



SECOND REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENTS OF THE ARIMA BOROUGH CORPORATION FOR THE YEAR ENDED 30TH SEPTEMBER 2008

The First Report of the Auditor General on the Non-receipt of Financial Statements of the Arima Borough Corporation for the year ended 30th September 2008 was signed by the Auditor General on 4th November, 2009 and submitted to the Speaker of the House of Representatives and the President of the Senate for laying in the House of Representatives and the Senate respectively and to the Minister of Finance.

2. Section 113 (2) of the Municipal Corporations Act requires the Auditor General to audit the accounts of the Arima Borough Corporation. The accompanying financial statements of the Arima Borough Corporation for the year ended 30th September 2008 have been audited. The Statements comprise a Statement of Financial Position as at 30th September 2008, a Recurrent Programme Income Statement for the year ended 30th September 2008, a Development Programme Income Statement for the year ended 30th September 2008, a Statement of Changes in Equity for the year ended 30th September 2008, a Statement of Cash Flows for the year ended 30th September 2008 and Notes to the Financial Statements numbered 1 to 16.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

3. The management of the Arima Borough Corporation is responsible for the preparation and presentation of these financial statements in accordance with the basis of accounting approved by the Minister of Finance and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

4. The Auditor General's responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with generally accepted Auditing Standards. Because of the matters described in the Basis for Disclaimer of Opinion (paragraphs 5 and 6), sufficient appropriate audit evidence was not obtained to provide a basis for an audit opinion.

BASIS FOR DISCLAIMER OF OPINION

COMPARATIVE FIGURES

5. Comparative figures for the year ended 30th September 2007 were restated in the financial statements for the year ended 30th September 2008. The prior year adjustments were not disclosed in these Financial Statements. A note to the Financial Statements was not included stating the following:

- The nature of the error;
- The amount of that correction; and
- The fact that comparative information has been restated or that it is impracticable to do so.

6. Records and documents were not produced for audit examination for the undermentioned balances appearing on the Financial Statements.

STATEMENT OF FINANCIAL POSITION

ASSETS

NON – CURRENT ASSETS

Property, Plant & Equipment	\$19,184,498
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CURRENT ASSETS

Trade Receivables and Prepayments	\$987,273
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Cash and Cash Equivalents	\$16,221,671
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RESERVES

Retained Reserves	\$22,135,645
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LIABILITIES

NON-CURRENT LIABILITIES

Deferred Development Programme Income	\$14,082,302
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RECURRENT PROGRAMME INCOME STATEMENT

RECURRENT REVENUE EXPENDITURE

Personnel Expenditure	\$31,822,607
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DISCLAIMER OF OPINION

7. Because of the significance of the matters described in the Basis for Disclaimer of Opinion (at paragraphs 5 to 6 above) , 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 for the year ended 30th September 2008.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

8. Section 113 (1) of the Municipal Corporations Act 1990 states:

“Every Corporation shall keep its accounts in a form, having regard to its annual estimates, approved by the Minister of Finance.”

8.1. The approval of the Minister of Finance was not seen for the basis of accounting adopted by the Corporation as required by section 113 (1) of the Act.

MAYOR’S FUND - \$1,793.00

9. A separate statement of revenue and expenditure was not submitted by the Corporation with respect to the Mayor’s Fund. In this regard, your attention is drawn to paragraph 110 (4) of the Municipal Corporations Act, Chapter 25:04 which states:

“An annual report on the Mayor’s Fund together with an audited statement of its revenue and expenditure shall be submitted to the Minister.”

SUBMISSION OF REPORT

10. This Report is being submitted to the Speaker of the House of Representatives, the President of the Senate and the Minister of Finance in accordance with the requirements of sections 116 and 119 of the Constitution of the Republic of Trinidad and Tobago.



17th August, 2023
PORT OF SPAIN

Jaiwantie Ramdass
JAIWANTIE RAMDASS
AUDITOR GENERAL (Ag.)



ARIMA BOROUGH CORPORATION

**FINANCIAL STATEMENTS
AS AT 30 SEPTEMBER 2008**

SINANAN DASS & ASSOCIATES, CHARTERED ACCOUNTANTS

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SINANAN DASS AND ASSOCIATES

CHARTERED ACCOUNTANTS

50 THIRD AVENUE, ISAAC SETTLEMENT, COUVA

TEL: (868) 636-2725; FAX (868) 636-8561

CHARTERED ACCOUNTANTS

ACCOUNTANT'S COMMENTS

We have prepared the accompanying Statement of Financial Position for Arima Borough Corporation as at 30 September 2008, the Statement of Recurrent Income and Development Programme Income Statement for the year then ended, without audit, from the accounting records, other information and explanations supplied and are in accordance therewith.

Sinanan Dass & Associates

Sinanan Dass & Associates

21. 9. 2018

Date



**ARIMA BOROUGH CORPORATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2008

		2007/08	2006/07
	NOTES	\$	\$
ASSETS			
NON-CURRENT ASSETS			
Property, Plant & Equipment	3	19,184,498	16,049,774
		19,184,498	16,049,774
CURRENT ASSETS			
Trade Receivables and Prepayments	5	987,273	987,273
Cash and Cash Equivalents	4	16,221,671	12,766,032
		17,208,944	13,753,305
TOTAL ASSETS		36,393,442	29,803,079
RESERVES			
Retained Reserves		22,135,645	16,676,975
TOTAL RESERVES		22,135,645	16,676,975
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred Development Programme Income	7	14,084,302	12,994,522
Mayor's Fund		1,793	1,793
		14,086,095	12,996,315
CURRENT LIABILITIES			
Trade and Other Payables	6	171,702	129,789
		171,702	129,789
TOTAL LIABILITIES		14,257,797	13,126,104
TOTAL EQUITY AND RESERVES		36,393,442	29,803,079

S. La Motte

Financial Officer



CSC

Chief Executive Officer

ARIMA BOROUGH CORPORATION
RECURRENT PROGRAMME INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2008

		2007/08	2006/07
	NOTES	\$	\$
RECURRENT REVENUE			
Government Subventions	8	53,350,383	45,208,625
Dues and Rentals	8	337,517	285,872
Services Charges	8	253,805	268,915
Taxes on Property	8	3,485,459	3,452,966
Interest	8	40,957	37,281
Other Receipts	8	2,202,320	1,302,545
Other Revenue	8	102,076	99,281
		59,772,517	50,655,485
RECURRENT REVENUE EXPENDITURE			
Personnel Expenditure	9	31,822,607	31,538,366
Goods and Services	10	16,134,768	11,866,929
Minor Equipment Purchases	11	1,647,606	420,564
Current Transfers and Subsidies	12	3,165,286	3,079,085
Expenses Suspense	13	1,409,733	15,281
Miscellaneous	14	3,352,076	1,710,254
Other Expenses	15	117,718	428,824
		57,649,797	49,059,303
RECURRENT PROGRAMME SURPLUS REVENUE		2,122,720	1,596,182

**ARIMA BOROUGH CORPORATION
DEVELOPMENT PROGRAMME INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

		2007/08	2006/07
	Notes	\$	\$
DEVELOPMENT PROGRAMME			
Deferred Development Programme Income	7	12,994,522	16,646,881
Current Development Programme Income	7	300,051	73,500
Non-Current Assets Income	7	3,737,291	903,146
Development Programme Suspense Income	7	1,841,563	513,425
		18,873,427	18,136,952
DEVELOPMENT PROGRAMME EXPENDITURE			
Drainage & Irrigation	7	728,151	3,663,302
Markets & Abattoirs	7	0	82,062
Montano & Co - Attorney-at-Law	7	146,767	0
Freedom of Information Act	7	0	83,938
Non-Current Assets Expenditure	7	3,914,207	846,557
Development Programme Suspense Account	7	0	466,571
		4,789,125	5,142,430
DEVELOPMENT PROGRAMME EXPENDITURE REVENUE		14,084,302	12,994,522

ARIMA BOROUGH CORPORATION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2008

	Retained Reserves	Total
	\$	\$
Balance at 30 September 2006	11,432,962	11,432,967
Recurrent Programme Surplus Revenues	1,596,182	1,596,182
Movement In Capital Fund - Additions of Non Current Assets	846,557	846,557
Movement In Capital Fund - Depreciation	(99,450)	(99,450)
Adjustment to Retained Earnings	2,900,720	2,900,720
Balance at 30 September 2007	16,676,971	16,676,975
Recurrent Programme Surplus Revenues	2,122,720	2,122,720
Movement In Capital Fund - Additions of Non Current Assets	3,914,207	3,914,207
Movement In Capital Fund - Depreciation	(779,483)	(779,483)
Adjustment to Retained Earnings	201,224	201,224
Balance at 30 September 2008	22,135,645	22,135,643

Balances written off in the financial year that relates to prior period. The amounts were written off to Retained Earnings as there were no supporting schedules.

Development Programme Expenditure	201,224
	201,224

ARIMA BOROUGH CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2008

	2007/08	2006/07
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Recurrent Programme Surplus Revenue	2,122,720	1,596,182
Adjustment for:		
Depreciation	(779,483)	(99,450)
Capital Fund Movements	3,914,207	846,557
Non-Cash Movements	201,224	2,900,720
Changes in Operating Assets and Liabilities		
Decrease in Receivables	0	3,826,051
Increase (Decrease) in Payables	41,911	(894,841)
Increase in Deferred Development Programme	1,089,780	(3,652,359)
Cash Generated From Operating Activities	6,590,359	4,522,860
Depreciation	779,483	99,450
Net Cash flows Generated in Operating Activities	7,369,842	4,622,310
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Non Current Assets	(3,914,207)	(846,557)
Net Cash Used In Investing Activities	(3,914,207)	(846,557)
INCREASE IN CASH AND CASH EQUIVALENTS	3,455,635	3,775,753
MOVEMENT IN CASH AND CASH EQUIVALENTS		
At start of year	12,766,032	8,990,279
Increase	3,455,635	3,775,753
AT END OF YEAR	16,221,667	12,766,032

**ARIMA BOROUGH CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES

1. GENERAL INFORMATION

The Arima Borough Corporation is a Local Government Authority, and was incorporated on 13th September 1990 by the Municipal Corporation Act 21 of 1990. The Corporation operates a Mayor form of Government and provides the following services as authorised by the Act; development and maintenance of public infrastructure, health and environmental services, recreational and public services, including safety and well being.

Funding for the activities of the Corporation is provided mainly by Government subvention on a deficit financing basis. The Corporation also raises its own revenue from services provided to its citizens, the majority of which are derived from the collection of land and property rates and taxes, and the collection of fees for the use of markets and abattoirs.

Subvention from Government for the purpose of these financial statements fall under three (3) major heading; Recurrent, Infrastructure Renewal Improvement and Development Programme (IRIAD) and Development Programme, and as such, expenditure incurred is classified accordingly.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The Financial Statements of the Corporation are prepared on a modified accrual basis, which is a hybrid between the cash basis and the accrual basis, using historic cost conventions, where no account is taken of

This basis of preparation, also called "The Sylvester Model" has been the method followed by the Corporation for many years, and was implemented by the Ministry of Local Government in 1999. Documentation concerning approval by the Ministry of Finance for this basis of preparation does not reside

Income is recorded when amounts are received by cash, cheque or linx.

Expenses are deducted when they are paid by cash or cheque.

Generally, no accrual is made in the financial statements for liabilities which have been incurred but which have remained unpaid at year end. No directive has been received from the Treasury Division of the Ministry of Finance, instructing the Corporation to incorporate commitments into its financial statements, i.e.

The Financial Statements of the Corporation are maintained in Trinidad and Tobago dollars (TT\$).

(b) Cash and cash equivalents

Cash includes money which the Corporation physically holds in its possession and money deposited with financial institutions that can be withdrawn without notice.

**ARIMA BOROUGH CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

(c) Trade and other receivables

Receivables are advances for expenditure items actually paid for by the Corporation on behalf of Committees or Personnel of the Corporation with a view to reimbursement thereafter.

Advances which have not been reimbursed nor expected to be reimbursed must have the approval of the Parliament, before they can be written off. These are classified as Non Current Assets.

(d) Property, Plant and Equipment

The Property, Plant and Equipment, consist of Buildings, Recreation Grounds, Vehicles and Machinery, Office Equipment and Furniture and Fixtures.

In the case of Buildings and Recreation Grounds, the Corporation has captured all amounts expensed on these facilities from 1997 to present as per the audited financial statements, and reflected such amounts as the opening cost in the financial statements.

The depreciation policy is as follows:-

Property, Plant and Equipment are depreciated on a straight line basis. The applicable rates used are:-

Buildings	10%
Recreation Grounds	10%
Markets and Abattoirs	10%
Motor Vehicles	25%
Machinery	25%
Computers	33%

A full year's depreciation charge is taken in the year of acquisition/expenditure.

(e) Trade and other payables

Payables are deposits actually received from contractors, users of the Corporation's facilities, as well as from third parties, who have made donations towards specific initiatives of the Corporation.

Deposits which remain unclaimed for more than three (3) years can be transferred to revenue, on the guidance of the Treasury. These are classified as Non Current Liabilities.

(f) Fund Balance

This is the general operating fund of the Corporation. Government Subvention as well as internally generated revenue which have not been spent at the end of the financial year are classified as surplus on activities, and are transferred to the Fund Balance. Such funds can be spent on projects identified by the Corporation, on the approval of the Cabinet.

**ARIMA BOROUGH CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

(g) Government Subvention-Recurrent

These are cheques releases from Government for the day to day operations of the Corporation and are recognised as income on receipt.

(h) Government Subvention-IRIAD

This is a new subvention from Government for drainage and irrigation projects, primarily for the construction of box drains. It is a cheque release and is recognised as income on receipt.

(i) Government Subvention-Development Programme

These are cheque releases from Government for development work as identified by the Corporation in its draft estimates, and are recognised as income on receipt.

(j) Other Income

This refers to internally generated funds derived from services provided by the Corporation, and are recognised as income on receipt.

(k) Expenditure-Recurrent, IRIAD, Development Programme

Expenditure incurred by the Corporation arises when an actual cash outflow occurs and is then classified under the relevant head.

(l) Surplus/(Deficit) on Activities

This is the net amount of income and expenditure, and is transferred to the Fund balance, for use on approved projects in the future.

**ARIMA BOROUGH CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

3. PROPERTY, PLANT & EQUIPMENT

	Non Current Assets Brought Forward	Development of Recreational Facilities	Local Government Building Programme	Major Vehicles and Equipment	Computers	Total
	\$	\$	\$	\$	\$	\$
Non Current Assets B/F						
At 1 October 2007	15,302,667	283,099	500,043	0	63,415	16,149,224
Additions	0	1,548,777	414,115	1,821,773	129,542	3,914,207
At 30 September 2008	15,302,667	1,831,876	914,158	1,821,773	192,957	20,063,431
ACCUMULATED DEPRECIATION						
At 1 October 2007	0	28,310	50,004	0	21,136	99,450
Annual Depreciation	0	180,357	86,415	455,443	57,268	779,483
At 30 September 2008	0	208,667	136,419	455,443	78,404	878,933
CARRYING AMOUNT						
AT 1 OCTOBER 2007	15,302,667	254,789	450,039	0	42,279	16,049,774
AT 30 SEPTEMBER 2008	15,302,667	1,623,209	777,739	1,366,330	114,553	19,184,498

Note: Non Current Assets Brought Forward as of the 1 October 2006 was not classified. Therefore this value can not be depreciated since the depreciation rate can not be determined.

**ARIMA BOROUGH CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

4. CASH AND CASH EQUIVALENTS

Cash At Bank

The Corporation maintains three bank accounts to date, being two accounts at the Republic Bank Limited (RBL) and Central Bank of Trinidad and Tobago.

An analysis of cash and cash equivalents can be seen as follows:-

	2007/08	2006/07
	\$	\$
Cash and Cash Equivalents		
Republic Bank Ltd Mayor's Fund	1,793	1,793
Republic Bank Ltd Current Account	10,922,573	9,225,790
Central Bank of Trinidad and Tobago	4,206,659	3,032,332
Republic Development Programme	1,090,646	506,117
TOTAL CASH AND CASH EQUIVALENTS	16,221,671	12,766,032

5. TRADE AND OTHER RECEIVABLES

	2007/08	2006/07
	\$	\$
Staff Loans	987,273	987,273
TOTAL TRADE AND OTHER RECEIVABLES	987,273	987,273

**ARIMA BOROUGH CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

6. TRADE AND OTHER PAYABLES

	2007/08	2006/07
	\$	\$
NIS and Group Health Insurance	171,702	129,789
TOTAL TRADE AND OTHER PAYABLES	171,702	129,789

Part XIII paragraph 213 of the Financial Institutions 1965 states "unless the Treasury otherwise directs, all deposits which have remained unclaimed for three (3) years shall be transferred to revenue." Guidance from the Comptroller of Accounts has been sought for the past two (2) years, while this issue continues to appear on the Corporation's management letters issued by the Auditor General.

As such, as at 30 September 2009, the Corporation has taken the prudent view to transfer all unclaimed deposits over three (3) years to accumulated fund, where they will reside until further instructions from the Treasury are received. The Corporation would not access such funds for recurrent expenditure, and would therefore be available for payment upon request by the respective creditors.

**ARIMA BOROUGH CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

7. DEVELOPMENT PROGRAMME EXPENDITURE

	Brought Forward 01.10.2007	Subvention Allocated	Actual Expenditure	Carried Forward 30.09.2008
	\$	\$	\$	\$
PRIOR YEAR DEVELOPMENT PROGRAMME				
Development Programme				
Balance Brought Forward	10,198,615	0	0	10,198,615
Development Programme Suspense	46,854	0	0	46,854
	10,245,469	0	0	10,245,469
044 Drainage & Irrigation Programme				
Paul Mitchell Street	169,416	0	173,797	(4,381)
Sorzano Street East	150,324	0	153,691	(3,367)
Abattoir Box Drain	379,295	0	379,295	0
	699,035	0	706,783	(7,748)
Attorney Fees				
Montano & Co - Attorney-at-Law (Note i)	146,767	0	146,767	0
	146,767	0	146,767	0
047 Development of Recreational Facilities				
Arima Promenade - Toilets & Gazebo	169,005	0	169,005	0
Arima Amphitheatre Princess Royal Park (Note ii)	498,960	0	498,960	0
Netball Court & Lawn Tennis Court - Roof	109,362	0	0	109,362
	777,327	0	667,965	109,362
054 Improvements to Markets & Abattoirs				
Abattoir Washroom	173,346	0	0	173,346
	173,346	0	0	173,346
062 Local Government Building Programme				
Diesel Tank Installation - Garage / Workshop	94,000	0	0	94,000
Electrical Upgrade to Arima Town Hall	77,685	0	0	77,685
	171,685	0	0	171,685
065 Procurement of Major Vehicles Equipment				
Water Pumps	34,443	0	34,443	0
3T Canopy Van	171,000	0	171,000	0
Garbage Comp, etc	541,100	0	541,100	0
	746,543	0	746,543	0
072 Computerisation Programme				
AutoCAD 2008 Standalone	33,000	0	23,902	9,098
	33,000	0	23,902	9,098
075 Freedom of Information Act				
4 Desktop Computers, 2 Black Laser Printer	1,350	0	0	1,350
	1,350	0	0	1,350
DEFERRED DEVELOPMENT PROGRAMME INCOME	12,994,522	0	2,291,959	10,702,563

**ARIMA BOROUGH CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

7. DEVELOPMENT PROGRAMME EXPENDITURE (Continued)

	Brought Forward 01.10.2007	Subvention Allocated	Actual Expenditure	Carried Forward 30.09.2008
	\$	\$	\$	\$
CURRENT YEAR DEVELOPMENT PROGRAMME				
Development Programme				
Funds Received however we are unable to allocate to a project	0	1,841,563	0	1,841,563
	0	1,841,563	0	1,841,563
044 Drainage & Irrigation Programme				
Abattoir Box Drain - Continuation	0	300,051	21,368	278,683
	0	300,051	21,368	278,683
047 Development of Recreational Facilities				
Funds Expensed but was not able to trace to check or Project	0	0	170,370	(170,370)
Rose Park - Play Park Equipments	0	91,721		91,721
Lawn Tennis & Netball Courts - Vehicular Access & Pedestrian Gates	0	41,216	41,774	(558)
Netball Court & Lawn Tennis Court - High Security Fencing	0	668,668	668,668	0
Amphitheatre Extension - Arima Promenade - Development Works	0	380,000	0	380,000
Eden Rahim Park - Removal & Replacement of Existing Fence	0	258,070	0	258,070
	0	1,439,675	880,812	558,863
054 Improvements to Markets & Abattoirs				
Arima Market - ISOWALL Enclosure for Fresh Meat Section	0	290,697	0	290,697
Arima Public Market - Construction of New Stalls	0	249,939	0	249,939
Arima Market Enclosure - Electrical Upgrade	0	56,580	0	56,580
	0	597,216	0	597,216
062 Local Government Building Programme				
Re-Installation of High Security Fencing at Garage / Workshop - Phase I	0	414,115	414,115	0
	0	414,115	414,115	0
065 Procurement of Major Vehicles Equipment				
10 Tonne Dump Truck	0	397,615	397,615	0
10 Tonne Diesel Dump Truck	0	397,615	397,615	0
1 Four wheel drive station wagon van	0	280,000	280,000	0
	0	1,075,230	1,075,230	0
072 Computerisation Programme				
Computers	0	30,800	20,000	10,800
Computers	0	46,200	46,200	0
Computer Software to Meet Requirements of OSHA	0	39,440	39,440	0
1 Server & 1 Scanner	0	94,615	0	94,615
	0	211,055	105,640	105,415
CURRENT DEVELOPMENT PROGRAMME INCOME	0	5,878,905	2,497,165	3,381,740
TOTAL DEVELOPMENT PROGRAMME INCOME	12,994,522	5,878,905	4,789,125	14,084,302

Note (i): Attorney Fees - Approval to utilize unspent balances - Development Programme 2004 - 2005 - Construction of New Steel Roof - Arima Market

Note (ii) : Arima Amphitheatre Princess Royal Park Check was taken from Recurrent RBL Account

**ARIMA BOROUGH CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

8. SCHEDULE TO THE RECURRENT PROGRAMME INCOME STATEMENT

	2007/08	2006/07
	\$	\$
GOVERNMENT GRANTS		
Administration - Government	53,350,383	45,208,625
	53,350,383	45,208,625

	2007/08	2006/07
	\$	\$
DUES & RENTALS		
Markets & Abattoirs	194,821	116,115
Administrations	0	74,303
Parks and Recreation Grounds	134,091	95,454
Missing Amount from October	8,605	0
	337,517	285,872

	2007/08	2006/07
	\$	\$
SERVICE CHARGES		
Administration	35,315	41,860
Parks & Recreation	11,400	65,600
Works	29,650	18,150
Public Health	165,110	143,305
Missing Amount from October	12,330	0
	253,805	268,915

	2007/08	2006/07
	\$	\$
TAXES ON PROPERTY		
Land & Building Taxes	3,376,393	3,452,966
Land Rent	109,066	0
	3,485,459	3,452,966

	2007/08	2006/07
	\$	\$
INTEREST		
Interest On Advances	40,957	37,281
	40,957	37,281

**ARIMA BOROUGH CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

8. SCHEDULE TO THE RECURRENT PROGRAMME INCOME STATEMENT (continued)

	2007/08	2006/07
OTHER RECEIPTS	\$	\$
Extraordinary Items	526,013	497,289
Suspense	1,640,404	794,521
Miscellaneous	35,903	10,735
	2,202,320	1,302,545
OTHER REVENUE	\$	\$
Interest Income	102,076	99,281
	102,076	99,281
TOTAL REVENUE	59,772,517	50,655,485

**ARIMA BOROUGH CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

9. PERSONNEL EXPENDITURE

01 PERSONNEL EXPENDITURE

	2007/08	2006/07
001 General Administration	\$	\$
01 Salaries and COLA	6,270,614	6,477,265
04 Allowances	794,058	829,010
05 Government's Contribution to N.I.S	2,094,726	1,564,409
13 Remuneration to Council Members	520,800	576,900
20 Government Contribution to GHI - DRW	97,877	102,739
27 Government Contribution to GHI - Monthly Paid Officers	57,915	57,600
	9,835,990	9,607,923
	2007/08	2006/07
002 Public Health	\$	\$
01 Salaries and COLA	1,187,188	1,129,359
02 Wages and COLA	7,412,964	7,630,250
03 Overtime - Monthly Paid Officers	0	139,334
04 Allowances - Monthly Paid Officers	36,215	38,367
29 Overtime - Daily Rated Workers	156,067	0
30 Allowances - Daily Rated Workers	42,046	0
	8,834,480	8,937,310
	2007/08	2006/07
003 Markets and Abattoirs	\$	\$
01 Salaries and COLA	185,225	243,499
	185,225	243,499

**ARIMA BOROUGH CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

9. PERSONNEL EXPENDITURE (continued)

01 PERSONNEL EXPENDITURE (continued)

	2007/08	2006/07
004 Parks and Recreation Grounds	\$	\$
01 Salaries and COLA	65,236	63,384
02 Wages and Cola	3,965,740	3,673,326
03 Overtime - Monthly Paid Officers	0	61,719
04 Allowances - Monthly Paid Officers	0	14,788
29 Overtime - Daily Rated Workers	80,500	0
30 Allowances - Daily Rated Workers	25,324	0
	4,136,800	3,813,217
	2007/08	2006/07
005 Works	\$	\$
01 Salaries and COLA	982,554	1,089,911
02 Wages and COLA	7,383,177	7,436,336
03 Overtime - Monthly Paid Officers	0	278,360
04 Allowances - Monthly Paid Officers	41,999	74,710
29 Overtime - Daily Rated Workers	306,246	0
30 Allowances - Daily Rated Workers	74,223	0
	8,788,199	8,879,317
Less NIS Brought Forward	(129,789)	(72,689)
Add NIS Carried Forward	171,702	129,789
TOTAL PERSONNEL EXPENSES	31,822,607	31,538,366

**ARIMA BOROUGH CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

• 10. GOODS AND SERVICES

• 02 GOODS AND SERVICES

	2007/08	2006/07
	\$	\$
001 General Administration		
01 Travelling and Subsistence	265,966	141,208
03 Uniforms	93,948	63,514
04 Electricity	246,924	240,737
05 Telephones	397,297	354,026
06 Water and Sewerage Rates	17,385	16,380
08 Rent / Lease - Office Accommodation and Storage	136,971	197,846
09 Rent / Lease Vehicle and Equipments	55,430	56,580
10 Office Stationery and Supplies	447,860	414,464
11 Books and Periodicals	31,756	24,852
12 Materials and Supplies	130,241	59,834
16 Contract Employment	386,774	95,823
17 Training,	126,579	103,905
19 Official Entertainment	0	2,243
21 Repairs and Maintenance - Buildings	59,382	91,725
22 Short Term Employment	78,709	221,052
23 Fees	1,042,001	101,068
28 Other Contracted Services	319,923	410,618
37 Janitorial Services	24,761	16,116
43 Security Services	191,232	49,196
46 National Disasters	87,211	0
57 Postage	7,194	7,076
61 Insurance	300,000	280,000
62 Promotions, Publicity and Printing	187,158	64,784
66 Hosting of Conferences and Seminars and Other functions	235,365	170,221
99 Employee Assistance Programme	35,000	15,000
	4,905,067	3,198,268

**ARIMA BOROUGH CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

10. GOODS AND SERVICES (continued)

02 GOODS AND SERVICES

	2007/08	2006/07
002 Public Health	\$	\$
01 Travelling and Subsistence	709,575	266,368
03 Uniforms	58,687	55,937
09 Rent / Lease - Vehicles and Equipment	69,000	0
10 Office Stationery and Supplies	29,636	20,512
12 Materials and Supplies	440,616	409,373
13 Maintenance of Vehicles	0	5,006
15 Repairs and Maintenance - Equipment	10,629	12,466
21 Repairs and Maintenance - Buildings	35,626	0
23 Fees	0	2,521,488
28 Other Contracted Services	3,718,602	0
61 Insurance	0	70,000
	5,072,371	3,361,150

	2007/08	2006/07
003 Markets and Abattoirs	\$	\$
04 Electricity	36,502	28,788
05 Telephones	39,220	34,252
06 Water and Sewerage Rates	24,736	19,462
10 Office Stationery and Supplies	46	354
12 Materials and Supplies	101,506	79,787
15 Repairs and Maintenance - Equipment	1,406	1,426
43 Security Services	468,130	157,286
	671,546	321,355

**ARIMA BOROUGH CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

10. GOODS AND SERVICES (continued)

02 GOODS AND SERVICES

	2007/08	2006/07
	\$	\$
004 Parks and Recreation Grounds		
03 Uniforms	30,413	106,270
04 Electricity	333,753	292,223
05 Telephones	11,628	14,030
06 Water and Sewerage Rates	8,589	12,089
12 Materials and Supplies	233,506	62,784
15 Repairs and Maintenance - Equipment	9,837	17,053
21 Repairs and Maintenance - Buildings	42,780	173
43 Security Services	243,844	128,179
61 Insurance	0	150,000
	914,350	782,801

	2006/07	2006/07
	\$	\$
005 Works		
01 Travelling and Subsistence	123,029	65,723
03 Uniforms	172,729	87,518
04 Electricity	88,237	13,445
06 Water and Sewerage Rates	1,841	1,779
09 Rent / Lease - Vehicles and Equipment	17,973	1,840
10 Office Stationery and Supplies	11,353	18,298
12 Materials and Supplies	905,293	807,295
13 Maintenance of Vehicles	657,795	485,025
15 Repairs and Maintenance - Equipment	2,917	4,484
21 Repairs and Maintenance - Buildings	2,116	22,897
28 Other Contracted Services	244,809	227,258
42 Street Lighting	1,908,997	2,085,605
43 Security Services	304,892	318,850
61 Insurance	129,453	63,338
	4,571,434	4,203,355
TOTAL GOODS AND SERVICES	16,134,768	11,866,929

**ARIMA BOROUGH CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

11. MINOR EQUIPMENT PURCHASES

03 MINOR EQUIPMENT PURCHASES

	2007/08	2006/07
001 General Administration	\$	\$
01 Vehicles (Replacement)	208,210	200,000
02 Office Equipment	0	800
03 Furniture and Furnishings	0	1,794
04 Other Minor Equipment	0	6,095
	208,210	208,689

	2007/08	2006/07
002 Public Health	\$	\$
01 Vehicles (Replacement)	1,214,755	206,427
03 Furniture and Furnishings	0	2,400
04 Other Minor Equipment	35,414	0
	1,250,169	208,827

	2007/08	2006/07
004 Parks and Recreation Grounds	\$	\$
04 Other Minor Equipment	7,136	0
	7,136	0

	2007/08	2006/07
005 Works	\$	\$
01 Vehicles (Replacement)	182,091	0
03 Furniture and Furnishings	0	3,048
	182,091	3,048
TOTAL MINOR EQUIPMENT PURCHASES	1,647,606	420,564

**ARIMA BOROUGH CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

12. CURRENT TRANSFERS AND SUBSIDIES

04 CURRENT TRANSFERS AND SUBSIDIES

	2007/08	2006/07
01 Pensions	\$	\$
01 Pensions	892,718	816,419
02 Gratuities - Monthly Paid Officers	62,025	211,972
03 Gratuities - Daily Rated Employees	1,021,656	1,163,228
	1,976,399	2,191,619
	2007/08	2006/07
009 Other Transfers	\$	\$
01 Mayor's Fund	3,600	3,000
03 Celebrations Fund	1,185,287	884,466
	1,188,887	887,466
TOTAL TRANSFERS AND SUBSIDIES	3,165,286	3,079,085

13. SUSPENSE ACCOUNT

	2007/08	2006/07
	\$	\$
Expenses Suspense	1,409,733	1,250
Revenue Suspense	0	14,031
	1,409,733	15,281

Suspense Expense is the difference between the Abstract Value and the Bank Value as at 30 September 2008.

14. MISCELLANEOUS EXPENSES

	2007/08	2006/07
	\$	\$
Suspense	345,794	797,071
IRIAD	2,485,917	897,424
Extra Ordinary	520,365	15,759
	3,352,076	1,710,254

**ARIMA BOROUGH CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTES (continued)

15. OTHER EXPENSES

	2007/08	2006/07
	\$	\$
Post Dated Checks	7,879	0
Miscellaneous debit	220	21,946
Vote omitted on 9/04/08	70	547
Unidentified Cheques by Bank	3,221	0
Checks omitted from Cash Book	18,423	386,918
Understatement of Disbursement	593	0
Over Statement of Cheques	499	0
Over Statement of Receipts	2,700	0
Short Receipts	224	0
Bank error	2,421	6,643
Bank Service Charge	14,666	11,993
Understatement of Expenditure	66,802	777
	117,718	428,824

16. PRIOR PERIOD ADJUSTMENTS

DEVELOPMENT PROGRAMME EXPENDITURE

	2007/08	2006/07
	\$	\$
Development Programme Expenditure	0	201,224
	0	201,224

These expenditure were incurred in the current financial year. However the Corporation do not have record of the bank used to facilitate these expenditure. We were unable to trace the subvention for these projects as a result the amount were brought to account from Retained Earnings.