



SIBU WATER BOARD



Laporan Tahunan

2006

Annual Report

CONTENTS

Vision & Mission

2

Chairman's Statement

3 - 4

Establishment

5

Corporate Information

6 - 8

Corporate Progress

9 - 19

Calendar of the Board

20 - 25

Financial Statistics

26 - 28

Financial Statements

29 - 43

Other Information

44 - 47

Outlook For 2007

48



SIBU WATER BOARD

Our Vision

Towards
World Class In
Providing Potable Water
For Central Region of Sarawak.



Our Mission

The
provision of safe,
reliable and competitively priced
water supply at the highest
attainable standards in
Quality & Service.

CHAIRMAN'S STATEMENT



INTRODUCTION

On behalf of the Board, it is my pleasure to present Annual Report and Audited Accounts of the Board for the financial year ended 31 December 2006.

FINANCIAL REVIEW

The steady growth of economy in 2006 contributed to the increase in the total revenue by 4.18% to RM24.95 million from the previous year of RM23.95 million. Water sales rose by 2.5% to RM19.65 million and other revenue rose by 10.7% to RM5.30 million. The increase in other revenue was mainly attributed to the disposal of a piece of land along Upper Lanang, which accounted for a profit of RM0.48 million. Despite the adverse effect of inflation and the increase in production, the operating expenditure increased only by 4.4% to RM25.01 million from the previous year of RM23.95million. With prudent measures taken in spending and expenditure monitoring, the Board managed to contain the operating loss before tax to RM0.055 million as compared to RM0.004 million in 2005. The Board was exempted from income tax by virtue of Income Tax (Exemption) (No. 22) Order 2006 and thus the net loss after tax for the year was RM0.055 million against RM0.113 million, the previous year.

DEVELOPMENT PROGRAMME

The Board is investing heavily in asset creation activities to ensure its infrastructure can support the growing demand. It incurred RM12.3 million in development expenditure in 2006 compared to RM14.8 million the previous year. Out of this amount, RM6.4 million or 52% was spent on the construction of a new water intake and expansion of the treatment plant, while 43% or RM5.23 million was spent on renewal, upgrading and the laying of new mains. The completion of the treatment plant expansion expected in 2009, will enable the Board to meet the increasing demand until year 2020. The year also saw the completion of Sibu West Bank Booster Station with a scheme value of RM2 million. The commissioning of Sibu West Bank Booster Station will facilitate the taking over of water supply at Bawang Assan, which is currently run by JKR. To finance its development projects, the Board received RM16.32 million from the Federal Government in terms of soft loans. The balance of loan outstanding at the end of the year increased to RM 67.65 from RM54.55 the previous year.

PRODUCTION AND CONSUMPTION

The Board produced a total of 34,760 megalitres of fully treated water in the year compared to 32,566 megalitres the previous year, an increase of 6.7%. During the year, the maximum daily production recorded by the Board was 107.73 megalitres as against the minimum of 82.34 megalitres.



There was an increase of 2.7% of total consumption in the year, from 23,721 megalitres the previous year to 24,356 megalitres in 2006. The total number of active services had increased from 46,903 in 2005 to 48,398 in 2006.

OTHERS

Following the Board's emergence as the winner of 'Anugerah Kualiti Ketua Pengarah Mampu' in 2005, the Board had been receiving more visitors and the Management was requested to share on the Board's journey to excellence. The year 2006 was also memorable when the Board won the 2nd place in 'Anugerah Kualiti Perkhidmatan Awam Negeri Sarawak', under category II with 50-200 staff.

As a responsible and caring employer, the Board has been committed to provide a pleasant, conducive and hazard free environment not only to its employees, but also the customers. The Board launched its Big Cleaning Day on 11 November 2006 and lined up the training program for Integrated Management System (IMS), comprises OHSAS 18001, EMS 14001 and ISO 9001, to prepare for 5S Practices and IMS certifications in 2007.

The Board played host to the 13th Sarawak Water Consultative Council Meeting which was held at the Board's office on 28-29 March 2006. The Board initiated a friendly match with LAKU Management Sdn. Bhd with an objective to emulate the strong points from each other and build better rapport between the two authorities.



APPRECIATION

The Board is grateful for the support and cooperation that it has received from various quarters. I would like to place on record my heartfelt thanks and gratitude to the State and Federal governments, the State Financial Secretary's Office and all other relevant government agencies and our valued customers for their cooperation, continued support and trust placed on us. I would also like to express my sincere appreciation to my fellow Board Members for their cooperation, understanding and good guidance. My sincere thanks also go the Management and staff for their commitment towards continuous improvement across the Board in making sound progress on its journey to become a world class organisation.

HJ. UBAIDILLAH BIN HJ. ABDUL LATIP

Chairman

ESTABLISHMENT

Incorporation

Incorporated under the Sibu Water Board Order, 1959 made under Section 19 of the Water Supply Ordinance 1959 (Cap. 141) and re-incorporated under the Sibu Water Board Order, 1995 made under Section 19 of the Water Ordinance 1994 when the Water Supply Ordinance 1959 was repealed.

Objectives of the Board

A body corporate established by the Yang di-Pertua Negeri as the water authority to administer, manage and supervise all water works situated within the area specified below:

Commencing from a Trig point numbered TT352 at the Sibu/Kanowit District Boundary on the true left bank of Batang Rajang about 1300 metres from East of Sungai Pak; thence on a South/Westerly direction following the Sibu/Kanowit District Boundary until it reaches Trig marked N134 on the common Divisional Boundary of Sibu/Sarikei; thence following the Sibu/Sarikei Divisional Boundary on a West/Northerly direction until it reaches the confluence of Loba Singat at Batang Lassa; thence on bearing 90 degree for a distance of 46 Km to reach a point at 'A' on the common District Boundary of Sibu/Dalat; thence following the existing Sibu/Dalat District Boundary on a Southerly direction for a distance of approximately 45 Km; thence following the existing Sibu/Kanowit District Boundary on a Southerly direction for a distance of approximately 10 Km to reach the Trig marked TT352, being the point of commencement.

Statutory Functions of the Board

Pursuant to Section 18 (3) - (4) of the Water Ordinance 1994, the general functions of the Board as a water authority are :

- to have the custody, management and administration of water works and the water therein and the management of the supply and distribution of such water within its area of supply subject to the general control and supervision of the State Water Authority.
- to supply water to the consumers within the limits of its area of supply subject to the provision of the Water Ordinance 1994 and any regulations made thereunder.



CORPORATE INFORMATION

Board Members 2006



CHAIRMAN
Tuan Hj. Ubaidillah Bin Hj. Abdul Latip
(Permanent Secretary, Ministry of P.U.)



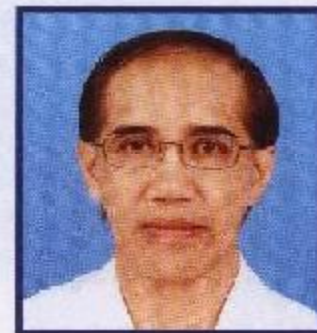
MEMBER
Puan Hajjah Sutin Sahmat
(State Financial Secretary's nominee)



MEMBER
Encik Tan Kok Chang
(Asst. Director of JKR (Water Supply))



MEMBER
Encik Chai Moi Fong
(Resident, Sibv Division)



MEMBER
Dr. Hj. Faizul Bin Haji Mansoor
(Divisional Health Officer, Sibv)



MEMBER
Encik Patrick Tong Hing Lee



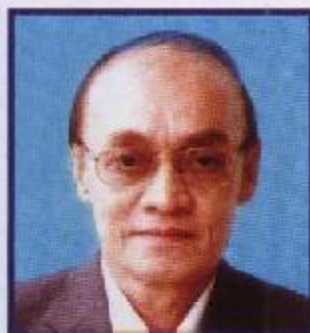
MEMBER
Encik Law Buong Hoo



MEMBER
Puan Kong Leh En



MEMBER
Encik Dorson Hassan



MEMBER
Encik Julius Mason Sampang
@ Julius Masson Ak Achol



MEMBER
Encik Yong Ung Tung



CORPORATE INFORMATION

Members of the Board

Chairman

Permanent Secretary, Ministry of Public Utilities
Tuan Hj. Ubaidillah B. Hj. Abdul Latip
(With effect from 01.04.2005)

Members

State Financial Secretary or his nominee
Puan Hajjah Sutin Sahmat
(With effect from 01.06.2005)

Assistant Director of Public Works (Water Supply)
Encik Tan Kok Chang
(From 15.11.2005)

Resident, Sibu Division
Encik Chai Moi Fong
(From 06.05.2005)

Divisional Medical (Health) Officer
Dr. Hj. Faizul Bin Hj. Mansoor
(From 15.11.2005)

Encik Patrick Tong Hing Lee
(From 01.01.1999 to 28.02.2005, Re-appointed on 01.04.2005)

Encik Law Buong Hoo
(From 01.03.2003 to 28.02.2005, Re-appointed on 01.04.2005)

Puan Kong Leh En
(From 01.03.2003 to 28.02.2005, Re-appointed on 01.04.2005)

Encik Dorson Hassan
(From 01.03.2003 to 28.02.2005, Re-appointed on 01.04.2005)

Encik Julius Mason Sampang @
Julius Masson Ak Achoi
(From 01.03.2003 to 28.02.2005, Re-appointed on 01.04.2005)

Encik Yong Ung Tung
(From 01.04.2005)

Secretary

Puan Ting Ley King
(From 01.07.2005)

Management

General Manager (Chief Executive Officer)
Ir. Daniel Wong Park Ing

Deputy General Manager
Ir. Ngui Hwa Choon

Secretary / Accountant
Cik Grace Hui Hui Hing
(Seconded to SFS wef 01.07.2005)
Puan Ting Ley King
(Acting wef 01.07.2005)

Head, Distribution & Customer Service
Civil Engineer
Encik Lau Pon Yin
(Up to 28.06.2006)
Ir. Alice Jawan Empaling
(From 29.06.2006)

Head, Finance & Information System
Accountant
Puan Ting Ley King

Head, Capital Works Planning
Civil Engineer
Ir. Alice Jawan Empaling
(Up to 28.06.2006)
Encik Lau Pon Yin
(From 29.06.2006)

Head, Production
Electrical Engineer
Encik Siew Kung Khong
(Up to 28.06.2006)
Plant Superintendent
Encik Pius Apin
(From 29.06.2006)

Head, Mechanical & Electrical
Electrical Engineer
Encik Siew Kung Khong
(From 29.06.2006)

Head, Human Resource & Administration
Administrative Officer
Encik Dewin Asen

Bankers

RHB Bank Berhad
CIMB Bank Berhad

Auditor

Auditor-General Malaysia

Principal Office

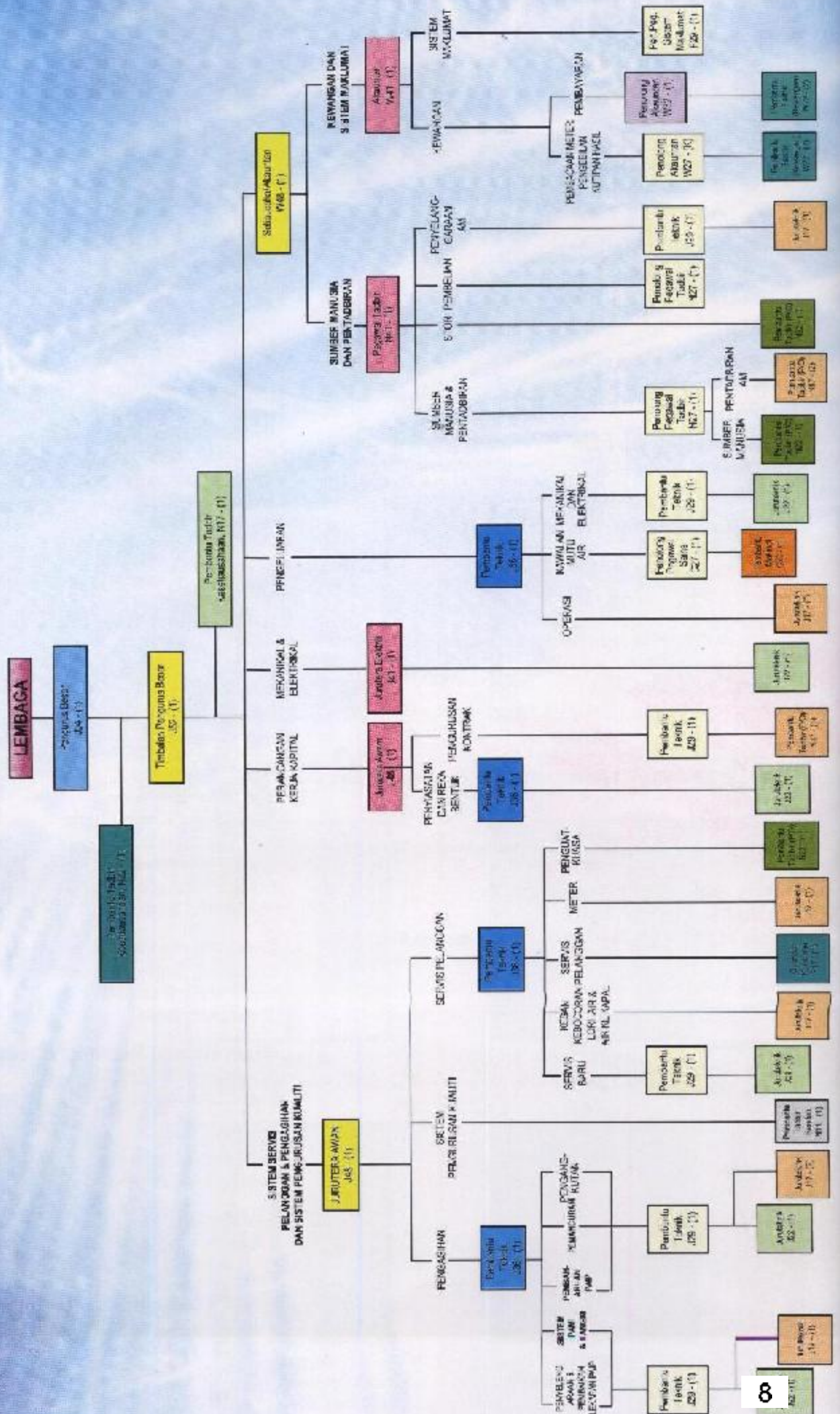
Sibu Water Board
Kilometer 5, Salim Road
96000 Sibu, Sarawak
Telephone: 084 - 211001
Facsimile: 084 - 211543
Hotline: 084 - 216311





CORPORATE INFORMATION

**LEMBAGA AIR SIBU
CARTA ORGANISASI (SEDIA ADA)
BERKUATKUASA 29 MEI 2006**



CORPORATE PROGRESS

DEVELOPMENT

PLANS

The major development of the Board under the 9th Malaysia Plan included implementation of the following projects:

- (i) Expansion of Salim Treatment Plant
 - A new raw water intake
 - A 75 MLD treatment plant
- (ii) Renewal of Pipelines in Various Parts of Sibu Town (on-going)

DEVELOPMENT PROGRESS

2006 marks the beginning of 9th Malaysia Plan. The Board spent RM12.31 million on development during the year. Out of this amount, RM6.4million (52%), RM4.7million (39%), RM0.7million (5%) and RM0.5million (4%) were spent on Salim Treatment Plant Phase II, the renewal of existing mains, Sibu West Bank Booster Station and expansion of mains respectively. The Board saw the completion of five (5) projects which commenced in the previous years and one (1) project which was awarded during the year. Another five (5) contracts awarded during the year were still in progress by the end of the year. A summary of the development projects for the year is shown below:

- (i) **Contract No. SWB/CT/06/2005**
The Construction, Completion & Commissioning of the Proposed Booster Station and Reservoir for Sibu West Bank Area, Sibu Division.

Contract Sum:	RM1,791,497.00
Revised Contract Sum:	RM1,897,180.69
Contract Period:	08.07.2005 - 07.03.2006
Revised Contract Period:	08.07.2005 - 03.04.2006
Contractor:	Jumsar (SWK) Sdn Bhd
Consultant:	Perunding Elecmecc Sdn Bhd
Practical Completion Date:	03.04.2006
Expiry Date of Defects Liability Period:	02.04.2007



CORPORATE PROGRESS

(ii) Contract No. SWB/CT/09/2005

The Delivery and Laying of D.I./HDPE Mains, Valves & Fittings cum Ancillary Works at Jalan Bunga Teratai, Lorong Bunga Teratai 1, 2, 4 & 8, Sibü (Pipe Renewal).

Contract Sum:	RM195,100.00
Revised Contract Sum:	RM62,860.00
Contract Period:	10.10.2005 - 09.02.2006
Contractor:	Ling Heek Yew
Practical Completion Date:	24.01.2006
Expiry Date of Defects Liability Period:	23.01.2007



(iii) Contract No. SWB/CT/10/2005

The Delivery and Laying of D.I./HDPE Mains, Valves & Fittings cum Ancillary Works at Kampung Jeriah, Sibü (Pipe Renewal).

Contract Sum:	RM1,408,986.00
Revised Contract Sum:	RM 612,785.15
Contract Period:	10.10.2005 - 09.08.2006
Contractor:	Mainline Enterprise Sdn Bhd
Practical Completion Date:	08.08.2006
Expiry Date of Defects Liability Period:	07.08.2007



(iv) Contract No. SWB/CT/11/2005

The Delivery and Laying of D.I./HDPE Mains, Valves & Fittings cum Ancillary Works at Jalan Wong King Hou 16, Sibü (Pipe Renewal).

Contract Sum:	RM238,988.90
Revised Contract Sum:	RM101,052.02
Contract Period:	10.10.2005 - 09.02.2006
Revised Contract Period:	10.10.2005 - 05.03.2006
Contractor:	Corpex Sdn Bhd
Practical Completion Date:	22.02.2006
Expiry Date of Defects Liability Period:	21.02.2007



(v) Contract No. SWB/CT/12/2005

The Delivery and Laying of D.I./HDPE Mains, Valves & Fittings cum Ancillary Works at Sibintek, Sibü (Pipe Renewal).

Contract Sum:	RM300,802.00
Revised Contract Sum:	RM126,795.00
Contract Period:	10.10.2005 - 09.04.2006
Revised Contract Sum:	10.10.2005 - 13.06.2006
Contractor:	Kia Hup Sdn Bhd
Practical Completion Date:	09.06.2006
Expiry Date of Defects Liability Period:	08.06.2007



CORPORATE PROGRESS

(vi) **Contract No. SWB/CT/07/2006**

The Delivery and Laying of D.I./HDPE Mains, Valves & Fittings cum Ancillary Works Along Jalan Tun Abang Haji Openg, Sibul (Mains Renewal).

Contract Sum:	RM 2,180,804.00
Contract Period:	18.09.2006 - 17.09.2008
Contractor:	Mainline Enterprise S/B
Total Work Done up to 31.12.2006	5.32%
Scheduled progress up to 31.12.2006	8.35%
Remarks:	Pipe locked on side of proposed RC drain by JKR. Work programme to suit JKR's work programme



(vii) **Contract No. SWB/CT/09/2006**

The Delivery and Laying of D.I. Pipes, Valves & Fittings cum Ancillary Works at Kampung Bahagia/Teku Junction.

Contract Sum:	RM 82,104.00
Contract Period:	16.10.2006 - 15.04.2007
Contractor:	Sabacon Construction
Total Work Done up to 31.12.2006	0%
Remarks:	Site clearing and R.C piling commenced. Delay due to inavailability of fittings



(viii) **Contract No. SWB/CT/11/2006**

The Delivery & Laying of D.I./HDPE Mains, Valves and Fittings cum Ancillary Works Along Jalan Upper Lanang, Jalan Then Kung Suk, Lrg. 1, 4 & 5, Jalan Saga, Jalan Alan & Jalan Umpi Rantai, Sibul (Mains Renewal Year 2006).

Contract Sum:	RM 3,338,666.40
Contract Period:	09.11.2006 - 08.11.2007
Contractor:	Zakaria Yew Construction
Total Work Done up to 31.12.2006	0%
Remarks:	Initial delay due to inavailability of fittings



CORPORATE PROGRESS

(ix) **Contract No. SWB/CT/12/2006**

The Delivery & Laying of D.I./HDPE Mains, Valves and Fittings cum Ancillary Works Along Jalan Langsat, Lrg. 2, Jalan Belian, Jalan Merlin, Lrg. 3, Jalan Punai, Jalan Manggis, Jalan Lun, Jalan Geranggang, Jalan Lajong & Jalan Nanyang Garden, Lrg. 3 & 6, Sibu (Mains Renewal Year 2006).

Contract Sum:	RM 1,734,390.00
Contract Period:	09.11.2006 - 08.11.2007
Contractor:	Mainline Enterprise Sdn Bhd
Total Work Done up to 31.12.2006	4.53%



(x) **Contract No. SWB/CT/13/2006**

The Delivery & Laying of D.I./HDPE Mains, Valves and Fittings cum Ancillary Works Along Jalan Tong Sang, Lrg. 2, 3 & 5, Jalan Engkala & Jalan Bertuah, Jalan Kapor, Lrg. 1, 2 & 9, Wong King Hua, Lrg. 5, Lrg Mui Hong, Jalan Ria, Lrg. 4, Jalan Bukit Assek, Lrg. 2 & Jalan Uk Daik, Sibu (Mains Renewal Year 2006)

Contract Sum:	RM 3,347,709.90
Contract Period:	4.12.2006 - 3.12.2007
Contractor:	Zakaria Yew Construction
Total Work Done up to 31.12.2006	0%
Remarks:	Initial delay due to inavailability of fittings



(xi) **Contract No. SWB/CT/15/2006**

The Supply of Labour for the Laying of 355mm OD HDPE Main on the Upper Lanang Bridge from Jalan Lanang Barat to Sungai Assan, Sibu

Contract Sum:	RM 100,000.00
Revised Contract Sum:	RM 97,500.00
Contract Period:	12.12.2006 - 26.12.2006
Contractor:	Pekerjaan Piasan Konkerit Sdn Bhd
Practical Completion Date:	20.12.2006
Expiry Date of Defects Liability Period:	19.12.2007



CORPORATE PROGRESS

DEVELOPMENT WORK

MAINS EXTENSION

For the year 2006, 23.96 km of water mains were laid and the total length of water mains in the distribution system stands at 918.18 km. The size of pipes in the distribution system ranges from 50 mm to 600 mm diameter. In addition, 12.19 km length of pipes were renewed in various locations within the Board's water supply area to enhance the distribution system. The details of the mains laid and renewed are as per tables listed below:

Length Of Pipes Laid During The Years 2002 To 2006

Pipe Sizes In Millimeters	Yearly New Extension (Length In Meters)				
	2002	2003	2004	2005	2006
50	-	-	-	-	441
150	12,260	12,190	12,465	25,638	20,796
160	-	2,983	216	-	2,519
200	748	2,168	1,232	305	204
225	1,116	-	-	-	-
250	129	116	997	639	-
300	3,806	5,647	1,468	-	-
315	-	-	-	-	-
400	2,141	-	-	-	-
450	-	15,240	-	-	-
600	-	6,377	-	-	-
TOTAL	20,200	44,721	17,435	26,582	23,960



Length Of Pipes Renewed During The Years 2002 To 2006

Pipe Sizes In Millimeters	Yearly New Extension (Length In Meters)				
	2002	2003	2004	2005	2006
50	1,217	78	-	-	-
63	-	1,080	-	160	2,851
100	-	102	-	9	-
150	5,617	5,156	352	11,146	6,172
160	-	-	-	-	3,176
200	306	-	-	-	-
250	25	1,306	-	630	-
300	2,950	1,901	-	-	-
400	38	-	-	-	-
500	2,891	-	-	-	-
TOTAL	13,044	9,623	352	11,945	12,199

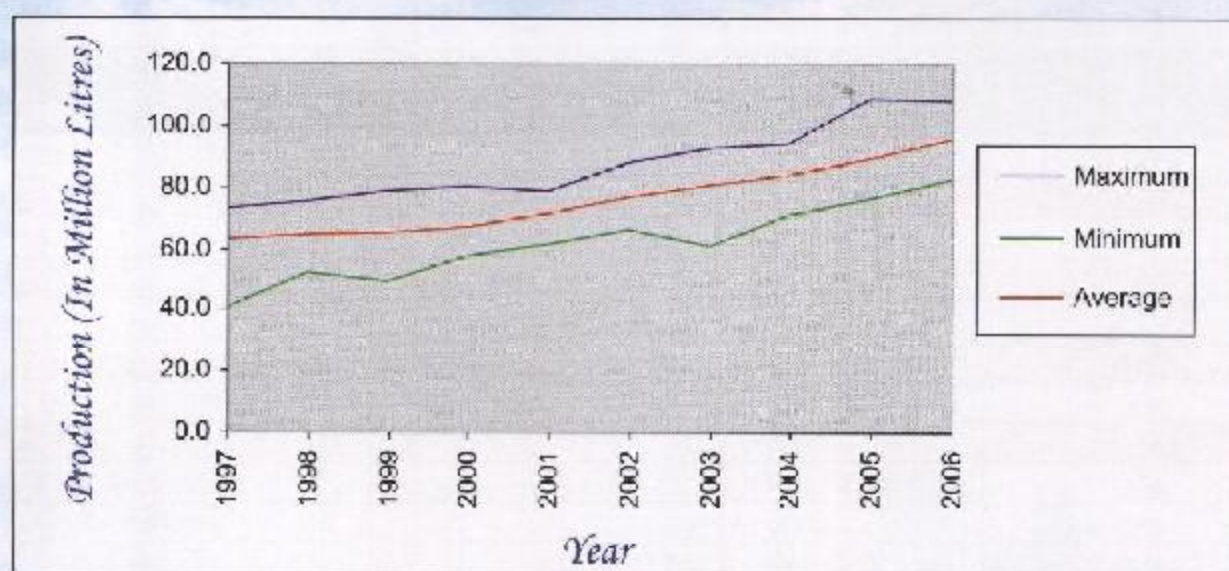
CORPORATE PROGRESS

PRODUCTION

The Board has 2 main treatment plants, namely Bukit Limia and Salim Water Treatment Plants with a design capacity of 45 MLD and 75 MLD respectively.

The Board produced a total of 34,760 ML fully treated water in the year 2006 or an average of 95.23 ML per day, an increase of 6.74% over that of 2005. During the year, the Board recorded a maximum daily production of 107.73 ML and a minimum daily production of 82.34 ML.

DAILY WATER INTO SUPPLY (1997 – 2006)



QUALITY CONTROL

The execution of the Board's stringent water surveillance program augmented by the National Drinking Water Quality Program ensured that safe and wholesome drinking water supply was maintained throughout the year of 2006.

During the year, 69,263 samples from Raw Water Intakes, Treatment Plants, High Level Tanks & Reservoirs and Distribution System were taken for Physico-chemical and Bacteriological examination. Out of the total number, 65,346 samples were analyzed physico-chemically while the remaining 3,917 samples were examined bacteriologically.

A total of 67,769 samples or 97.84% of the total were analyzed at the Board's Water Quality Control Laboratory while the rest of 1,494 samples or 2.16% were sent to the Department of Chemistry for analysis. The breakdown of the samples analyzed is shown below :

Location	Physico-chemical examination		Bacteriological examination	
	Board's Laboratory	Chemistry Department	Board's Laboratory	Chemistry Department
Raw Water Intakes	17,999	30	0	100
Water Treatment Process	35,519	0	482	0
Treatment Plant Outlets	9,242	30	482	100
High Level Tanks & Reservoirs	1,005	113	1003	365
Distribution System	1,260	148	777	608
	65,025	321	2,744	1,173

CORPORATE PROGRESS

1% of samples for raw water were analyzed to contain Total Coliform exceeding 5,000 MPN/100 ml, the maximum acceptable level for conventional water treatment. However, only 0.19% of treated water samples contained Total Coliform exceeding 1 cfu/ml and 0% of E.Coli. There was no violation on residual Chlorine.

As for residual Fluoride, the requirement of 0.40-0.60 PPM was quite difficult to achieve because the fluoride dosages were not controlled by automation system. However, the percentage of non-conformance of fluoride level < 0.40 PPM was 6.74%, and for level > 0.60 PPM was 0.15% only in year 2006. (The modified NIA Indicators of Bahagian Perkhidmatan Pergigian, Kementerian Kesihatan Malaysia provides that the maximum and minimum allowable percentage of non-conformance of fluoride level < 0.40 PPM is 25%, and for level > 0.60 PPM is 7% only).

SIBU WATER BOARD SUPPLY AREA



CORPORATE PROGRESS

CUSTOMER SERVICE & DISTRIBUTION

DISTRIBUTION SYSTEM

The Distribution Unit is responsible for the maintenance of the watermains, communication pipes, pipe appurtenances and the operation of Booster Stations at Deshon, Teku, Stabau, Mile 19 and Bawang Assan. The number of watermains, communication pipes and pipe appurtenances repaired/renewed during the year are as follows:-

Water Mains, Communication Pipes and Pipe Appurtenances And Meters Repaired/Renewed/Replaced In 2006 (M13)

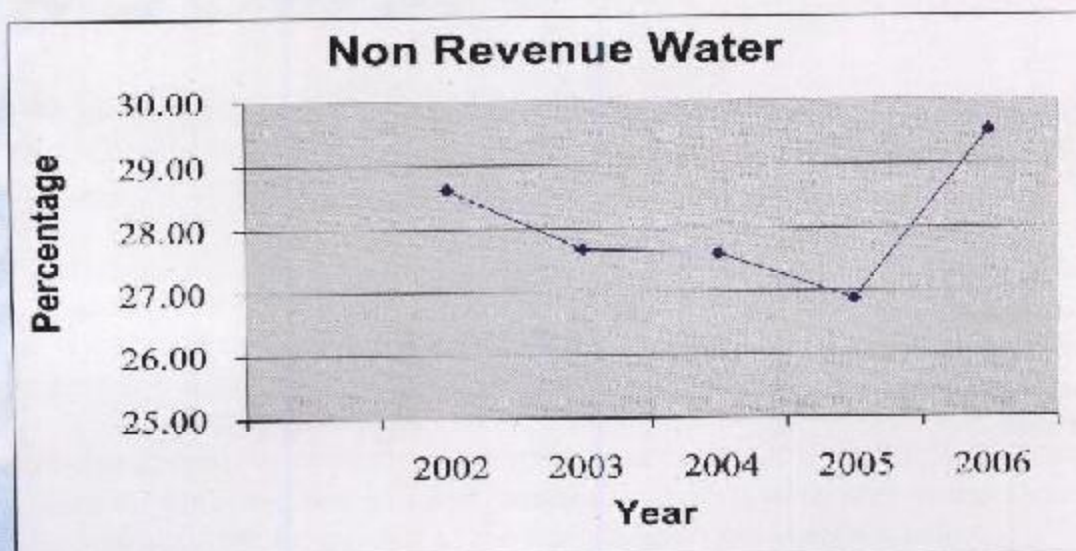
Particulars	Repaired	Renewed/Replaced
Watermains	256 nos.	12,199 metres
Communication Pipes	884 nos.	299 nos.
Pipe Appurtenances	71 nos.	95 nos.
Meters	91 nos.	4,419 nos.

The Flushing Unit had carried out 3,007 number of flushing during the year throughout the distribution system to ensure clean water was supplied to the customers.

NON-REVENUE WATER

In 2006, 1,211 numbers of leaks from pipes and services, 27 numbers of water theft had been detected and addressed.

The Board's Non-Revenue Water (NRW) level for the year was 29.5% (which accounts for 10,308 megalitres), as compared to 26.9% (which accounts for 8,733 megalitres) the previous year. The graph below shows the NRW levels for year 2002 – 2006.



The replacement of aged water meters and renewal of pipelines in various parts of Sibu Town are some measures taken to minimize NRW. Other measures taken to address the NRW include the installation of pressure reducing valves at strategic locations for pressure management.

The increase in NRW for 2006 was attributed to an increase in water pressure in the pipeline system after the commissioning of the 60m zone pump, which addressed the issue of low water pressure in rural areas.

The NRW management will be addressed in total in the 9th Malaysia Plan and a NRW unit will be set up to effectively implement the proposal.

CORPORATE PROGRESS

CUSTOMER SERVICE

The Customer Service Unit provides services pertaining to the application for water supply and the transfer or closing of accounts and handling of complaints and enquires. The statistics pertaining to the number of connections, new meters installed, number of meters disconnected and reconnected in 2005 and 2006 are as follows:-

Number Of Meters Installed, Disconnected And Reconnected In 2005 And 2006

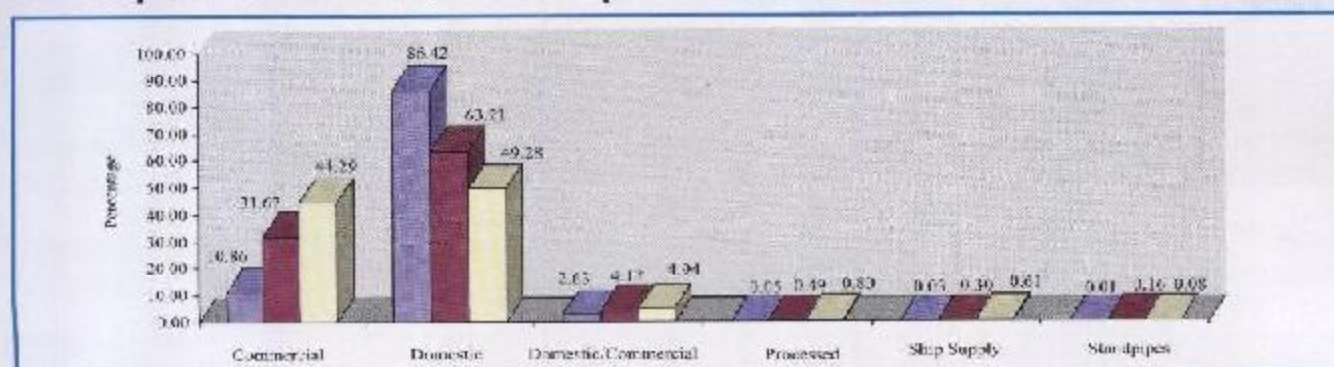
Particulars	2006	2005
Total no. of connections at the end of the year	49,125	47,652
New meters installed	1,920	2,325
No. of meters disconnected	3,740	4,944
No. of meters reconnected	3,293	4,319

At the end of the year, the number of connections totalled 49,125; out of which 48,399 are active customer accounts. There was a net increase of 3.2% of active customer accounts over the previous year. The consumers' breakdown are:-

Sector	Number	Percentage
Domestic	41,825	86.42
Domestic/Commercial	1,272	2.63
Commercial	5,248	10.84
Others	53	0.11
Total	48,398	100

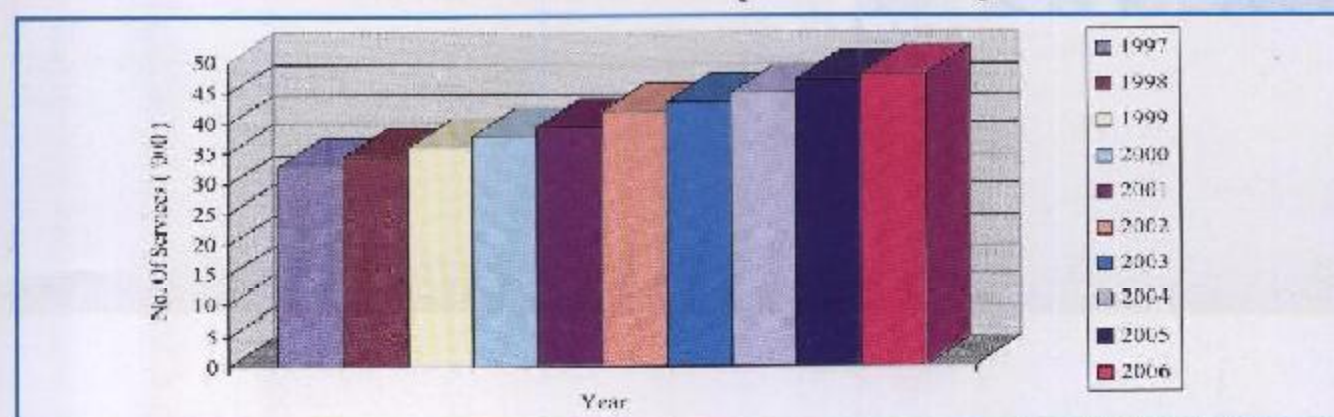


Relationship (Percentage) Of Classification By Category Of Consumers In Respect Of Services, Consumption and Revenue For The Year 2006



Legend : Services Consumption Revenue

Number Of Services (1997 – 2006)



CORPORATE PROGRESS

HUMAN RESOURCE

STAFF STRENGTH

The total staff strength at the end of the year 2006 was 190 persons against 194 persons in year 2005. The movement of the staff is exhibited in the table below:

Particular	Professional & Management Group	Support Group	Total
No. of staff as at 1.1.2006	9	185	194
Retired	Nil	(4)	(4)
On secondment	(1)	Nil	(1)
Newly recruited	Nil	1	1
No. of staff as at 31.12.2006	8	182	190

HUMAN RESOURCE DEVELOPMENT

To enhance quality of services delivered, the Board spent RM100,000 or 2% of Administration cost in training staff on various aspects in 2006.

The generous allocation on training had allowed every staff in the organisation to attend at least one of the 33 selected courses, seminars or conference held either in-house or at other training centres across the country. The major training programmes during the year are summarized as below:-

No.	Course	Training Venue	No. of staff attended
(i)	First Aid Course	In-house	32
(ii)	Kursus Amalan 5S Yang Efektif	In-house	23
(iii)	Awareness on 'Amalan 5S'	In-house	166
(iv)	Strategic Planning & ISO Workshop	Kingwood Hotel, Mukah	28
(v)	NRW Management	Kuala Lumpur	3

Having trained on 5S Practice, the staff embarked on the practice in November 2006 to improve tracibility of documents and to create a better and more conducive working environment. The Board is working towards its certification on 5S Practice by July 2007.

The Board also provided industrial training for 26 students pursuing degree, diploma and certificate courses in various fields especially engineering, chemical and IT. The students gained valuable exposure and hands-on experience during their industrial training periods.



CORPORATE PROGRESS

QUALITY MANAGEMENT SYSTEM

The Board has been certified to ISO series since 1999 and was certified to ISO 9001:2000 on 24 August 2002. The re-audit was carried out successfully on 8-9 August 2005. Surveillance audit is carried out annually.

The ISO registrar is Moody International, a registrar registered with the Department of Standards, Malaysia.

The scope of registration is Potable Water Production, Distribution, Customer Service & Revenue Collection for Sibu.

The Board arranged for monthly Internal Audits on different Sections to ensure minimum disruption of activities. Monthly Management Review Meeting is held to resolve issues pertaining to the Quality Management System. There is one (1) certified Lead Auditor, three (3) trained Lead Auditors, and forty-one (41) Internal Auditors to ensure efficient management of the Quality Management System.

The Board plan to embark and be certified to an Integrated Management System (IMS) comprising ISO 9001:2000 (Quality), EMS 14001:2004 (Environment) and OHSAS 18001:1999 (Occupational Health & Safety) by July 2007. Initial planning was carried out in the 4th quarter of 2006, and the implementation schedule commenced in January 2007.



Surveillance Audit Opening Meeting conducted by Moody International on 22.05.2006



CALENDAR OF THE BOARD

DATE	EVENTS
22.01.2006	Annual Dinner
03.03.2006- 11.03.2003	Annual Rejimen 60 Training held in Sibu Water Board
28.03.2006- 29.03.2006	13 th Meeting of Sarawak Water Supply Consultative Meeting (SWSCC) hosted by the Board
22.04.2006	Open Day in conjunction with World Water Day
29.05.2006	Board Meeting No. 177
27.06.2006	Visit by Panel of Evaluation of AKPA
27.07.2006	In-house Strategic Planning Workshop
28.07.2006	Dialogue Session With KPD on Missing Meters
04.08.2006	Board Meeting No. 178
14.08.2006	Presentation on <i>"The Experience and Key Success Factors of Effective Service Delivery- Sibu Water Board"</i> by General Manager in conjunction with Civil Service Day 2006
17.08.2006	Intersectional 'KMK' Competition
17.08.2006	'Berbuka Puasa' with Chairman and Board members
18.08.2006	Q Day
28.08.2006	In-house briefing on <i>"Form of Contract"</i> by JKR's QS- Encik Kii Ing Ching
29.08.2006 30.08.2006	In House Training on <i>"5S Practices"</i> by NPC
01.09.2006	New Service Counter at Salim Office declared opened by the Resident, Sibu - Encik Chai Moi Fong
18.10.2006	Board Meeting No. 179
03.11.2006- 05.11.2006	Friendly Match with LAKU Management Sdn. Bhd. held in Miri
07.11.2006	Visit to NPC and Jabatan Akauntan Negeri on 5S Practices
08.11.2006	Visit to Sarawak Tourism Board on Integrated Management System
11.11.2006	Big Cleaning Day
01.12.2006- 03.12.2006	Strategic Planning Workshop and ISO Convention at Kingwood Resort Hotel in Mukah
11.12.2006	SWB awarded 2 nd place in Anugerah Kualiti Perkhidmatan Awam Negeri Sarawak (under Category of 50-200 staff)
11.12.2006- 12.12.2006	Friendly Match with LAKU Management Sdn. Bhd. held in Sibu



Calendar of the Board

Annual Dinner.



Presentation by Board's choir during the Annual Dinner



Staff's children who excelled in public examinations received incentive during the Annual Dinner.



Annual Rejimen 60 Sarawak Squadron Training held in Sibul Water Board.



Sibu Water Board hosted the 13th meeting of the Sarawak Water Supply Consultative Committee (SWSCC).



Open Day in conjunction with World Water Day.

*Visit by Panel of
Evaluation of AKPA.*



Dialogue Session With KPD on Missing Meters.



Board Meeting No. 178



Intersectional 'KMK' Competition.



'Berbuka Puasa' with Chairman and Board members.



A pledge of loyalty given by the staff during Q Day.



Q Day.





In-house briefing on "Form of Contract" by JKR's QS- Encik Kii Ing Ching.



Visit by Majlis Daerah Sarikel on SS Practice.



New Service Counter declared opened by Resident, Sibru - Encik Chai Moi Fong.



Big Cleaning Day.



Strategic Planning Workshop at Kingwood Resort Hotel in Mukah.



Strategic Planning Workshop at Kingwood Resort Hotel, Mukah.



Visit to Mukah Treatment Plant after Strategic Planning Workshop.



"Hawaiian Night" at Mukah (after Strategic Planning Session).



General Manager receiving the 2nd prize in Anugerah Kualiti Perkhidmatan Awam Negeri Sarawak from the State Secretary.

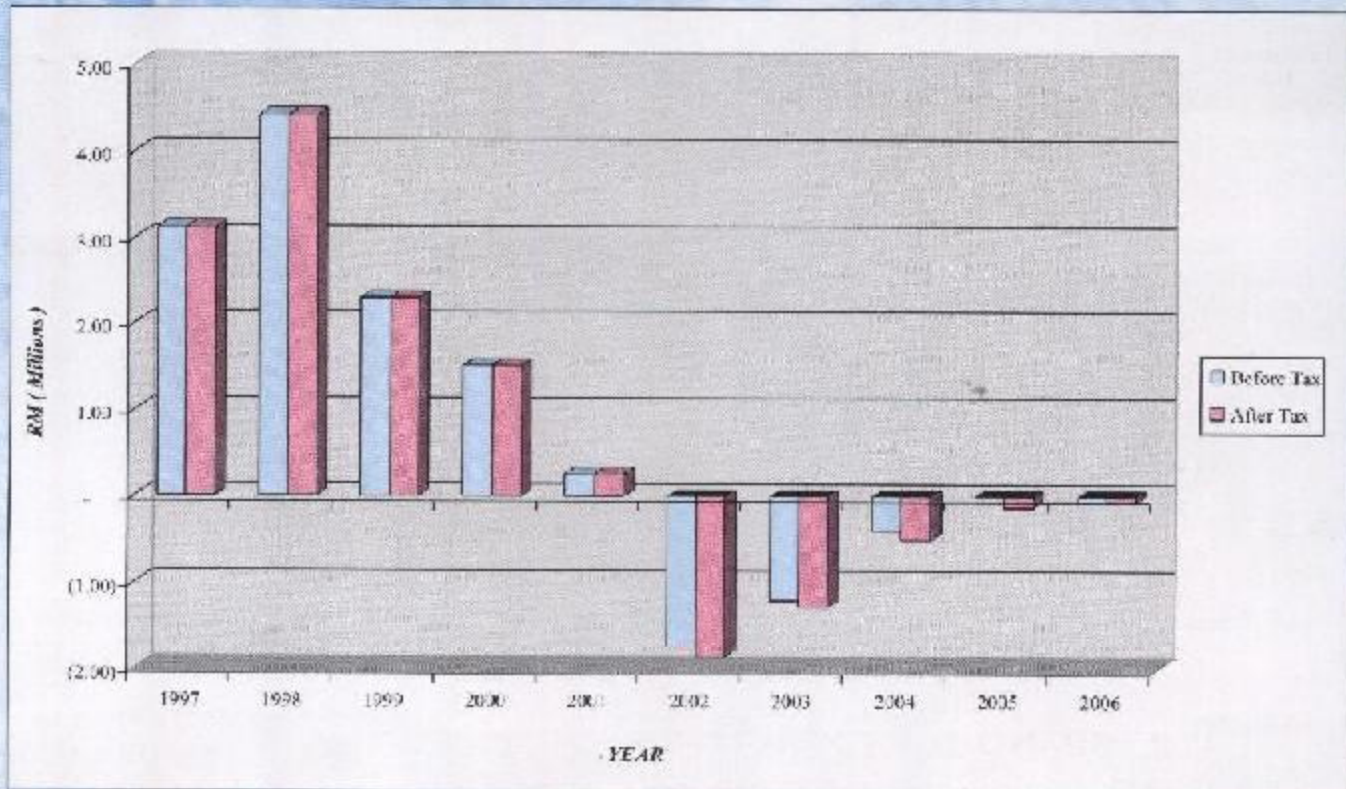


Sibu Water Board awarded the 2nd place in Anugerah Kualiti Perkhidmatan Awam Negeri Sarawak (under category of 50-200 staff).

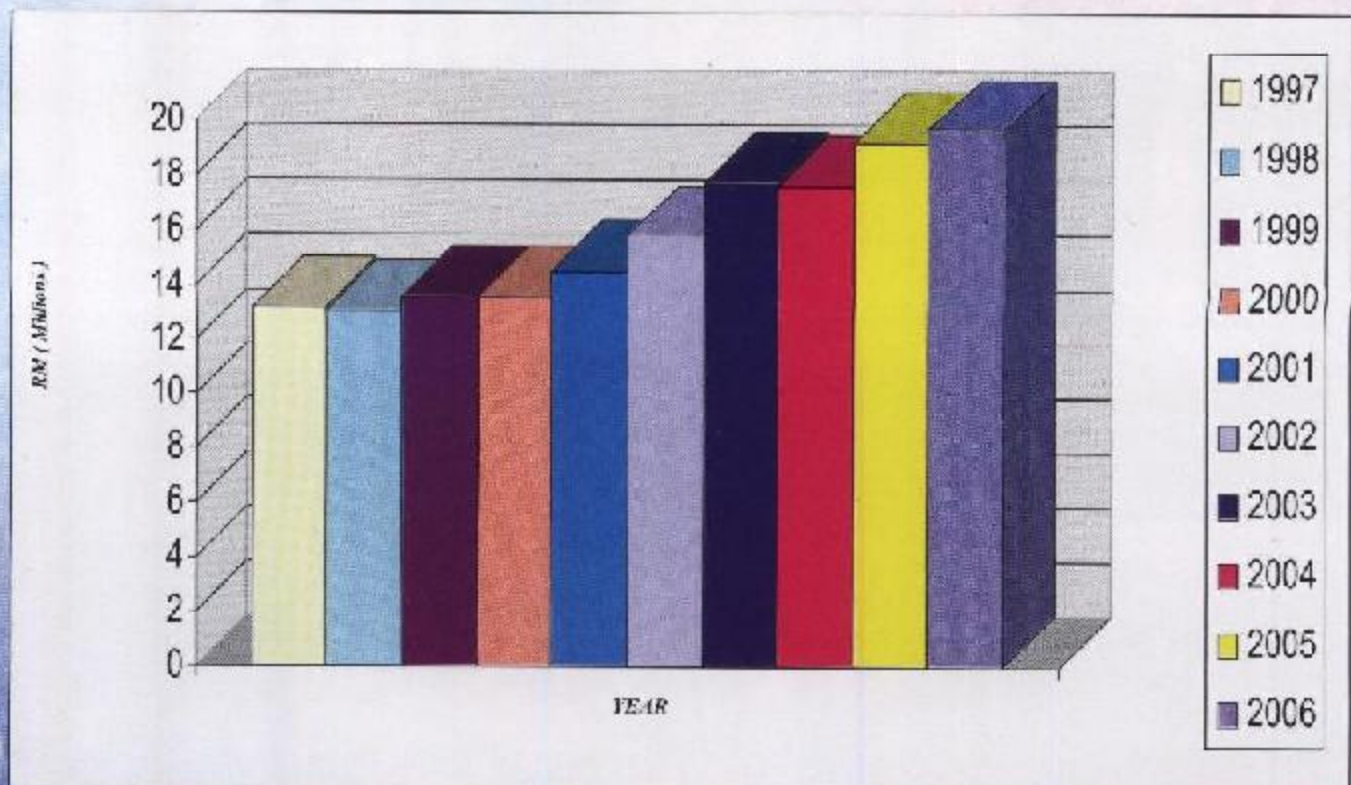


FINANCIAL STATISTICS

Net Profit/(Loss) For The Years 1997 – 2006

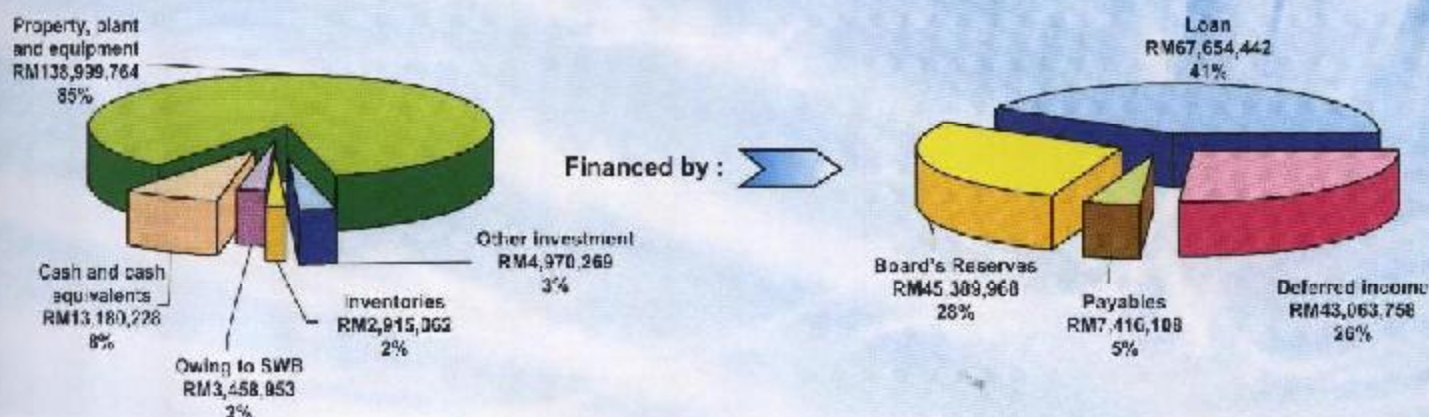


Annual Water Sales For The Years 1997 - 2006



FINANCIAL STATISTICS

Board's Financial Position As At 31 December 2006



	2002	2003	2004	2005	2006
--	------	------	------	------	------

BASIC STATISTIC

Revenue from Water Sales (RM'000)	15,513	16,900	17,600	19,163	19,651
Total Revenue (RM'000)	19,509	21,045	22,347	23,949	24,952
Total Expenditure (RM'000)	21,248	22,249	22,732	23,953	25,006
Net Profit/(Loss) Before Tax (RM'000)	(1,739)	(1,204)	(385)	(4)	(54)
Net Profit/(Loss) After Tax (RM'000)	(1,859)	(1,292)	(496)	(113)	(54)
Average Cost of Water (Sen per '000 Litres)	92	91	87	86	87
Total Assets (RM'000)	141,107	145,723	151,261	150,719	163,524
Long Term Loan (RM'000)	42,164	50,152	50,711	48,739	61,225
Equity/Reserves (RM'000)	47,438	46,146	45,650	45,538	45,390



PERFORMANCE RATIO

Net Revenue Ratio (Before tax)	-8.91%	-5.72%	-1.72%	-0.02%	-0.22%
Current Ratio	1.08	1.57	2.06	0.95	1.46
Return on Total Assets	-1.23%	-0.83%	0.25%	0.00%	-0.03%
Long Term Debt/Equity	0.89	1.09	1.11	1.07	1.36

FINANCIAL STATISTICS

Financial Highlights

	2006	2005	Change
Revenue & Expenditure	(RM'000)	(RM'000)	
Income from Water Sales	19,651	19,163	2.55%
Other Income	5,301	4,786	10.76%
Total Income	24,952	23,949	4.19%
Total Expenditure	25,006	23,953	4.40%
Net Loss Before Interest & taxation	(54)	(4)	1250.00%
Taxation	-	109	-100.00%
Net Revenue after Interest & taxation	(54)	(113)	-52.21%

	2006		2005		Change
Total Expenditure	(RM'000)	%	(RM'000)	%	
Cost of Production	9,222	36.88	8,809	36.78	+4.69%
Distribution and Selling Costs	10,484	41.93	10,010	41.79	+4.74%
Administration	5,236	20.94	5,073	21.18	+3.21%
Others	64	0.25	61	0.25	+4.92%
	25,006	100.00	23,953	100.00	+4.40%

	2006		2005		Change
Capital Expenditure	(RM'000)	%	(RM'000)	%	
Headworks	6,362	44.31	7,628	46.18	-16.60%
Booster Station	715	4.98	1,497	9.06	-52.24%
Mains	5,234	36.45	5,688	34.44	-7.98%
Meters	128	0.89	139	0.84	-7.91%
Communication Pipes	594	4.14	901	5.45	-34.07%
Mechanical Plant and Vehicles	322	2.24	78	0.47	+312.82%
Workshop, Field & Treatment Plant Equipment	644	4.49	383	2.32	+68.15%
Store & Office Equipment	244	1.70	111	0.67	+119.82%
Land & Buildings	115	0.80	92	0.56	+25.00%
	14,358	100.00	16,517	100.00	-13.07%

	2006	2005	Change
Assets & Capital Requirements	(RM'000)	(RM'000)	
Total Assets at the end of the year	163,524	150,719	8.50%
Total Liabilities at the end of the year	118,134	105,181	12.31%
Total Net Assets	45,390	45,538	-0.33%



FINANCIAL STATEMENTS

SIBU WATER BOARD

INCORPORATED UNDER THE WATER ORDINANCE 1994

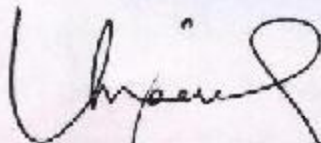
(CHAPTER 13, LAWS OF SARAWAK)

STATEMENT BY BOARD MEMBERS

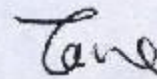
We, **HJ. UBAIDILLAH BIN HJ. ABDUL LATIP** and **TAN KOK CHANG** being the Chairman and one of the Board Members of **SIBU WATER BOARD**, do hereby state that, in the opinion of the Board Members, the financial statements are drawn up with applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the statutory body as at 31 December 2006 and of the results of its operations and cash flows for the year ended on that date.

On behalf of the Board,

On behalf of the Board,



(HJ. UBAIDILLAH BIN HJ. ABDUL LATIP)
CHAIRMAN



(TAN KOK CHANG)
MEMBER



Date: 20 APR 2007

Sibu

Date: 20 APR 2007

Sibu

FINANCIAL STATEMENTS

SIBU WATER BOARD

INCORPORATED UNDER THE WATER ORDINANCE 1994

(CHAPTER 13, LAWS OF SARAWAK)


DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE

FOR THE FINANCIAL MANAGEMENT OF SIBU WATER BOARD

I, **DANIEL WONG PARK ING**, the officer primarily responsible for the financial management of **SIBU WATER BOARD**, do solemnly and sincerely declare that the financial statements are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.



Subscribed and solemnly
declared by the above-named
DANIEL WONG PARK ING
at **SIBU** in the State of
Sarawak on this day
of **18 APR 2007**


GENERAL MANAGER
SIBU WATER BOARD
SIBU



Before me,

COMMISSIONER FOR OATHS
JOSEPH LIM SU HUNG
No. A-Q 012
Pesuruhjaya Sumpah Malaysia,
Jabatan Kehakiman,
Sibu, Sarawak.

FINANCIAL STATEMENTS



SIJIL KETUA AUDIT NEGARA MENGENAI PENYATA KEWANGAN LEMBAGA AIR SIBU BAGI TAHUN BERAKHIR 31 DISEMBER 2006

Penyata kewangan Lembaga Air Sibu bagi tahun berakhir 31 Disember 2006 telah diaudit oleh wakil saya. Pihak pengurusan bertanggungjawab terhadap penyata kewangan ini. Tanggungjawab saya adalah mengaudit dan memberi pendapat terhadap penyata kewangan tersebut.

2. Pengauditan telah dilaksanakan mengikut Akta Audit 1957 dan berpandukan piawaian pengauditan yang diluluskan. Piawaian tersebut menghendaki pengauditan dirancang dan dilaksanakan untuk mendapat kepastian yang munasabah sama ada penyata kewangan adalah bebas daripada kesilapan atau ketinggalan yang ketara. Pengauditan itu termasuk memeriksa rekod secara semak uji, menyemak bukti yang menyokong angka dan memastikan pendedahan yang mencukupi dalam penyata kewangan. Penilaian juga dibuat terhadap prinsip perakaunan yang digunakan dan persembahan penyata kewangan secara keseluruhan.

3. Pada pendapat saya, penyata kewangan ini memberi gambaran yang benar dan saksama terhadap kedudukan kewangan Lembaga Air Sibu pada 31 Disember 2006, hasil operasi serta aliran tunainya untuk tahun tersebut berdasarkan piawaian perakaunan yang diluluskan.

(ONG SWEE LENG)
b.p. KETUA AUDIT NEGARA
MALAYSIA

KUCHING

TARIKH : 2 Oktober 2007



FINANCIAL STATEMENTS

SIBU WATER BOARD BALANCE SHEET AS AT 31 DECEMBER 2006

	Note	2006 RM	2005 RM
ASSETS			
Non-Current Assets			
Property, plant and equipment	6	138,999,764	133,521,190
Other investment	7	4,970,269	4,970,269
		<u>143,970,033</u>	<u>138,491,459</u>
Current assets			
Inventories	8	2,915,062	2,685,148
Trade receivables		2,373,376	2,193,503
Other receivables		1,082,024	1,282,580
Tax refundable		96,409	-
Fixed deposits		8,322,400	4,654,887
Cash in hand and at bank		4,857,828	1,411,490
		<u>19,647,099</u>	<u>12,227,608</u>
TOTAL ASSETS		<u>163,617,132</u>	<u>150,719,067</u>
BOARD'S FUND AND LIABILITIES			
Reserves			
Vested assets reserve	11	813,534	813,534
General reserve		44,669,290	44,723,973
Board's fund		<u>45,482,824</u>	<u>45,537,507</u>
Non-Current Liabilities			
Long term loans	9	61,224,846	48,738,501
Provision for employees' benefit	10	88,309	64,434
Deferred income	12	43,063,758	43,449,439
Total Non-Current Liabilities		<u>104,376,913</u>	<u>92,252,374</u>
Current Liabilities			
Term loans	9	6,429,596	5,812,064
Trade payables		2,527,965	2,175,782
Other payables		4,797,965	4,904,274
Provision for employees' benefits	10	1,869	25,865
Taxation		-	11,201
Total Current Liabilities		<u>13,757,395</u>	<u>12,929,186</u>
Total Liabilities		<u>118,134,308</u>	<u>105,181,560</u>
TOTAL BOARD'S FUND AND LIABILITIES		<u>163,617,132</u>	<u>150,719,067</u>



FINANCIAL STATEMENTS

**SIBU WATER BOARD
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006**

	Note	2006	2005
		RM	RM
Revenue	13	19,650,943	19,162,694
Cost of production		<u>(9,222,259)</u>	<u>(8,808,574)</u>
		10,428,684	10,354,120
Other operating income		5,300,827	4,786,798
Distribution and selling expenses		(10,484,254)	(10,010,509)
Administration expenses		(5,235,668)	(5,073,247)
Other operating expenses		<u>(64,272)</u>	<u>(61,052)</u>
Loss before taxation	14	(54,683)	(3,890)
Deduct: taxation	15	<u>-</u>	<u>(108,613)</u>
Net loss from operation after taxation		<u>(54,683)</u>	<u>(112,503)</u>



FINANCIAL STATEMENTS

SIBU WATER BOARD STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2006

	Vested Assets Reserve RM	General Reserve RM	Total RM
Balance as at 31 December 2004	813,534	44,836,476	45,650,010
Net loss for year 2005	<u> </u>	<u>(112,503)</u>	<u>(112,503)</u>
Balance as at 31 December 2005	813,534	44,723,973	45,537,507
Net loss for the year	<u> </u>	<u>(54,683)</u>	<u>(54,683)</u>
Balance as at 31 December 2006	<u>813,534</u>	<u>44,669,290</u>	<u>45,482,824</u>



FINANCIAL STATEMENTS

SIBU WATER BOARD CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2006

	2006 RM	2005 RM
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(54,683)	(3,890)
Adjustments for:		
Depreciation of property, plant and equipment	8,878,171	8,724,415
Amortisation of capital contributions	(3,615,564)	(3,534,923)
Inventories written off	-	2,321
Gains on disposal of property, plant and equipment	(479,335)	-
Interest income	(314,242)	(367,608)
Dividend income	(159,326)	(211,856)
Provision for employees' benefit	30,817	14,985
	<u>4,340,521</u>	<u>4,627,334</u>
Operating profit before working capital changes	4,285,838	4,623,444
Increase in inventories	(229,914)	(229,655)
Increase in trade receivables	(179,873)	(418,512)
Decrease/(Increase) in other receivables	129,080	(37,785)
Decrease in trade payables	(14,968)	(435,903)
Increase in other payables	372,003	285,431
	<u>76,328</u>	<u>(836,425)</u>
Cash generated from operating activities	4,362,166	3,787,019
Less: Income tax paid	(107,610)	(95,740)
Less: Provision for employees' benefit paid	(30,938)	(722)
Net cash generated from operating activities	4,223,618	3,690,557
CASH FLOW FROM INVESTING ACTIVITIES		
Dividend received	210,853	-
Grants and capital contributions received	3,229,471	2,213,008
Disbursement of employee loans	(217,000)	(361,890)
Loan repayment received from employees	253,820	288,499
Proceeds from disposal of property, plant and equipment	485,799	-
Purchase of property, plant and equipment	(14,474,370)	(16,059,580)
Interest received	297,783	340,311
Net cash used in investing activities	(10,213,644)	(13,579,652)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from term loan	16,323,293	1,246,958
Repayment of term loan	(3,219,416)	(626,770)
Net cash provided by financing activities	13,103,877	620,188
Net increase/(decrease) in cash and cash equivalents	7,113,851	(9,268,907)
Cash and cash equivalents brought forward	6,066,377	15,335,284
Cash and cash equivalents carried forward	13,180,228	6,066,377
Cash and cash equivalents consists of:		
Cash at bank and in hand	4,857,828	1,411,490
Fixed deposits	8,322,400	4,654,887
	<u>13,180,228</u>	<u>6,066,377</u>



FINANCIAL STATEMENTS

SIBU WATER BOARD NOTES TO THE FINANCIAL STATEMENTS

1. **PRINCIPAL ACTIVITIES**

The principal activities of the Board are the production, distribution and supply of potable water within the limit of the approved areas of supply.

2. **BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

The financial statements of the Board have been prepared in accordance with applicable approved accounting standards in Malaysia.

3. **DATE OF AUTHORISATION FOR ISSUE**

The financial statements were authorised for issue by the Board on 20 April 2007.

4. **FINANCIAL RISK MANAGEMENT POLICIES**

The Board is exposed to credit risk, interest rate risk and liquidity risk in the normal course of the Board's business. The Management's agreed policies for managing each of these risks are summarised below:-

(i) **Interest rate risk**

Surplus funds are placed with government approved financial institutions with competitive and favourable interest rates.

(ii) **Liquidity risk**

The Board monitors and maintains a level of cash and cash equivalents deemed adequate by Management to finance the Board's operations and to mitigate the effects of fluctuations in cash flows.

(iii) **Credit risk**

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Customers are requested to place an initial deposit at the time of signing of the agreement for water supply. Their water supplies are disconnected if the customers default in payment within a stipulated time frame.

5. **SIGNIFICANT ACCOUNTING POLICIES**

5.1 **Basis of accounting**

The financial statements of the Board have been prepared on the basis of the historical cost convention, unless otherwise stated.

5.2 **Revenue recognition**

Revenue from sales of water is recognised based on metered usage upon delivery of the water.

Interest income from placement of fixed deposits with approved financial institutions is accrued on a time-apportioned basis.

Dividend income is recognised in the income statement when the shareholder's right to receive payment is established.



FINANCIAL STATEMENTS

5.3 Thresholds for capitalization of capital expenditure

The threshold for capitalization of capital expenditure is RM500.00. Capital expenditure below the threshold is expensed off in the income statement.

5.4 Property, plant and equipment and depreciation

Freehold land is not depreciated. Leasehold land is amortised over the term of their respective lease periods. Depreciation on other property, plant and equipment is calculated to write off the cost of the assets to their respective residual values on a straight line basis over their expected useful lives. All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. The principal annual depreciation rates for the other assets are as follows:-

Buildings	4%
Furniture and fittings	10%
Headworks, booster stations and mains	4%
Meters	10%
Communication pipes	5%
Plant and machineries	20%
Workshop and field equipment	10%
Office and store equipment	20%

Fully depreciated assets are retained in the accounts at a nominal value of RM1.00 until they are no longer in use and no further charge of depreciation is made in respect of these assets.

5.5 Deferred income

Consumers are required to contribute towards the cost of revenue earning capital projects. These contributions together with government grants in respect of capital expenditure are credited to the deferred income account and released to the income statement on a straight line basis over the expected useful lives of the assets except for those relating to projects not yet completed.

5.6 Inventories

Inventories comprising pipes, spare parts and chemicals are stated at lower of cost and net realisable value. Cost is determined using first-in, first-out.

5.7 Work-in-progress

Work-in-progress is valued at cost and where appropriate includes supervisory and other overhead expenses. Work-in-progress shall be capitalised when the asset is substantially functionable and the date of capitalisation shall be the date of handing over to the Sibu Water Board.

5.8 Cash and cash equivalents

Cash and cash equivalents represent cash balances and deposits with financial institutions.



FINANCIAL STATEMENTS

5.9 Financial instruments

Financial instruments carried on the balance sheet include cash and bank balances, investment, receivables, payables and borrowings. The particular recognition methods adopted are disclosed in the individual accounting policy statements associated with each item.

5.10 Impairment of assets

The carrying values of assets are reviewed for impairment when there is an indication that the assets might be impaired. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised as income for assets carried at cost. The recoverable amount is the higher of an asset's net selling price and value in use. The net selling price is the amount obtainable from the sale as an asset at arm's length transaction. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash generating unit.

Reversal of an impairment loss recognised in prior years is recorded when there is an indication that the impairment loss recognised for an asset no longer exists or has decreased. The reversal is recorded as income or as a revaluation increase.

5.11 Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognized for all taxable differences and deferred tax assets are recognized for all deductible temporary differences, unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. Temporary differences are not recognized for initial recognition of assets and liabilities that at the time of transaction, affects neither accounting nor taxable profit.

5.12 Employee benefits

(i) Short-term benefits

Wages, salaries, bonuses and social security contributions are recognized as an expense in the year in which the associated services are rendered by employees of the Board. Short-term accumulating compensated absences, such as paid annual leave are recognized when services rendered by employees that increases their entitlement to future compensated absences; and short-term non-accumulating compensated absences, such as sick leave are recognized when the absences occur.

(ii) Defined contribution plan

As required by law, the Board makes contributions to the 'Skim Pencen Perkhidmatan Awam' and the Employee Provident Fund respectively. Such contributions are recognized as an expense in the income statement as incurred.



FINANCIAL STATEMENTS

6. PROPERTY, PLANT AND EQUIPMENT

2006							
	<u>Land</u>	<u>Buildings,</u>	<u>Headworks,</u>	<u>Meters</u>	<u>Plant,</u>	<u>Work in</u>	<u>Total</u>
	<u>RM</u>	<u>Furniture</u>	<u>Booster</u>	<u>&</u>	<u>Machineries</u>	<u>Progress</u>	<u>RM</u>
		<u>& Fittings</u>	<u>Stations</u>	<u>Pipes</u>	<u>&</u>	<u>RM</u>	
		<u>RM</u>	<u>& Mains</u>	<u>RM</u>	<u>Equipment</u>		
			<u>RM</u>		<u>RM</u>		
Cost							
As at 1st January	4,918,430	8,788,999	188,330,151	14,370,097	13,990,626	7,952,221	238,350,524
Additions	-	154,620	1,893,151	722,263	581,901	11,005,932	14,357,867
Disposal	(3,822)	-	-	-	(403,495)	-	(407,317)
Transfer	-	-	1,871,242	-	-	(1,871,242)	-
As at 31st December	<u>4,914,607</u>	<u>8,943,619</u>	<u>192,094,544</u>	<u>15,092,360</u>	<u>14,169,032</u>	<u>17,086,911</u>	<u>252,301,073</u>
Accumulated depreciation							
As at 1st January	1,152,366	3,869,977	82,131,982	7,925,962	9,749,048	-	104,829,334
Additions	93,689	349,956	6,830,856	650,254	953,416	-	8,878,171
Disposal	(2,739)	-	-	-	(403,456)	-	(406,195)
As at 31st December	<u>1,243,315</u>	<u>4,219,933</u>	<u>88,962,838</u>	<u>8,576,216</u>	<u>10,299,008</u>	<u>-</u>	<u>113,301,309</u>
Net book value							
As at 31st December	<u>3,671,292</u>	<u>4,723,686</u>	<u>103,131,706</u>	<u>6,516,144</u>	<u>3,870,025</u>	<u>17,086,911</u>	<u>138,999,764</u>



2005							
	<u>Land</u>	<u>Buildings,</u>	<u>Headworks,</u>	<u>Meters</u>	<u>Plant,</u>	<u>Work in</u>	<u>Total</u>
	<u>RM</u>	<u>Furniture</u>	<u>Booster</u>	<u>&</u>	<u>Machineries</u>	<u>Progress</u>	<u>RM</u>
		<u>& Fittings</u>	<u>Stations</u>	<u>Pipes</u>	<u>&</u>	<u>RM</u>	
		<u>RM</u>	<u>& Mains</u>	<u>RM</u>	<u>Equipment</u>		
			<u>RM</u>		<u>RM</u>		
Cost							
As at 1st January	4,918,430	8,691,252	177,760,241	13,320,376	13,016,126	4,127,620	221,834,045
Additions	-	97,747	9,046,055	1,040,502	565,534	5,766,641	16,516,479
Disposal	-	-	-	-	-	-	-
Transfer	-	-	1,523,855	9,219	408,966	(1,942,040)	-
As at 31st December	<u>4,918,430</u>	<u>8,788,999</u>	<u>188,330,151</u>	<u>14,370,097</u>	<u>13,990,626</u>	<u>7,952,221</u>	<u>238,350,524</u>
Accumulated depreciation							
As at 1st January	1,058,613	3,515,311	75,425,848	7,273,762	8,831,385	-	96,104,919
Additions	93,753	354,666	6,706,134	652,200	917,662	-	8,724,415
Disposal	-	-	-	-	-	-	-
	<u>1,152,366</u>	<u>3,869,977</u>	<u>82,131,982</u>	<u>7,925,962</u>	<u>9,749,047</u>	<u>-</u>	<u>104,829,334</u>
Net book value							
As at 31st December	<u>3,766,064</u>	<u>4,919,022</u>	<u>106,198,169</u>	<u>6,444,135</u>	<u>4,241,579</u>	<u>7,952,221</u>	<u>133,521,190</u>

FINANCIAL STATEMENTS

5.9 Financial instruments

Financial instruments carried on the balance sheet include cash and bank balances, investment, receivables, payables and borrowings. The particular recognition methods adopted are disclosed in the individual accounting policy statements associated with each item.

5.10 Impairment of assets

The carrying values of assets are reviewed for impairment when there is an indication that the assets might be impaired. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised as income for assets carried at cost. The recoverable amount is the higher of an asset's net selling price and value in use. The net selling price is the amount obtainable from the sale as an asset at arm's length transaction. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash generating unit.

Reversal of an impairment loss recognised in prior years is recorded when there is an indication that the impairment loss recognised for an asset no longer exists or has decreased. The reversal is recorded as income or as a revaluation increase.

5.11 Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognized for all taxable differences and deferred tax assets are recognized for all deductible temporary differences, unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. Temporary differences are not recognized for initial recognition of assets and liabilities that at the time of transaction, affects neither accounting nor taxable profit.

5.12 Employee benefits

(i) Short-term benefits

Wages, salaries, bonuses and social security contributions are recognized as an expense in the year in which the associated services are rendered by employees of the Board. Short-term accumulating compensated absences, such as paid annual leave are recognized when services rendered by employees that increases their entitlement to future compensated absences; and short-term non-accumulating compensated absences, such as sick leave are recognized when the absences occur.

(ii) Defined contribution plan

As required by law, the Board makes contributions to the 'Skim Pencen Perkhidmatan Awam' and the Employee Provident Fund respectively. Such contributions are recognized as an expense in the income statement as incurred.



FINANCIAL STATEMENTS

10. PROVISION FOR EMPLOYEE BENEFITS

	2006 RM	2005 RM
Balance as at 1 st January		
Provision during the year	90,299	76,036
Utilisation of provision during the year	30,817	14,985
	(30,938)	(722)
Balance at 31 st December	<u>90,178</u>	<u>90,299</u>
At 31 st December		
Current	1,869	25,865
Non Current:		
- Later than 1 year but not later than 2 years	1,546	-
- Later than 2 years but not later than 5 years	12,692	2,011
- Later than 5 years	74,071	62,423
	<u>88,309</u>	<u>64,434</u>
	<u>90,178</u>	<u>90,299</u>

11. VESTED ASSETS RESERVE

The reserve represents the depreciated value of assets taken over from JKR by the Board when it was incorporated on 1st January, 1959.

12. DEFERRED INCOME

Deferred income represents capital contributions received and receivable from customers towards the cost of capital projects and government grants received; and is analysed as follows:

	2006 RM	2005 RM
Balance as at 1 st January	43,449,439	44,826,932
Additions during the year	3,229,883	2,157,430
Amortisation	(3,615,564)	(3,534,923)
Balance as at 31 st December	<u>43,063,758</u>	<u>43,449,439</u>

Capital contributions received from customers in 2006 amounted to RM3,229,883 (2005: RM2,157,430). No grant was received from Federal Government towards the cost of rural water supply projects (2005: Nil). The capital contributions and grants amortised amounted to RM2,508,098 (2005 : RM2,427,457) and RM1,107,466 (2005 : RM1,107,466) respectively.

13. REVENUE

	2006 RM	2005 RM
Water sales	<u>19,650,943</u>	<u>19,162,694</u>

14. LOSS BEFORE TAXATION

The following items have been charged/(credited) in arriving at the loss before taxation:

	2006 RM	2005 RM
Depreciation on property, plant and equipment	8,878,171	8,724,415
Staff cost	5,753,190	5,885,255
Amortisation of deferred income	(3,615,564)	(3,534,923)
Gains on disposal of property, plant and equipment	(479,335)	-
Interest income	(314,242)	(367,608)
Dividend Income	(159,326)	(211,856)
Board members' remuneration	46,841	41,300
Auditors' remuneration	17,430	17,430



FINANCIAL STATEMENTS

15. TAXATION

	2006 RM	2005 RM
Tax expense for the year	-	108,613

A reconciliation of income tax expense applicable to loss before tax at the statutory tax rate to income tax expense at the effective income tax rate of the Board is as follows:-

	2006 RM	2005 RM
Loss before taxation	(54,683)	(3,890)
Taxation at Malaysian statutory tax rate of 28%	(15,311)	(1,089)
Depreciation on non-qualifying property, plant and equipment	113,028	111,670
Income not subject to tax	(6,883,627)	(807,180)
Deferred tax assets not recognised during the year	6,785,910	805,212
	-	108,613

The YB Minister of Finance has under Section 127(3)(b) of Income Tax Act 1967 granted the Board income tax exemptions in respect of the followings since year of assessment 2002 :

- its statutory income in relation to the sources of income derived from the allocations given by the Federal and the State Government in the form of a grant or a subsidy, and
- its statutory income received in relation to the sources of income derived from the income received in respect of an amount chargeable and collectible from any person in accordance with the provisions of the Act regulating the Board; or any donations or contributions received.

With effect from year of assessment 2006 onwards, following the Income Tax (Exemption) (No. 22) Order 2006, the YB Minister of Finance exempted the Board from income tax in respect of the followings:

- income relating to the allocations given by the Federal and the State Government in the form of grants or subsidies, and
- the income received in respect of an amount chargeable and collectible from any person in accordance with the provisions of the Act regulating the Board; or
- any donations or contributions received

16. DEFERRED TAXATION

No deferred tax liabilities and assets have been recognised in respect of the following temporary differences:

	2006 RM	2005 RM
Temporary differences that may give rise to deferred tax liabilities:		
Accelerated capital allowances	70,278,085	65,612,718
Temporary differences that may give rise to deferred tax assets:		
Unutilised capital allowance	74,710,601	61,570,696
Unutilised tax losses	15,760,974	-
Deferred income	-	15,281,324
Provisions	90,178	90,299
	90,561,753	76,942,319

Deferred tax assets have not been recognised in respect of these items as the Board may not have taxable profits for which these tax assets can be utilised in the foreseeable future, since the Board is exempted from payment of income tax for most of her income as stated in Note 15 above.

FINANCIAL STATEMENTS

17. FINANCIAL INSTRUMENTS

(a) Interest rate risk

The interest rate risk that financial instruments value will fluctuate as a result of changes in the market interest rates and the effective weighted interest rates on classes of financial assets and financial liabilities are as follows:-

	Less than 1 year RM	1 to 5 years RM	More than 5 years RM	Total RM	Effective interest rate during the year
<u>Financial Assets</u>					
Fixed deposits	8,322,400	-	-	8,322,400	3.00% - 3.80%
<u>Financial Liabilities</u>					
Loans	6,429,596	22,680,605	38,544,241	67,654,442	-

(b) Credit risk

The carrying amounts of cash and cash equivalents, trade receivables and other receivables represent the Board's maximum exposure to credit risk. At the balance sheet date, there were no significant concentration of credit risk, except for trade receivables of financial instruments relating to one (1) major customer which accounts for 35.34% of the total receivables.

(c) Fair value

The fair value of the financial assets and liabilities approximates their carrying values except:-

	Carrying amount RM	Fair value RM
<u>Assets</u>		
Other investment	4,970,269	5,152,669

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

(i) Deposits, cash and bank balances

The carrying amount of cash and bank balances approximates fair value due to the relatively short term maturity of these instruments.

(ii) Trade and other receivables; Trade and other payables

The historical cost carrying amount of receivables and payables subject to normal trade credit terms approximates fair value. The carrying amounts of other receivables and payables are reasonable estimates of fair value because of their short term maturity.

(iii) Investment

The fair value of publicly traded instruments is estimated based on the quoted market prices.

(iv) Borrowings

The carrying amount of both short and long term borrowings approximate fair value because the loans are interest-free.

18. CAPITAL COMMITMENTS

	2006 RM	2005 RM
Capital expenditure not taken up in the account - approved and contracted out	12,260,952	2,777,882

19. STAFF

	2006	2005
Number of staff	190	193



OTHER INFORMATION

Scale Of Water Charges With Effect From 1st January 1992

Classification	Rates
Domestic	
Minimum charge in any one month	RM4.40
1,000 to 15,000 litres in any one month	RM0.48 per 1,000 litres
In excess of 15,000 litres but not exceeding 50,000 litres in any one month	RM0.72 per 1,000 litres
The excess over 50,000 litres in any one month	RM0.76 per 1,000 litres
Domestic/Commercial	
Minimum charge in any one month	RM18.70
1,000 to 25,000 litres in any one month	RM0.83 per 1,000 litres
The excess over 25,000 litres in any one month	RM0.95 per 1,000 litres
Commercial	
Minimum charge in any one month	RM22.00
1,000 to 25,000 litres in any one month	RM0.97 per 1,000 litres
The excess over 25,000 litres in any one month	RM1.06 per 1,000 litres
Special Commercial - Water Processed for sale	
Minimum charge in any one month	RM27.50
1,000 to 25,000 litres in any one month	RM1.21 per 1,000 litres
The excess over 25,000 litres in any one month	RM1.33 per 1,000 litres
Public standpipes	RM0.43 per 1,000 litres
Water collected at depot (Customer's transport)	RM0.43 per 1,000 litres
Water to ship	RM1.70 per 1,000 litres



Meter Rents

Dimension Of Meter	Per Month or Part Thereof
15 mm	RM0.55
20 mm	RM1.65
25 mm	RM2.20
30 mm	RM2.75
40 mm	RM3.30
50 mm	RM4.40
80 mm	RM8.80
100 mm	RM11.00
150 mm	RM16.50

Fees

For "Turning On Service"	RM5.50
For "Re-connection" due to non-payment	RM16.50

OTHER INFORMATION

PERFORMANCE INDICATORS

The Board's performance is divided into three main criteria, namely the Physical, Service and Financial Performance Indicator :-

I.	Physical Performance Indicator	Average 2004	Average 2005	Average 2006	Bench Mark
1	Annual treatment plant reserve margin (%) $\frac{\text{Total plant capacity} - \text{actual production} \times 100}{\text{Total plant capacity}}$	36.0	32.2	21.7	18.1
2	Network density = $\frac{\text{Total km of pipeline}}{\text{Total sq. km area}}$	0.45	0.46	0.47	1.05
3	Population/Km of pipeline = $\frac{\text{Total population}}{\text{Total km of pipeline}}$	254	259	264	304

II.	Service Performance Indicator	2004	2005	2006	Bench Mark
1	No. of connections per employee	218	234	249	276
2	No. of connections per meter reader	3,165	3,369	4,061	2,371
3	Length of pipeline (Km) per employee	4.29	4.55	4.72	5
4	Total output of treated water (cu.m) per employee per month	12,584	13,793	15,071	17,833
5	No. of pipeline breakages per kilometer per month	0.03	0.04	0.03	0.12
6	No. of complaints received per 1000 connections per month	5.42	10.22	6.36	4.3
7	$\frac{\text{Actual no. of meters replaced}}{\text{Expected no. of meters to be replaced}}$	0.33	0.00	0.61	n/a
8	% of Non-revenue water	27.67	26.83	29.58	35
9	Actual consumption(cu.m) per pipulation - per month	8.38	8.38	8.49	n/a
10	% of No. of treated water NTU>5.0 violation	0.00	0.00	0.00	n/a
11	% of No. of treated water bacteria/E-coli violation	0.00	0.00	0.00	n/a
12	% of No. of treated water true color>5.0 violation	0.00	0.00	0.00	n/a



III.	Financial Performance Indicator	2004	2005	2006	Bench Mark
1 (i)	Average O & M cost increase, RM (annually)	563,650	667,784	630,041	n/a
(ii)	Average increase in water production, MLD (annually)	3.67	3.94	6.22	n/a
2	Unit production cost (sen) = $\frac{\text{Total O \& M cost}}{\text{Total cu. m water produced}}$	45.2	45.3	41.0	67
3	Average tariff (sen) = $\frac{\text{Total revenue}}{\text{Total cu. m water sold}}$	79.5	80.9	80.7	73
4	Operating ratio = $\frac{\text{Total O \& M cost}}{\text{Total revenue}}$	0.77	0.77	0.80	1.23
5	Ratio of $\frac{\text{Total Non-Domestic consumption}}{\text{Total Non-Domestic consumption}}$	1.90	1.77	1.76	n/a
6	Ratio of $\frac{\text{Total revenue of domestic consumption}}{\text{Total revenue of Non-Domestic consumption}}$	1.09	0.99	1.02	n/a
7	Collection efficiency = $\frac{\text{Total annual collection}}{\text{Total annual billings}}$	0.90	0.92	0.99	n/a
8	Average collection Period of debts (days) = $\frac{\text{Total debt} \times 365 \text{ days}}{\text{Total billed}}$	43.20	44.0	43.6	n/a

Notes:

Average O & M Cost = Average annual expenditure (exclude depreciation)

Total O & M Cost = Total expenditure (exclude depreciation)

Total Revenue = Total water Sales Only

Domestic = Domestic only

Non-Domestic = Domestic / Commercial, Commercial, Special Commercial, Standpipes & Ship Supply

Total Collection = Received for the Year

Total Billing = Net billing

Total Debt = Outstanding at the end of the Year

OTHER INFORMATION

STATISTICAL ANALYSIS OF RAW WATER DATA
YEAR 2006

Tests	Characteristic	Unit	Acceptable Level *	Bukit Lima	Salim
Microbiology	Total Coliform	MPN/100 ml	< 5000	1331	1250
Group 1	pH		5.5-9.0	6.4	6.5
	Colour	TCU	< 300	14	23
	Turbidity	NTU	< 1000	368	301
Group 2	Total Dissolved Solids	ppm	< 1500	15	14
	Total Hardness	ppm	< 500	13	14
	Chemical Oxygen Demand	ppm	< 10	7	7
	Biological Oxygen Demand	ppm	< 6	< 2	< 2
	Ammonia	ppm	< 1.5	< 0.1	< 0.1
	Nitrate Nitrogen	ppm	< 10	0	0
	Anionic Detergent MBAS	ppm	< 1	< 0.5	< 0.5
	Fluoride	ppm	< 1.5	< 0.1	< 0.1
	Chloride	ppm	< 250	< 1	< 1
	Iron (as Fe)	ppm	< 1	1.25	1.29
	Manganese	ppm	< 0.2	0.11	0.09
Group 3	Arsenic	ppm	< 0.01	< 0.001	< 0.001
	Mercury	ppm	< 0.001	< 0.001	< 0.001
	Cadmium	ppm	< 0.003	< 0.001	< 0.001
	Lead	ppm	< 0.05	0.004	0.001
	Chromium	ppm	< 0.05	< 0.001	< 0.001
	Silver	ppm	< 0.05	< 0.002	< 0.002
	Copper	ppm	< 1	0.003	0.004
	Zinc	ppm	< 3	0.006	0.080
	Magnesium	ppm	< 150	0.88	0.82
	Sodium	ppm	< 200	1.52	1.51
	Selenium	ppm	< 0.01	< 0.001	< 0.001
	Sulphate	ppm	< 250	< 10	< 10
Group 4	Lindane	ppm	< 0.002	< 0.00004	< 0.00004
	Heptachlor	ppm	< 0.00003	< 0.000003	< 0.000003
	Aldrin	ppm	< 0.00003	< 0.000003	< 0.000003
	Heptachlor Epoxide	ppm	< 0.00003	< 0.000004	< 0.000004
	Dieldrin	ppm	< 0.00003	< 0.000004	< 0.000004
	Mathoxychlor	ppm	< 0.02	< 0.0001	< 0.0001
	alpha-BHC	ppm	-	< 0.00005	< 0.00005
	beta-BHC	ppm	-	< 0.00003	< 0.00003
	delta-BHC	ppm	-	< 0.00004	< 0.00004
	alpha-endosulfan	ppm	-	< 0.00004	< 0.00004
	4, 4 -DDE	ppm	-	< 0.00004	< 0.00004
	beta endosulfan	ppm	-	< 0.00005	< 0.00005
	4, 4 -DDD	ppm	-	< 0.00004	< 0.00004
	Endrin	ppm	-	-	-
	Endosulfan sulfate	ppm	-	< 0.00004	< 0.00004
	4, 4 -DDT	ppm	-	< 0.090	< 0.00009

Notes : (i) * According to National Guidelines for Drinking Water Quality (revised in December, 2000 Second Version, January 2004)

(ii) Data extracted from:

1) 'Laporan Panjang Analisis Kimia bagi Sampel Air 2006'

2) 'Laporan Pendek Analisis Kimia bagi Sampel Air 2006'

3) 'Laporan Keputusan Pemeriksaan Bakteria 2006'

(iii) ND – Not Detected

(iv) All reports are received from Jabatan Kimia Malaysia, Kuching



OTHER INFORMATION

STATISTICAL ANALYSIS OF TREATED WATER DATA YEAR 2006

Tests	Characteristic	Unit	Acceptable Level *	Bukit Lima	Salim
Microbiology	Total Coliform	cfu/100 ml	<1	<1	<1
	E. Coli	cfu/100 ml	<1	<1	<1
Group 1	Residual Chlorine (min)	ppm	>0.2	1.80	1.80
	pH		6.5-9.0	7.5	7.2
	Color	TCU	15	4	4
	Turbidity	NTU	5	1.01	1.01
Group 2	Total Dissolved Solids	ppm	< 1000	36	38
	Total Hardness	ppm	< 500	25.0	27
	Ammonia	ppm	< 1.5	<0.1	<0.1
	Nitrate Nitrogen	ppm	< 10	0.47	0.47
	Fluoride	ppm	0.5-0.7	0.45	0.35
	Chloride	ppm	< 250	2.91	2.09
	Iron	ppm	< 0.3	0.05	0.05
	Manganese	ppm	< 0.1	0.03	0.01
	Aluminium	ppm	< 0.2	0.03	0.04
Group 3	Arsenic	ppm	< 0.01	<0.001	<0.001
	Mercury	ppm	< 0.001	<0.001	<0.001
	Cadmium	ppm	< 0.003	<0.001	<0.001
	Lead	ppm	< 0.01	<0.001	<0.001
	Chromium	ppm	< 0.05	<0.001	<0.001
	Silver	ppm	< 0.05	<0.002	<0.002
	Copper	ppm	< 1	0.001	0.001
	Zinc	ppm	< 3	0.024	0.005
	Magnesium	ppm	< 150	0.84	0.77
	Sodium	ppm	< 200	1.58	1.55
	Selenium	ppm	< 0.01	<0.001	<0.001
	Sulphate	ppm	< 250	14	18
	Chloroform	ppm	< 0.2	0.028	0.044
	Bromoform	ppm	< 0.1	<0.001	<0.001
	Dibromochloromethane	ppm	< 0.1	<0.001	<0.001
	Bromodichloromethane	ppm	< 0.06	<0.001	<0.001
Group 4	Lindane	ppm	< 0.002	<0.00004	<0.00004
	Heptachlor	ppm	< 0.00003	0.000004	0.000003
	Aldrin	ppm	< 0.00003	0.000003	<0.000003
	Heptachlor Epoxide	ppm	< 0.00003	<0.000004	<0.000004
	Dieldrin	ppm	< 0.00003	<0.000004	0.000004
	Methoxychlor	ppm	< 0.02	<0.0001	<0.0001
	alpha-BHC	ppm	-	<0.00005	<0.00005
	beta-BHC	ppm	-	<0.00003	<0.00003
	delta-BHC	ppm	-	<0.00004	<0.00004
	alpha-endosulfan	ppm	-	<0.00004	<0.00004
	4, 4 -DDE	ppm	-	<0.00004	<0.00004
	beta-endosulfan	ppm	-	<0.00005	<0.00005
	4, 4 -DDD	ppm	-	<0.00004	<0.00004
	Endrin	ppm	-	-	-
	Endosulfan sulfate	ppm	-	<0.00004	<0.00004
	4, 4 -DDT	ppm	-	<0.00009	<0.00009

Notes : (i) * According to National Guidelines for Drinking Water Quality (revised in December, 2000 Second Version, January 2004)

(ii) Data extracted from:

1) 'Laporan Panjang Analisis Kimia bagi Sampel Air 2006'

2) 'Laporan Pendek Analisis Kimia bagi Sampel Air 2006'

3) 'Laporan Keputusan Pemeriksaan Bakteria 2006'

(iii) ND - Not Detected

(iv) All reports are received from Jabatan Kimia Malaysia, Kuching



OUTLOOK FOR 2007

Towards World Class!

- ❧ **Expanding Salim Treatment Plant**
- ❧ **Building a new intake**
- ❧ **Embracing modern technologies in processing water**
- ❧ **Creating a conducive and pleasant working environment**
- ❧ **Working towards a safe and hazard free organisation**
- ❧ **Making an environmental friendly organisation**
- ❧ **Opening more outlets for bills payment**
- ❧ **Taking part in KMK Competition**
- ❧ **Certification to Integrated Management System**
- ❧ **Certification to 5S Practices**

