepaid	(439)	-
PAYE Tax Control Acct	-	\$32,068
NPF Control Acct	-	\$36,935
PAYE-REP	-	\$2,794
NPF-REP	-	\$2,003
Union fees	\$2,740	\$420
Bond Fees- Lock Up	\$75,700	\$57,350
- Multi- Hall	\$20,000	-
Account Payable-REP	-	\$200
Total Liabilities	\$98,001	131,770
 Net Assets	\$4,593,144	2,709,119
 <u>Equity</u>		
Retained Earnings	\$2,709,119	\$1,590,013
Current Year Earnings	\$1,884,025	\$1,119,106
Total Equity	\$4,593,144	2,709,119

This Statement of Assets and Liabilities includes all known Assets & Liabilities, excluding Fixed Assets, Staff Liabilities & Contingent Liabilities NB: All material fixed assets are shown in Appendix B

Special funds are being held for capital replacement of major works vehicles, plant & equipment. The total amount at 31st December 2011 is \$1,037,583, reflected in the Cash on Hand figure above and held on Term Deposit at the Bank of South Pacific.

Honiara City Council									
Asset Register		Asset Number	Date of Purchase	Original Cost	Additional Cost - 2011	Date of Addition	Total Cost	Date of Disposal	Closing Book Value
Infrastructure (currently not aware of any infrastructure owned by HCC)									
Plant & Equipment									
Mayors Office (P&E)									
Domestic furnitures					14,769	28.4.11	14,769		14,769
Total Mayors Office				-	14,769		14,769		14,769
Administration (P&E)									
Bizhub Photocopier			2008	77,845			77,845		77,845
Office Chair (legal)			Sep-08	1,580			1,580		1,580
UPS (legal)			Oct-08	1,000			1,000		1,000
Switchboard			Nov-08	10,529			10,529		10,529
Air conditioner Clerk			Nov-08	8,175			8,175		8,175
Generator			Nov-08	177,810	-		177,810		177,810
Generator - additional			Feb-09	163,789			163,789		163,789
Server			Dec-09	135,709			135,709		135,709
Server - additional			Mar to June 2010	61,532	47,536	10.1.11, 23.3.11	109,168		109,168
Airconditioner			Mar-09	6,588			6,588		6,588
Airconditioner			Mar-09	6,588			6,588		6,588
Airconditioner			Oct-09	7,700			7,700		7,700
Glass door notice board			Mar-10	6,481			6,481		6,481
Airconditioner			Mar-10	7,182			7,182		7,182
Airconditioner			Mar-10	7,182			7,182		7,182
Chambers Conference room table			Jun-10	26,725			26,725		26,725
Chambers Conference room chairs (20)			Jun-10	22,480			22,480		22,480
Chambers Conference room Corner Shelf			Jun-10	17,584			17,584		17,584
Conference room furniture					21,858	Feb & Mar 2011	21,858		21,858
Staff Conference Room Table			Jun-10	5,256			5,256		5,256
Kyocera Photocopier 221 MFP			Dec-10	33,210			33,210		33,210
NDC Computer			Feb-10	13,857			13,857		13,857
City Clerk PC			Jul-10	8,188			8,188		8,188
Anti-Virus Gateway Server			Jul-10	34,895			34,895		34,895

Asset Classification	Asset Number	Date of Purchase	Original Cost	Additional Cost - 2011	Date of Addition	Total Cost	Date of Disposal	Disposal Value	Closing Book Value
Furniture to City Clerk & HR office				6,134	26.01.11	6,134			6,134
Office desk for Legal officer				6,450	23.05.11	6,450			6,450
PC for legal advisor				13,550	19.1.11	13,550			13,550
PC for HR				16,117	28.1.11	16,117			16,117
Donated computer freight				31,706	2.6.11	31,706			31,706
						-			-
Total Administration			841,984	143,351		985,335		-	985,335
Finance (P&E)									
Laptop		Feb-08	23,972			23,972			23,972
MYOB Software		2008	10,119			10,119			10,119
Office Furniture (advisor)		Feb-08	6,855			6,855			6,855
Projector		Mar-09	1,440			1,440			1,440
Finance Adviser Computer		Mar-10	19,069			19,069			19,069
Property Rates RAM		31/03/2010	9,049			9,049			9,049
Revenue Accountant Computer		May-10	16,582			16,582			16,582
Procurement Officer Computer		Jun-10	11,863			11,863			11,863
Basic Rate Computer		Jul-10	11,863			11,863			11,863
Deputy City Clerk PC		Jul-10	6,663			6,663			6,663
Kyocera FS-1016 photocopier		Oct-10	7,500			7,500			7,500
Notebook laptop & IT Equipment				11,152	25.11.11	11,152			11,152
Printer				14,000	1.2.11	14,000			14,000
Server room Cabinet				14,852	16.3.11	14,852			14,852
35 UPS for fraser coast donated PC				49,000	21.6.11	49,000			49,000
Safe box				5,400	29.3.11	5,400			5,400
						-			-
Total Finance			124,975	94,404		219,379		-	219,379
Central Market (P&E)									
PA System		Dec-09	24,010			24,010			24,010
Glass door notice board		Mar-10	6,481			6,481			6,481
Total Central Market			30,491	-		30,491		-	30,491
Kukum Market (P&E)									
						-			-
						-			-
Total Kukum Market			-	-		-		-	-

Asset Classification	Asset Number	Date of Purchase	Original Cost	Additional Cost - 2011	Date of Addition	Total Cost	Date of Disposal	Disposal Value	Closing Book Value
Lands & Planning (P&E)									
Computer		Mar-10	13,250			13,250			13,250
Computer		Sep-10	19,106			19,106			19,106
Photocopier				45,000	21.10.11	45,000			45,000
Total Lands & Planning Works (P&E)			32,356	45,000		77,356		-	77,356
Tools									
Tools - Additional		2008	9,450			9,450			9,450
		2009	81,776			81,776			81,776
Laptop (Director of Works)		2008	12,828			12,828			12,828
Office Furniture (advisor)		Jul-08	7,410			7,410			7,410
Chainsaw		Aug-09	8,115			8,115			8,115
Water Blaster		Dec-09	6,317			6,317			6,317
Plate Compactor		Dec-09	17,000			17,000			17,000
Skip Bins (20)		Jun-09	133,858			133,858			133,858
Skip Bins		Dec-10	22,330	75,670	Jan to Oct 11	98,000			98,000
Total Works (P&E)			298,084	75,670		374,754		-	374,754
Law Enforcement (P&E)									
						-			-
						-			-
						-			-
Total Law Enforcement						-			-
Youth, Sports & Women (P&E)									
Laptop (HOD)		Apr-10	15,925			15,925			15,925
Laptop Acer		Dec-10	6,868			6,868			6,868
Office Desk 3 drawer		Dec-10	6,093			6,093			6,093
Photocopier				17,910	14.1.11	17,910			17,910
Total Youth, Sports & Women			28,886	17,910		46,796		-	46,796
Education (P&E)									
Laptop		Mar-10	19,500			19,500			19,500
Vehicle				93,516	21.11.11	93,516			93,516
Total Education			19,500	93,516		113,016		-	113,016
Health (P&E)									
Computer		Mar-10	17,821			17,821			17,821

Asset Classification	Asset Number	Date of Purchase	Original Cost	Additional Cost - 2011	Date of Addition	Total Cost	Date of Disposal	Disposal Value	Closing Book Value
Computer		Oct-10	19,043			19,043			19,043
Total Health			36,864	-		36,864		-	36,864
Rapid Employment Program (P&E)									
Computer (1)		Dec-10	25,718			25,718			25,718
Computer (2)		Dec-10	25,718			25,718			25,718
Computer (3)		Dec-10	25,718			25,718			25,718
Airconditioner (1)		Dec-10	18,149			18,149			18,149
Airconditioner (2)		Dec-10	18,149			18,149			18,149
Transport Equipment				603,008	2011	603,008			603,008
Office Equipment & Furniture				192,479	2011	192,479			192,479
Total Rapid Employment Program			113,451	795,487		908,938		-	908,938
Total Plant & Equipment			1,527,590	1,280,107	2,807,697	2,807,697		-	2,807,697
Vehicles									
Works (Veh)									
Toyota Rav 4 X-1140		Jul-07							
Toyota Rav 4 X-1177		2008	64,678			64,678			64,678
Toyota Rav 4 X-1174		Oct-08	75,000			75,000			75,000
Toyota Rav4 X-1214		Feb-09	80,667			80,667			80,667
Toyota Rav4 X-1213		Mar-09	80,667			80,667			80,667
Cougar Skid Steer Loader		Mar-09	318,989			318,989			318,989
Isuzu Tipper Truck X-1250		Mar-09	318,912			318,912			318,912
Hino RD Ranger Skip Truck X-1277		Mar-09	696,092			696,092			696,092
Compactor Truck X-1254		Mar-09	197,584			197,584			197,584
Compactor Truck X-1255		Mar-09	197,584			197,584			197,584
Caterpillar 910G 4WD Loader X-1249		Mar-09	591,803			591,803			591,803
Toyota Rav 4		Jun-09	59,850			59,850			59,850
Hyundai 4x4 Car AB6373		Jul-09	178,500			178,500			178,500
Dong Feng Mini Truck X-1266		Aug-09	63,750			63,750			63,750
Dong Feng Mini Truck X-1267		Aug-09	63,750			63,750			63,750
Dong Feng 3-tonneTruck X-?		Dec-09	105,042			105,042			105,042
Dong Feng 3-tonneTruck X-?		Dec-09	105,042			105,042			105,042

Asset Classification	Asset Number	Date of Purchase	Original Cost	Additional Cost - 2011	Date of Addition	Total Cost	Date of Disposal	Disposal Value	Closing Book Value
Toyota Rav 4 X-1057		Nov-10	50,600			50,600			50,600
Dong Feng 2.5-tonne Truck (Malania)		Apr-10	112,000			112,000			112,000
Isuzu Dual Cab 4WD X-1059		Nov-10	87,400			87,400			87,400
Vehicle-Honda X1178		Nov-10	72,412			72,412			72,412
Compactor Truck				102,311	Feb to oct 11	102,311			102,311
Vehicle				100,000	21.11.11	100,000			100,000
						-			-
Total Works (Veh)			3,520,322	202,311		3,722,634		-	3,722,634
Total Infrastructure, Plant & Equipment			5,047,912	1,482,418		6,530,331		-	6,530,331
Land & Buildings		Date of Purchase	Original Cost	Additional Cost	Date of Addition	Total Cost	Date of Disposal	Disposal Value	Closing Book Value
Mayors Office (L&B)						-			-
						-			-
						-			-
Total Mayors Office Administration (L&B)			-	-		-		-	-
Generator Fence		Feb-09	23,070			23,070			23,070
Green Valley Fencing		Jun-10	33,003			33,003			33,003
						-			-
						-			-
Total Administration Finance (L&B)			56,073	-		56,073		-	56,073
						-			-
						-			-
						-			-
Total Finance			-	-		-		-	-
Central Market (L&B)									
Market Fence		Sep-08	359,284			359,284			359,284
Market Fence - additional		Jul-09	164,963			164,963			164,963
Market Extension				19,473	9.3.11	19,473			19,473
Total Central Market Kukum Market (L&B)			524,247	19,473		543,720		-	543,720

Asset Classification	Asset Number	Date of Purchase	Original Cost	Additional Cost - 2011	Date of Addition	Total Cost	Date of Disposal	Disposal Value	Closing Book Value
Kukum Market Building		Dec-10	227,006	52,776	March, April & June 2011	279,782			279,782
Kukum Market Access Road				19,102	May & Sept 2011	19,102			19,102
Kukum Market Fence				29,910	Sept & Oct 11	29,910			29,910
						-			-
Total Kukum Market			227,006	101,788		328,793		-	328,793
Lands & Planning (L&B)									
						-			-
						-			-
Total Lands & Planning Works (L&B)			-	-		-		-	-
Cemetery Upgrade		Jul-10	432,300			432,300			432,300
Portable Workshop		Dec-10	286,814	7,960	28.7.11	294,774			294,774
Bridges				36,574	May 2011	36,574			36,574
Car wash Depo				16,975	March 2011	16,975			16,975
						-			-
Total Works (L&B)			719,114	61,509		780,623		-	780,623
Law Enforcement (L&B)									
						-			-
						-			-
						-			-
Total Law Enforcement			-	-		-		-	-
Youth, Sports & Women (L&B)									
						-			-
						-			-
Total Youth, Sports & Women			-	-		-		-	-
Education (L&B)									
						-			-
						-			-
Total Education			-	-		-		-	-
Health (L&B)									
Pikini Clinic		2009	242,868			242,868			242,868
Pikini Clinic - additional		Sep-10	1,100,798			1,100,798			1,100,798
White River Clinic Extension		Dec-10	245,065			245,065			245,065
Public Toilet				5,000	20.5.11	5,000			5,000
						-			-
Total Health			1,588,731	5,000		1,593,731		-	1,593,731
Rapid Employment Program (L&B)									
						-			-

Asset Classification	Asset Number	Date of Purchase	Original Cost	Additional Cost - 2011	Date of Addition	Total Cost	Date of Disposal	Disposal Value	Closing Book Value
Total Rapid Employment Program			-	-		-		-	-
Total Land & Buildings			3,115,171	187,770		3,302,941		-	3,302,941
Total Fixed Assets			8,163,084	1,670,188		9,833,272		-	9,833,272

NE: This includes all assets over \$5,000 purchased from 2008 to 2011. Other assets purchased previous to 2008 have not yet been entered into the fixed asset schedule