



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 2014, 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

17 February 2017

Office of the Auditor-General
Solomon Islands



Honiara City Council

Financial Statements

For the year ended 31st December 2014



Honiara City Council

Financial Statements

For the year ended 31st December 2014

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Honiara City Council
Statement of Cash Receipts & Payments
For the year ended 31st December 2014

	Notes	2014 Receipts / (Payments) controlled by entity	2014 Payment by third parties	2013 Receipts / (Payments) controlled by entity	2013 Payment by third parties
		SBD \$	SBD \$	SBD \$	SBD \$
Receipts					
Grants & Aid					
SIG Grants	6	707,003	6,531,233	3,225,450	3,719,395
External Assistance					
Multilateral Agencies (World Bank REP)	7	-	8,570,108	-	6,727,593
Other Grants & Aid					
Non Governmental organisations assistance - Commonwealth Local Government Forum (CLGF)	8	-	-	-	-
Other Receipts					
Fees, Rates and Licenses	9	22,912,668	-	23,146,437	-
House Rental Income	11	12,217	-	58,197	-
Income from Commercial Activities / Investments	10	5,105	-	5,819	-
Sundry Receipts	11	158,210	-	190,094	-
Councillors Advances (Repaid)		-	-	-	-
Staff Advances (Repaid)		-	-	-	-
Other Receipts		-	-	100,841	-
Total receipts		23,795,203	15,101,341	26,726,836	10,446,988
Payments					
Operations					
Salaries and Wages	12	3,935,803	4,515,209	4,936,181	3,173,549
Employee Expenses - Non-Direct Employees	13	-	-	21,700	882,481
Allowances (Employees)	14	2,862,085	-	2,547,742	-
Allowances and Grants (Elected Members)	15	2,986,136	-	3,145,281	-
Operating Disbursements / Office Expenses	16	10,609,452	9,554,417	11,067,733	6,272,781
Repairs & Maintenance	17	1,129,764	-	2,618,872	-
Other Disbursements		1,496,993	-	-	-
Councilor & Other Receivables		285,935	-	468,084	-
		23,306,168	14,069,626	24,805,594	10,328,811
Capital Expenditures					
Plant & Equipment	18	310,885	313,715	444,243	118,177
Vehicles	19	149,200	718,000	76,822	-
Land, Buildings & Roads	20	1,988,747	-	2,897,610	-
Total Capital Expenditures		2,448,832	1,031,715	3,418,675	118,177
Total Payments		25,755,000	15,101,341	28,224,269	10,446,988
Increase/(Decrease) in Cash		-1,959,797	-	(1,497,433)	-
Cash at beginning of year (1 January 2014)		1,108,313	-	1,108,313	-
Increase/(Decrease) in Cash		-1,959,797	-	(1,497,433)	-
Cash at end of year (31 December 2014)		(851,484)	-	(389,120)	-

The above information is a true and fair view of the receipts and payments for the year ended 31st December 2014.

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 2014
(Classification of Payments by Function)

	Actual Amounts (Receipts / (Payments) controlled by entity)	Final Budget	Original Budget	Difference (Final Budget & Actuals)
	SBD \$	SBD \$	SBD \$	SBD \$
Cash Inflows				
Mayors Office	-	-	-	-
Administration	55,109	812,000	812,000	-756,891
Finance	15,846,682	15,834,000	15,834,000	12,682
Market Services	4,885,898	4,387,308	4,387,308	498,590
Planning	1,909,763	2,190,710	2,190,710	-280,947
Works	167,880	172,000	172,000	-4,121
Law Enforcement	7,328	50,000	50,000	-42,672
Youth, Sports & Women	161,185	1,016,300	1,016,300	-855,115
Education	6,535,233	1,202,000	1,202,000	5,333,233
Health & Medical	50,357	165,000	165,000	-114,643
Rapid Employment Project	8,570,108	-	0	8,570,108
External Revenues	707,003	4,268,005	4,268,005	-3,561,002
Total Receipts	38,896,544	30,097,323	30,097,323	8,799,221
Cash Outflows				
Mayor Office	4,903,357	7,073,600	7,073,600	-2,170,243
Administration	2,532,403	4,404,965	4,404,965	-1,872,562
Finance	\$1,741,031	2,374,599	2,374,599	-633,568
Market Services	2,378,150	1,556,283	1,556,283	821,867
Lands & Planning	573,221	1,308,016	1,308,016	-734,795
Works	5,430,707	8,701,122	8,701,122	-3,270,415
Law Enforcement	1,752,455	1,959,453	1,959,453	-206,998
Youth, Sport & Women	1,249,879	2,703,250	2,703,250	-1,453,371
Education & Training	1,558,303	1,626,787	1,626,787	-68,484
Health & Medical	8,213,120	635,000	635,000	7,578,120
HCC Disaster	170,677	455,000	455,000	-
Rapid Employment Project	7,538,393	-	-	7,538,393
Total Payments	38,041,698	32,798,075	32,798,075	5,527,946
Net Cash Flows	854,847	-2,700,752	-2,700,752	3,271,275

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:

	2014	2013
BSP Current Cheque Account	(934,716)	(1,467,329)
BSP Term Deposit	53,000	1,047,976
Petty cash - Others	12,920	12,920
Finance Petty Cash	9,312	9,312
Works Petty Cash	8,000	8,000
Cash at end of year	(851,484)	(389,121)

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 2014 to 31st December 2014) as for the financial statements. The original budget was approved by legislative action on the 1st of November, 2013

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 2013 until December 2013.

	2014 Receipts / (Payments)	2014 Payment by third parties	2014 Final Budget (controlled by)
	\$	\$	\$
Note 6 - SIG Grants			
SI Government grants	634,768	-	4,268,005
Education Grant	-	475,745	-
Health Services Grant	72,235	6,055,488	-
Home Affairs	-	-	-
Seconded Staff	-	-	-
Total - SIG Grants	707,003	6,531,233	4,268,005

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)	-	8,570,108	-
	-	8,570,108	-

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 7.54

	2014	2013
Closing balance of undrawn grants @ 31st December 2014	8,722,023	10,038,470

Note 8 - Other Grants & Aid

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

Note 9 - Fees, Rates and Licenses

Basic Rates / Head Tax	3,234,982	-	3,900,000
Business Licenses	6,101,191	-	5,000,000
Property Rates	5,526,177	-	6,000,000
Liquor Licenses	871,236	-	895,000
Works Income	167,880	-	172,000
Land & Planning Fees	1,909,763	-	2,190,710
Education & Training Fees	4,000	-	1,202,000
Health & Medical Fees	50,357	-	165,000
Youth, Women & Sports Fees	161,185	-	1,016,300
Market Income	4,885,898	-	4,387,308
Total - Fees, Rates and Licenses	22,912,668	-	24,928,318

Honiara City Council

Notes to the Financial Statements

	2014 Receipts / (Payments) controlled by entity	2014 Payment by third parties	2014 Final Budget (controlled by entity only)
	\$	\$	\$
Note 10 - Income from Investments			
Bank South Pacific Interest	5,105	-	10,000
Total Income from Investments	<u>5,105</u>	<u>-</u>	<u>10,000</u>
Note 11 - Sundry Receipts			
Other Admin Income	8,160	-	304,000
Miscellaneous Receipts	114,207	-	37,000
Election fee	40,732	-	500,000
Litter & Sport Fines	4,668	-	50,000
Magistrate Court Fines	2,660	-	-
Total Sundry Receipts	<u>170,427</u>	<u>-</u>	<u>891,000</u>
Total Revenue	<u>23,795,204</u>	<u>15,101,341</u>	<u>30,097,323</u>
Note 12 - Salary & Wages			
Mayor Office	85,779	-	23,200
Administration	368,363	-	629,903
Finance	349,688	-	529,010
Market	455,561	-	408,263
Lands & Planning	178,124	-	333,650
Works	1,109,627	-	1,400,513
Law Enforcement	775,164	-	725,243
Youth, Sport & Women	188,423	-	266,458
Education	425,074	-	200,000
Health	-	3,076,561	-
Rapid Employment Project	-	1,438,648	-
Total Salary & Wages	<u>3,935,803</u>	<u>4,515,209</u>	<u>4,516,240</u>
Note 13 - Employee Expenses - Non-Direct Employees			
SIG seconded staff	-	-	-
Rapid Employment Project	-	-	-
CLGF Technical Assistance	-	-	-
Total Employee Expenses - Non Direct	<u>-</u>	<u>-</u>	<u>-</u>
Note 14 - Allowances & Grants (Employees)			
Housing allowances	599,397	-	788,329
Other Allowances	745,216	-	531,183
Overtime Allowances	1,517,471	-	687,528
Total Allowances & Grants (Employees)	<u>2,862,085</u>	<u>-</u>	<u>2,007,040</u>
Note 15 - Allowances and Grants (Elected Members)			
Members Housing Allowance	9,323	-	28,800
Members Transport Allowance	10,139	-	28,800
Members Overseas Allowances	72,388	-	100,000
Ward Development Grants	2,633,500	-	2,760,000
Members Allowances	150,786	-	634,000
Members Appointment Allowance	40,000	-	120,000
Members Terminal Grants	10,000	-	600,000
Mayor Salary & Rental	60,000	-	124,500
Total Allowances & Grants (Elected Members)	<u>2,986,136</u>	<u>-</u>	<u>4,396,100</u>

Honiara City Council

Notes to the Financial Statements

	2014 Receipts / (Payments) controlled by entity	2014 Payment by third parties	2014 Final Budget (controlled by entity only)
Note 16 - Operating Disbursements	\$	\$	\$
Employers NPF	431,889	-	554,005
Home Leave - Employees	800,107	-	687,510
Home Leave - Members	120,482	-	88,000
Home Leave-Teachers	300,000	-	800,000
Computer Expenses	124,729	-	178,000
Electricity	710,643	-	525,000
Fuel & Lubricants	716,974	-	1,173,200
Minor Office Equipment	49,850	-	85,000
Office Expenses	302,036	-	254,000
Printing & Publications	470,010	-	221,000
Telephone	355,488	-	258,500
Uniforms	45,048	-	145,000
Election costs	855,716	-	2,000,000
Water	634,589	-	181,000
Mayor Entertainment	146,967	-	200,000
Mayors Donation	721,453	-	200,000
Members Medical Expenses	5,500	-	10,000
Overseas Dignatory Expenses	18,972	-	250,000
Councilors Meeting Expenses	98,040	-	100,000
Adhoc Committees	5,015	-	20,000
Executive Committee	30,884	-	20,000
Ward Advisory Committees	440,000	-	480,000
Death in Office	29,371	-	20,000
Standing Committee Expenses	7,430	-	84,480
Admin Committee	8,805	-	25,000
Advertising Expenses	119,816	-	88,000
Cleaning Supplies HQ	2,998	-	5,000
Courses & Training (SI & Overseas)	17,509	-	30,000
Death Condolences	19,851	-	5,000
Honiara City Anniversary	-	-	100,000
Insurance-Workmen Compensation	35,405	-	50,000
Insurance-Vehicle	-	-	150,000
Legal Expenses	43,924	-	30,000
Licensing Program	-	-	5,000
Liquor Board Expenses	37,128	-	15,000
Long Service Benefits	50,738	-	40,000
Official Entertainment	13,382	-	50,000
Overseas Expenses	136,160	-	60,000
Postage expense	-	-	15,000
Repair & Maintenance	-	-	30,000
SI Independence Costs	76,446	-	300,000
Service Messages	673	-	-
Audit & Accounting	43,167	-	15,000
Special Expenditure	20,500	-	10,000
Bank Fees	16,648	-	30,000
Contingencies	256,610	-	100,000
Penalty/Surcharge	-	-	5,000
Rental to CoLands	-	-	25,000
Revenue Collection Exp	12,900	-	20,000
Market Cleaning	27,318	-	20,000
Market UpKeep-Central/Kukum/Multi-purpose Hall	84,703	-	180,000
Protective Clothing	83,189	-	87,000
Engineering Cost- TCPB	109,500	-	80,000
Town & Country Planning Board	33,960	-	40,000
Land Lease & Rent	100,400	-	10,000
Lands & Planning Equip & Materials	1,900	-	5,000

Honiara City Council
Notes to the Financial Statements

	2014 Receipts / (Payments) controlled by entity	2014 Payment by third parties	2014 Final Budget (controlled by entity only)
	\$	\$	\$
Lands training	-	-	15,000
Soil testing	-	-	300,000
Hire of Plants & Vehicles	181,775	-	40,000
Land Fill Maintenance	139,240	-	70,000
Refuse Contracts	312,000	-	336,000
Roads & Garden	-	-	50,000
Standby Generator	140	-	20,000
Tools & Equip Replacements	26,572	-	50,000
Workshop Consumable	117,720	-	80,000
Enforcement Equipment & Materials	68,834	-	65,000
Law Enforcement training	3,000	-	30,000
Court & Auction fee	-	-	13,000
Youth Other Operating Expenses	167,067	-	253,000
Disaster Office	187,177	-	140,000
Sports Other Operating Expenses	191,448	-	300,000
Women Other Operating Expenses	198,822	-	201,000
Library Services	26,320	-	20,000
Health operating Expenses	214,515	2,978,927	360,000
Education Division	-	475,745	-
Education - School project(ECE & TVET)	-	-	250,000
REP Operating Other Admin Expenses	-	6,099,745	-
Total Operating Disbursements	10,609,452	9,554,417	12,752,695
Note 17 - Repairs & Maintenance			
R&M Buildings	185,834	-	300,000
R&M Cemetery	47,846	-	25,000
R&M Clinics	124,152	-	150,000
R&M Central Market	35,514	-	50,000
R&M Kukum Market	-	-	20,000
R&M Furnitures & Fittings	38,665	-	60,000
R&M Lockup Shop	7,426	-	40,000
R&M Multi-Purpose Hall	5,960	-	50,000
R&M Roads & Drainage	90,000	-	100,000
R&M Trucks	172,162	-	250,000
R&M Staff Housing	60,211	-	300,000
R&M Sport Facilities	4,800	-	50,000
R&M heavy plant	99,322	-	150,000
R&M Small plant	450	-	25,000
R&M Vehicles	252,988	-	305,000
R&M Small Equipment	4,435	-	20,000
Total Repairs & Maintenance	1,129,764	-	1,895,000
Total Expenditure	21,523,240	14,069,626	25,567,075
Note 18 - Capital Expenditure Plant & Equipment & others			
IT Hardware	71,950	-	250,000
Office safe	149,200	-	-
Printer	-	-	150,000
Photocopy Machine	-	-	150,000
Data system for Library books	34,740	-	-
Aircondition replacement	-	-	100,000
Disaster Equipment	-	-	100,000
Youth & Sport Equip	-	-	580,000
Rubbish Equipment	54,995	-	-
Rapid Employment Program	-	313,715	-
Total Capital Expenditure Plant & Equipment	310,885	313,715	1,330,000

Honiara City Council
Notes to the Financial Statements

Note 19 - Capital Expenditure Vehicle

Honda Car	149,200	-	-
Central Market Vehicle	-	-	80,000
Law vehicle	-	-	300,000
Lands Vehicle	-	-	250,000
Dental Vehicle	-	-	95,000
YSW Vehicle	-	-	250,000
1 ton rubbish truck	-	-	250,000
Rapid Employment Program	-	718,000	-
Total Capital Expenditure Vehicle	149,200	718,000	1,225,000

Note 20 - Capital Expenditure Land, Roads & Buildings

Kukum labour line toilet	-	-	200,000
Kukum Market Building	-	-	45,000
Central Market Extension	-	-	150,000
Bridges and Culverts	50,000	-	100,000
HCC Head office fencing	-	-	300,000
Kukum & Naha field rehabilitation	-	-	100,000
Law Renovation	-	-	50,000
Staff housing construction	-	-	400,000
Education Conference	-	-	150,000
Termite spraying	-	-	200,000
Pikinini clinic maintenance	46,833	-	-
Dental Clinic	1,891,914	-	180,000
Public Library renovation	-	-	200,000
TVET project construction	-	-	450,000
GYM repair	-	-	60,000
MPH fencing	-	-	200,000
Youth Learning Hub	-	-	100,000
Rapid Employment Project	-	-	200,000
Total Capital Expenditure Land & Buildings	1,988,747	-	3,085,000

Note 21 - Capital Expenditure Others

Review of City Code of contact	-	-	50,000
Training	-	-	300,000
Technical Exchange with sister cities	-	-	300,000
Ordinance Betel-nut three zone	-	-	50,000
Users free Ordinance for migrants	-	-	50,000
City Wide consultation	-	-	500,000
Review , disseminate & contact staff	-	-	30,000
Implementation of annual Performance	-	-	5,000
Disaster Identificate & Site development	-	-	50,000
Disaster response	-	-	50,000
Disaster training	-	-	100,000
Formulation of HCC housing scheme	-	-	100,000
Sport Support network	-	-	6,000
Total Capital Expenditure Others	-	-	1,591,000

Total Capital Expenditure	2,448,832	1,031,715	7,231,000
Net Surplus/(Deficit)	(176,868)	-	(2,700,752)

Honiara City Council

Statement of Assets & Liabilities (excl Fixed Assets)

As At 31st December 2014

<u>Assets</u>	2014	2013
Current Assets		
Cash On Hand	(\$851,484)	(\$389,121)
Accounts Receivables	\$423,392	\$423,392
Staff Debtors	\$227,902	\$205,383
Councilor Debtors	\$1,171,604	\$990,114
Non-Staff Debtors	\$80,759	\$81,159
Other Debtors	\$678,330	\$596,404
Total Assets	\$1,730,503	1,907,331
 <u>Liabilities</u>		
Current Liabilities		
Liquor License Prepaid	-	-
Payroll Clearing	-	-
PAYE Tax Control Acct	90,211	90,211
NPF Control Acct	63,164	63,164
Union fees	(\$9,180)	(\$9,220)
Bond Fees- Lock Up	\$107,950	\$107,950
- Multi- Hall	\$9,347	\$9,347
Total Liabilities	\$261,492	261,452
 Net Assets	\$1,469,011	1,645,879
 <u>Equity</u>		
Retained Earnings	\$1,645,879	\$2,834,265
Current Year Earnings	(\$176,868)	(\$1,188,386)
Total Equity	\$1,469,011	1,645,879

This Statement of Assets and Liabilities includes all known Assets & Liabilities, excluding Fixed Assets & 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 2014 is \$53,000, reflected in the Cash on Hand figure above and held on Term Deposit at the Bank of South Pacific.

Honiana City Council								
Asset Register 2014								
Asset Classification	Date of Purchase	Original Cost	Additional Cost - 2014	Date of Addition	Total Cost	Date of Disposal	Disposal Value	Closing Book Value
Infrastructure (currently not aware of any infrastructure owned by HCC)								
Plant & Equipment								
Mayors Office (P&E)								
Domestic furnitures	28.4.11	14,769			14,769			14,769
Laptop and Printer	19.9.12	17,569	-		17,569			17,569
Total Mayors Office		32,338	-		32,338		-	32,338
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, Jan and Mar 2011	109,168			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	Feb & Mar 2011	21,858			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

Asset Classification	Date of Purchase	Original Cost	Additional Cost - 2014	Date of Addition	Total Cost	Date of Disposal	Disposal Value	Closing Book Value
Anti-Virus Gateway Server	Jul-10	34,895			34,895			34,895
Furniture for City Clerk & HR office	Jun-11	6,134			6,134			6,134
Office desk for Legal officer	May-11	6,450			6,450			6,450
PC for legal advisor	Jan-11	13,550			13,550			13,550
PC for HR	Jan-11	16,117			16,117			16,117
Donated computer freight	Jun-11	31,706			31,706			31,706
Furniture (Cabinets and chairs)	26, 1, 12 April, May & June 12	32,898			32,898			32,898
IT hardware	Feb, April May & Jul 2011	22,152			22,152			22,152
IT hardware		40,375			40,375			40,375
IT hardware	2013	299,723	-		299,723			299,723
Total Administration		1,380,483	-		1,380,483		-	1,380,483
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	Jun-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	Nov-11	11,152			11,152			11,152
Printer	Feb-11	14,000			14,000			14,000
Server room Cabinet	Mar-11	14,852			14,852			14,852
35 UPS for fraser coast donated PC	Jun-11	49,000			49,000			49,000
Safe box	March 2011	5,400			5,400			5,400
IT hardware			71,950	2014	71,950			71,950
Office Safe			149,200	2014	149,200			149,200
Total Finance		219,379	221,150		440,529		-	440,529
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

Asset Classification	Date of Purchase	Original Cost	Additional Cost - 2014	Date of Addition	Total Cost	Date of Disposal	Disposal Value	Closing Book Value
Total Central Market		30,491	-		30,491		-	30,491
Kukum Market (P&E)					-			-
					-			-
Total Kukum Market		-	-		-		-	-
Lands & Planning (P&E)								
Computer	Mar-10	13,250			13,250			13,250
Computer	Sep-10	19,106			19,106			19,106
Photocopier	Oct-11	45,000	-		45,000			45,000
Total Lands & Planning		77,356	-		77,356		-	77,356
Works (P&E)								
Tools	2008	9,450			9,450			9,450
Tools - Additional	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	13/12/2010, Jan to Oct 2011, 2013	234,641			234,641			234,641
Welding Machine	18.7.12	15,187			15,187			15,187
Rubbish Equipment			54,995	2014	54,995			54,995
Total Works (P&E)		526,562	54,995		581,576		-	581,576
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	Jan-11	17,910			17,910			17,910

Asset Classification	Date of Purchase	Original Cost	Additional Cost - 2014	Date of Addition	Total Cost	Date of Disposal	Disposal Value	Closing Book Value
Total Youth, Sports & Women Education (P&E)		46,796	-		46,796		-	46,796
Laptop	Mar-10	19,500			19,500			19,500
Vehicle	Nov-11	93,516			93,516			93,516
Gym Equipment	2013	7,878			7,878			7,878
IT data system for Library			34,740	2014	34,740			34,740
Total Education		120,894	34,740		155,634		-	155,634
Health (P&E)								
Computer	Mar-10	17,821			17,821			17,821
Computer	Oct-10	19,043			19,043			19,043
Kulkum clinic pressure pump	2013	11,113			11,113			11,113
Total Health		47,977	-		47,977		-	47,977
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	2011	603,008			603,008			603,008
Office Equipment & Furniture	2011	192,479			192,479			192,479
Concrete Mixer	Sept 2012	15,969			15,969			15,969
Transport Equipment	2012	220,000			220,000			220,000
Office Equipment & Furniture	2012	23,496			23,496			23,496
Office Equipment & Furniture	2013	118,177	287,558	2014	405,735			405,735
Computer & Accessories			26,157	2014	26,157			26,157
Transport Equipment			718,000	2014	718,000			718,000
Total Rapid Employment Program		1,286,580	1,031,715		2,318,295		-	2,318,295
Total Plant & Equipment		3,768,876	1,342,600		5,111,476		-	5,111,476
Vehicles	Purchase	Cost	Cost	Addition	Total Cost	Disposal	Value	Value
Works (Veh)								
Toyota Rav 4 X-1140	Jul-07							

Asset Classification	Date of Purchase	Original Cost	Additional Cost - 2014	Date of Addition	Total Cost	Date of Disposal	Disposal Value	Closing Book Value
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
Toyota Rav 4 X-1057	Nov-10	50,600			50,600			50,600
Dong Feng 2.5-tonne Truck (Malaria)	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	Feb to Oct 2011	102,311			102,311			102,311
Vehicle	Nov-11	100,000			100,000			100,000
Compactor truck	17.8.12	280,000			280,000			280,000
Vehicle-Law Enforcement	2012	104,881			104,881			104,881
Health Vehicle	May 2012	75,030			75,030			75,030
Central market vehicle	2013	76,822			76,822			76,822
Honda Car		-	149,200	2014	149,200			149,200
Total Works (Veh)		4,259,366	149,200		4,408,566		-	4,408,566
Total Infrastructure, Plant & Equipment		8,028,242	1,491,800		9,520,041		-	9,520,041
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)					-			-
					-			-

Asset Classification	Date of Purchase	Original Cost	Additional Cost - 2014	Date of Addition	Total Cost	Date of Disposal	Disposal Value	Closing Book Value
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		56,073	-		56,073		-	56,073
Finance (L&B)								
					-			-
					-			-
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	Mar-11	19,473			19,473			19,473
Total Central Market		543,720	-		543,720		-	543,720
Kukum Market (L&B)								
Kukum Market Building	31/12/2010, March , April & June 2011	279,782			279,782			279,782
Kukum Market Access Road	May & Sept 2011	19,102			19,102			19,102
Kukum Market Fence	Sept & Oct 2011	29,910			29,910			29,910
Kukum Labour line toilet	2013	89,209			89,209			89,209
Kukum Market Building	2013	33,054			33,054			33,054
Total Kukum Market		451,057	-		451,057		-	451,057
Lands & Planning (L&B)								
					-			-
					-			-
Total Lands & Planning		-	-		-		-	-
Works (L&B)								
Cemetery Upgrade	Jul-10	432,300			432,300			432,300
Portable Workshop	21/12/2010, July 11	294,774			294,774			294,774
Bridges	May-11	36,574			36,574			36,574
Car wash Depo	Mar-11	16,975			16,975			16,975
Asbestos	April & May 11, 2013	137,478			137,478			137,478

Asset Classification	Date of Purchase	Original Cost	Additional Cost - 2014	Date of Addition	Total Cost	Date of Disposal	Disposal Value	Closing Book Value
Bridges & Culverts	2012	24,600	50,000	2014	74,600			74,600
Staff houses	16.8.12	27,300			27,300			27,300
Termite spraying	Jan-Oct 2012, 2013	222,200			222,200			222,200
Fulisanogo road	21.9.12	12,668			12,668			12,668
Kukum & Naha field rehabilitation	2013	114,932			114,932			114,932
Renovation of Public Library	2013	215,640			215,640			215,640
Multi - purpose hall fencing	2013	121,938			121,938			121,938
Total Works (L&B)		1,657,378	50,000		1,707,378			1,707,378
Law Enforcement (L&B)								
Law office Renovation	Jul-05	106,685			106,685			106,685
Law building	2013	88,274			88,274			88,274
Total Law Enforcement		194,959	-		194,959			194,959
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	46,833	2014	1,147,631			1,147,631
White River Clinic Extension	Dec-10	245,065			245,065			245,065
Public Toilet	May-11	942,810			942,810			942,810
Dental Clinic	2013	2,068,890	1,891,914	2014	3,960,804			3,960,804
Total Health		4,600,431	1,938,747		6,539,178			6,539,178
Rapid Employment Program (L&B)								
					-			-
					-			-
Total Rapid Employment Program		-	-		-			-
Total Land & Buildings		7,503,619	1,988,747		9,492,366			9,492,366
Total Fixed Assets		15,531,860	3,480,547		19,012,407			19,012,407

NB: This includes all assets over \$5,000 purchased from 2008 to 2012. Other assets purchased previous to 2008 have not yet been entered into the fixed asset schedule