

Lembaga Air Kuching / *Kuching Water Board*

2015 LAPORAN TAHUNAN ANNUAL REPORT

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KWB Corporate Song

Di sini kami berbakti
Membekal air berkualiti
Berkhidmat dengan intergriti
Kami warga K.W.B.

Berdaya maju, berdaya saing
Setiap langkah perlu seiring
Berkerjasama berganding bahu
Untuk satu hala tuju

Berganding tangan; bersatu hati
Bersama kita jadikan realiti
Satu wawasan pegangan kami
Ke arah perkhidmatan cemerlang

Our Vision

To Be a Dedicated and Dynamic Water Supply Agency with Culture and Values that are Excellence Driven and Performance Oriented which Consistently Provides Services that meet Full Consumers' Satisfaction.

Our Mission

To Provide Adequate and Reliable, Quality Potable Water Supply at Acceptable Charges to All Consumers within its Area of Jurisdiction at the Highest Attainable Standards in Quality and Service.

Our Slogan

Towards Service Excellence.

Chairman's Statement

YBhg. Dato Sri Ahmad Tarmizi Bin Haji Sulaiman
Chairman
Kuching Water Board



INTRODUCTION

On behalf of the Board of Directors of Kuching Water Board, I am pleased to present the Annual Report and Audited Financial Statements for the twelve month (12) months of financial year ended 31 December 2015.

REVIEW OF FINANCIAL PERFORMANCE

For the financial year of 2015, the Board has achieved another year of good financial outcome. The Board has recorded a net profit after taxation of RM19,733,367. Total revenue was RM130,270,859, total recurrent expenditure was RM144,660,243 while tax adjustment was RM4,122,751.

The overall financial outlooks of the Board for the year 2015 remain positive. Total asset rose by 9% at RM946,719,117, while total liabilities stood at RM676,819,475 also showing an increase by 9%. However, the net asset shows increase by 8% at RM19,733,367. The Board retained earning increased by 8% to RM269,899,642.

To finance major development project, the Board will continue to seek interest free loans or grant from the government. As at 31st December 2015 total loan balance increased by 18% at RM291,373,194.

PLANNING AND DEVELOPMENT

The main focus of the Board's development programme is to meet the projected water demand to support the growth and development in Kuching, Samarahan and its surrounding areas in line with the State's socio-economic development plan. Through

the working cooperation between the Board and JKR Water Supply Department in the Inter-boundary Water Supply Committee forum enabled the needs of water supply in the rural areas being planned effectively.

DEMAND AND SUPPLY

An estimated 850,000 residents in Kuching, Samarahan and its surrounding areas enjoyed the supply of fully treated water.

The Board's treatment plants at Batu Kitang and Matang produced a total of 179,818 megalitres per year of treated water in 2015. This represents an increase of 4.75% as compared to 2014.

The average daily production increased by 4.89% from 470 MLD in 2014 to 493 MLD in 2015. The maximum daily production during the year was 549 MLD, whereas the minimum daily production was 411 MLD.

WATER QUALITY CONTROL

Kuching Water Board is in compliance with the National Drinking Water Quality Surveillance Programme. A total of 1,619 water samples were collected for bacteriological examination and 357 water samples were collected for physio-chemical testing and were analyzed by the Department of Chemistry.

For treated water, Kuching Water Board registered a bacteriological compliance rate of 88.2%. Practically all or close to 99.9% of the treated water samples were free from Faecal Coliform bacteria throughout the years.

INFORMATION TECHNOLOGY

The Board's focused on Information Technology by replicating the data and records in order to enhance data security from outdated technology. In fulfillment of data security required by the Information Security Management System, the Board embarked for assessment of alternative backup data centre in 2015. The effort is to upgrade and enhance its computer systems as well as to provide better service to its customers. The Board is actively expanding on its IT integration in terms of systems, data and applications to allow advanced development that capable of supporting Board's current and future requirements.

HUMAN RESOURCE DEVELOPMENT

Enhancement of quality services provided by the Board's personnel is supported with continuous training either through In-house or attending relevant external training programme in established institutions. A total of RM 500,000 was allocated to serve this purpose.

The numbers of employees attending these various courses, seminars, workshops and conferences in 2015 totaled to 1,464 officers. The Board also provided industrial training to eight (8) students from various institutions of higher learning ranging a period from 3 to 6 months.

ACHIEVEMENTS

In 2015, the Board has achieved several awards and recognitions by the State. Amongst others, these achievements are as follows: -

- 5 Star Rating in Malaysia Government portals and Websites Assessment 2015
- Awarded MS ISO/IEC 27001:2007 by CyberSecurity Malaysia
- Team CHLOR 8-Awarded "Trofi Setiausaha Persekutuan Sarawak" under technical category during the "Konvensyen KIK Perkhidmatan Awam Negeri Sarawak 2015"

APPRECIATION

On behalf of the Board, I wish to thank the Management and staff for their hard work, dedication and loyalty throughout the year in their efforts to provide the best service to our consumers.

To our Board Members, I wish to thank them for their dedicated service and valued contributions towards the positive progress and performance of Kuching Water Board. I also wish to thank both the State and Federal governments for their continued support, the Minister of Public utilities, the Permanent Secretary, Ministry of Public utilities and JKR Personnel's for their guidance, assistance and support.

Last but not least, I wish to thank our customers for their support and cooperation especially in promptly reporting water leakages and other supply shortcomings to Kuching Water Board.

We will continue to upgrade the level of service and enhance our capacity in our endeavor to provide safe, reliable and consistent supply of water to our customers.

YBhg Dato Sri Ahmad Tarmizi B. Haji Sulaiman
Chairman
Kuching Water Board

Corporate Information

CHAIRMAN

YBhg. Dato Sri Ahmad Tarmizi B. Hj. Sulaiman,
State Financial Secretary
PNBS, DJBS

MEMBERS

Tuan Haji Ubaidillah Bin Haji Abdul Latip (PPC, PBK, PPB)
Permanent Secretary, Ministry of Public Utilities

Tuan Haji Ir. Zuraimi Bin Haji Sabki (PPC, PPB)
Director of Public Works

YBhg. Datu Dr. Zulkifli Bin Jantan (PBK, DJBS)
Director of Sarawak Health Department

Encik Lau Ting Ping (PPC)

Tuan Haji Mahran Bin Jamel

Encik Chai Ming Lu

Dr. Azizah Binti Abdullah

Encik Bong Joon Fook

Members of The Board



YBhg. Dato Sri Ahmad Tarmizi Bin Haji Sulaiman



Tuan Haji Ubaidillah Bin
Haji Abdul Latip



YBhg. Datu Dr. Zulkifli Bin
Jantan



Ir. Hj Zuraimi B.
Hj Sabki



Encik Lau Ting Ping



Dr. Azizah Binti
Abdullah



Tuan Haji Mahran Bin Jamel

Encik Chai Ming Lu

Encik Bong Joon Fook

Senior Management



Mohamad Sabari Bin Shakeran
General Manager



Wong Soon Sing, PPB
Deputy General Manager
Planning, Development & Production Department
cum Senior Chemist



Moses A. Joseph, ABK
Deputy General Manager
Distribution Department



Dayang Amelia Binti Abang Haji Morshidi
Board Secretary/
Administration & Human
Resource Department



Chebby Bin Loren, ABS
Chief Accountant

Auditor
Auditor General Malaysia

Head Office
Kuching Water Board
Jalan Batu Lintang, 93200 Kuching, Sarawak

Tel: 082-222222 Fax: 082-222259
Website: www.kwb.gov.my

Corporate Information

INTRODUCTION

The Board was established on 1st January 1959 by authority of the Kuching Water Board Order 1959, Notification No. S.12 of 1959, made under Sections 2 and 3 of the Water Supply Ordinance to take over the Kuching Water Supply from the Public Works Department, Sarawak.

The Board is responsible for the administration, management and supervision of all waterworks situated within its jurisdiction of supply. The policy of the Board is to extend mains and to develop other facilities to provide adequate and reliable supply of fully treated quality water within its area of supply. The water supply system conforms in all aspects to modern requirements, and the development programme is drawn up to meet the projected growth in demand.

Originally, the area of supply covered only 44.8km² (17.3 sq. miles). The supply area was subsequently increased in stages over the years to cater for the water demands of developments outside it as they could not be conveniently or feasibly supplied by the Public Works Department. In 1963 and 1973, the supply area was increased to 90.7km² (35 sq. miles) and 225km² (87 sq. miles) respectively. The supply boundary was extended further in 1988 to cover the current area of 730km² (282 sq. miles) as shown in Appendix 21.

On 1st June 1995, the existing Water Supply Ordinance (Sarawak Cap. 141) was repealed and replaced by the Water Ordinance 1994. On 1st January 2001, the Board was re-established under the Kuching Water Board Order, 2001 and effective from the same date, the Board consists of the following members:-

- the State Financial Secretary or his nominee (Chairman);
- the Director of Public Works, Sarawak;
- the Director of Health, Sarawak;
- the Permanent Secretary, Ministry of Public Utilities;
- the Chairman of Padawan Municipal Council; and
- six (6) other members to be appointed by the Minister.

ORGANISATION

Since the Board's inception in 1959, it has operated as an independent state owned organisation. It has its own offices, treatment plants, workshops, stores and transport facilities. The Board operates one counter at UTC Sarawak and two SBBS counters at Head Office at Jalan Batu Lintang and Jalan Song Thian Cheok respectively..

STAFF STRENGTH

The total staff strength at the end of year 2015 was 510 against the previous years as exhibited in the table below:

Year	Professional & Managerial	Support Group	Total
2015	19	491	510
2014	20	547	567

FINANCE AND ACCOUNTS

Revenue

The financial positions of the Board for the year 2015 remain healthy. Total revenue of the Board shows an increased of 3% to RM130,270,859. Water sales contributed 77% of the revenue and another 23% was contributed by other income such as interest on investment, amortization of capital contribution and meter rental.

Due to the upgrading and rehabilitation of Plant 3 Batu Kitang, the Board has to liquidize some fixed deposit in 2015 resulting in the decreased of income from investment by 47%. As a whole, the revenue of the Board remained on the upward trend. Summary of the revenue is shown as per table below:

Revenue Details	2015
Water Sales	100,951,068
Income from related water services	1,714,450
Income from Investment	4,981,571
Deferred income (amortization)	22,623,770
TOTAL	130,270,859

EXPENDITURE

For the year 2015, total expenditure was RM114,660,243, showing an increased of 2%. The cost of production and distribution was 82% of the total cost, while 28% was administration and finance cost. Prudent expenditure policies of the Board and strict budgetary control have contributed to the success of the Board in controlling the expenditure. Summary of the expenditure is shown as per table below:

Expenditure Details	2015
Cost of Production	47,857,848
Distribution and Selling Cost	46,000,682
Administration Cost	17,964,257
Cost of Production	2,742,268
General Expenses	25,188
TOTAL	114,660,243

DEMAND AND SUPPLY

CONSUMPTION

The average daily gross consumption increased by 4.89% from 470 megalitres in 2014 to 493 megalitres in 2015. The maximum daily consumption during the year was 549 megalitres per day, whereas the minimum daily consumption was 411 megalitres per day.

PRODUCTION

The Board's treatment plant at Batu Kitang and Matang produced a total of 179,818 megalitres of fully treated water representing an increased of 4.75% over the 2014 water production. Summary of the total production and consumption is shown as per table below:

Year	Production of treated water (megalitres)	% increased in production	Average daily consumption (megalitres)	% increased in consumption
2015	179,818	4.75%	493	4.89%
2014	171,671	4.62%	470	3.30%
2013	164,093	3.00%	456	5.32%
2012	159,323	2.33%	432	1.17%
2011	155,693	1.67%	427	1.91%
2010	153,136	4.93%	419	4.75%
2009	145,935	1.93%	400	2.04%
2008	143,175	3.70%	392	3.70%
2007	138,130	8.30%	378	8.30%
2006	127,410	9.40%	349	9.00%

BATU KITANG WATERWORKS

The Batu Kitang Treatment Plant Complex is situated near the bank of Sungai Sarawak Kiri, about 64.37km from the sea. Raw water is pumped from the river to the Treatment Plant where it undergoes the conventional treatment process of coagulation, flocculation, sedimentation, filtration, disinfection and pH adjustment. Coagulation is by the alum-lime process and disinfection is by chloramines. Fluoridation has been practiced since 1966. The fully treated water is later pumped to the various reservoirs and service tanks in and around the Kuching Network System for distribution.

Module No. 1 of the Treatment Plant with its first raw water intake and a capacity of 14MLD (3MgD) was commissioned in 1957. In 1965, the capacity was increased to 18MLD (4MgD) after the changing of the pump impellers and the construction of a second stage pumping station as well as two underground reservoirs at Batu Lintang. Extension works to further increase the plant capacity to 27MLD (6MgD) commenced in October 1968 and was completed in 1970. The extension of this Module No. 1 was then designated as the plant's Module No. 2.

In November 1976, construction work on Module No. 3, with a present capacity of 41MLD (9MgD) and comprising of a new treatment plant and raw water intake, was started and commissioned in November 1978.

Scope with the ever increasing demand for water, construction work on Module No.4 commenced in November 1983. As an extension of the Module No. 3, the maximum capacity of this Module No. 4 is 55MLD (12MgD). It was substantively commissioned towards the end of 1986.

The construction of Module No. 5 Treatment Plant with a capacity of 100MLD including a new raw intake under the Stage 2 Expansion of Kuching Water Supply "Big Leap" Development Project commenced in December 1991 and was substantively completed and commissioned in August 1994.

In order to cater for the increasing water demands and to ensure reliable supply up to the completion and commissioning of Module No. 5 Plant in 1994, major staged improvement works to Raw Water Intake Nos. 1 and 2, including the laying of an 840mm diameter steel raw water pumping main from Intake No. 2 to Module Nos. 3 and 4 were commenced in 1990 and were substantively completed by the end of 1992. The improvement works included installation of new submersible pump sets, booster pump sets,

back rack screens for debris removal and desludging systems at both intakes and refurbishment of existing Kubota pump sets at Intake No.2. Other notable improvement works carried out in 1994 included the upgrading of standby power generator set for Module Nos. 3 and 4 and Intake No. 2.

Around mid-1996, work commenced on the design and construction for the Batu Kitang Module 6 of 100MLD capacity to meet the rapidly increasing water demands of the Kuching City and its surrounding areas for another 10 years.

Construction works on the Module 6 Plant commenced on 24th March 1998 and was practically completed and commissioned in May 2000.

Detailed design for the Module 7 Plant 4 was substantively completed in 1998. Earthwork for the Module 7 Plant commenced on 1st December 1997 and was practically completed in September 1998. However, due to KWB's tight financial position, the construction of the 100MLD capacity of the Plant had to be deferred to commence early in the 8MP. Construction work for Module 7 Plant 4 actually commenced in June 2002 and was completed and commissioned on 9th August 2006.

Upgrading of Plant 3 from 200MLD to 400MLD commenced in November 2013 and is expected to be completed in June 2017. Batu Kitang Treatment Plant Complex accounted for 99% of the total water production in 2015.

MATANG WATERWORKS

The original waterworks constructed by the White Rajahs to supply water to Kuching Town was situated in the Matang Hills, some 12 miles from the town. The water was relatively clear and distributed untreated.

This source continued to be in use even after the Batu Kitang Plant was commissioned in 1957. In 1960, chlorination was introduced and the possibility of building a treatment plant in the Hills was investigated.

Construction of a 9MLD (2MgD) treatment plant near the Matang Dam commenced in 1964 and the plant was put into operation in March 1966. Raw water from the mountain streams was piped to the plant where full treatment similar to that at Batu Kitang Plant was carried out before it gravitates into the distribution system.

However, production from Matang Treatment Plant was dependent on rainfall and during the dry months output may fall to as low as 10% of its maximum capacity. To improve the reliability of the water supply, work was commenced in December 1973 on the construction of a 60 million gallon earth storage basin at Matang, below the Sungai Sebutut catchment. The storage basin was completed in February 1976.

With the development of the Kuching North Bank, it was decided that the Matang Treatment Plant be extended to increase the capacity from 9MLD (2MgD) to 16MLD (3.5MgD). Extension works which included the construction of a 1.5 million gallon balancing reservoir commenced in January 1976 and was completed in April 1977. The extension was commissioned in July 1977.

The Matang Water Sources continued to be an important supply of treated water in particular to areas around Matang, which is being developed at a rapid pace. To ensure that Matang Treatment Plant can adequately sustain its reliability and to meet the demands for treated water, upgrading and retrofitting works at the Matang Treatment Plant proper commenced in early January 2001 and was substantively completed at the end of March 2002. Two other major works, also implemented in tandem to ensure continued reliability and sustainability of Matang raw water sources were the renewal of the raw water pipeline from Sungai Cina to Matang Plant which commenced in March 2001, and the raising of the Sungai Sebutut Storage commenced in January 2002 to increase live storage to 520 MI. These works were substantively completed in July 2003 and April 2003 respectively. Construction of lower reservoir Booster Station commenced in June 2015 with a complete period of 12 months. The Booster Station, drawing treated water from batu Kiang Treatment Plant shall compliment the water supply to Sungai Cina, Sempadi and Rambungan areas. The Matang Treatment Plant accounted for about 1% of the total water production in 2015.

WATER QUALITY CONTROL

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

During the year, a total of 27,605 water samples from Raw Water Source, Treatment Plant Pumping Mains, Reservoirs & Tanks and Distribution Systems were taken for Physicochemical and Bacteriological Examination. Out of the total number, 20,601 water samples were analyzed physicochemically while the remaining 7,004 samples were examined bacteriologically.

A total of 25,629 samples or 92.84% were analysed at the Board's Water Quality Control Laboratory while the rest of 1,976 samples or 7.16% were sent to the Department of Chemistry for analysis. The breakdown of samples analyzed for year as at 31 December 2015 is shown below:-

Parameter Location	Board's Laboratory	Chemistry Department
Physico-chemical Examination		
Intakes & Sources	915	48
Water Treatment Processes	14,865	-
Treatment Plant P.M.	1,679	90
Reservoirs & S. Tanks	878	115
Distribution System	1,479	84
Special Sample (Sungai Sarawak)	428	20
Total	20,244	357
Bacteriological examination		
Intakes & Sources	978	204
Treatment Plant P.M.	1,861	386
Reservoirs & S. Tanks	943	482
Distribution System	1,605	527
Special Sample (Sungai Sarawak)	-	20
Total	5,385	1,619

PIPE'S DISTRIBUTION NETWORK

Mains

During the year 2015, 367 repairs were carried out on trunk and distribution mains. The total length of water mains within the Board's Distribution Network as at the end of 2015 is 2,502 km.

The Board's emergency service was operated on a 24 hour basis with the number of service calls and minor repairs received on pipe burst and service leaks attended to during the year was at 8,263.

Regular flushing of dead end mains was carried out during the year while exposed mains and valve boxes were repainted. Pipelines and valves were inspected regularly. An annual water main flushing programme and schedule was re-introduced since 1st September 2010 to improve the quality of water within the distribution network.

Meters

Routine checking on water meters were carried out. A total of 9,892 faulty meters were changed and 2,243 meters were renewed during the year.

New Service Connections

The total number of new services connected during the year was 5,756. Of this 4,275 or 74.30% of connections were for domestic consumers and 1,481 or 25.70% were for commercial consumers. The summary of new service connections is as shown below:

Year	Domestic consumer	%	Commercial Consumer	%	Total New service connection
2015	4,275	74.3	1,481	25.70	5,756
2014	3,895	79.23	1,021	20.77	4,916
2013	4,452	76.18	1,390	23.78	5,845
2012	4,042	68.92	1,823	31.08	5,865
2011	2,877	81.16	668	18.84	3,545
2010	3,862	82.50	820	17.50	4,682
2009	3,981	81.44	907	18.56	4,888
2008	4,796	84.78	861	15.22	5,657
2007	4,996	83.30	985	16.81	5,981
2006	4,978	84.72	898	15.28	5,876

PROJECTS DEVELOPMENT

The major development of the Board under the 10th Malaysia Plan included the implementation of the following projects :

1. The upgrading of Batu Kitang Water Treatment plant 3 from 200 MLD to 400 MLD.
2. The Board's projects are briefly outlined as follows:-

Contract No.	Projects	Objective
CON. 5 / 2015	Construction & Completion of the proposed Remedial work to the existing Batu Kitang Submersible Weir & other Ancillary works, Kuching. The construction for the proposed works commenced on 24th February 2015 and to be completed on 23rd November 2016.	<ol style="list-style-type: none"> 1. To alleviate the potential for the weir structure to be undermined 2. To protect the riverbank downstream of the tidal gate 3. To improve the operation and maintenance aspects of the weir
CON. 9 / 2015	Survey works (Pipeline Survey) for the Supply, Delivery, Laying, testing & commissioning of proposed water Pipeline from Batu Kitang WTP to Samarajaya Custom Checkpoint. The construction for the survey work started on 11th June 2015 and completed by 5th November 2015.	<ol style="list-style-type: none"> 1. To cater for the vast demand at Kota Samarahan area. 2. To provide link to kampung Tanjung Bako and Samarajaya Industrial area
CON. 11 / 2015	Proposed Construction, Completion & Commissioning of Booster Pumping Station at KWB Matang Lower Reservoir & Associated Work, Kuching. The construction for the proposed works commenced on 24th June 2015 and to be completed on 23rd June 2016.	<ol style="list-style-type: none"> 1. To utilize the existing Matang Lower Reservoir through the existing raw water pipe from Sebatut Basin, and 2. To cater for future demand from Matang Polytechnic, Telaga Air, Jalan Semarak and to feed future FAC Reservoir
CON. 12 / 2015	Proposed Construction and Completion of one Booster Pumping Station to the Board Existing Bukit Andau Reservoir at Lot 147 Muara Tebas Land District (MTLD) The construction for the proposed works commenced on 8th July 2015 and to be completed on 7th January 2017.	<ol style="list-style-type: none"> 1. To cater for a short term option to resolve the low water pressure within Sejingkat and Bako area.

Rural Water Supply

Under the 10th Malaysia Plan, the Rural Water Supply Schemes were implemented on turnkey basis through a 100% Federal Grant by the Federal Ministry of Rural & Regional Development. The projects under Rural Water Supply are as follows: 1) Bukit Entinggan Reservoir. (2) Mile 10 Booster Station 600 diameter pipeline to Puncak Borneo. (3) Reticulation on new distribution mains to 7 sites in KWB water supply boundary. However, the pipeline from Batu Kitang treatment plant to Entinggan and 9% reservoirs under the 10th Malaysia Plan is full grant implemented by KKLW and are under supervision of both Jabatan Bekalan Air Luar Bandar (JBALB) and the Board respectively.

Main Extension

A total length of 52.85 km of new water mains ranging in sizes from 100mm to 600mm diameter was laid to serve housing estates and commercial developments been handed over to the Board.

NON-REVENUE WATER (NRW)

Active Leakage Control

Since 1993, leakage control programmes were implemented with the setting up of Leakage Control Zones (LCZ) and District Metering Areas (DMA) each comprising of 200 to 2000 consumers. The leakage control zones and district metering areas have to be continuously monitored and its leakage level controlled and maintained at an achievable economic level of leakage. As at 31st December 2015, a total of 178 Leakage Control Zones and 65 District Metering Areas had been set up within the Kuching Water Board Supply Network to monitor and manage leakage level of the Board's distribution network system. Since the implementation of active leakage control in year 1993, a total of 2,783 nos. of leaks from pipes and services and 938 nos. of water thefts had been detected and addressed.

NRW Target

The Board's Non-Revenue Water (NRW) level for the year was 33% as compared with the national average of about 40% and the nationally accepted satisfactory level of 25%. The Board targets to reduce the percentage of its NRW within the range of 2% - 3% annually from the present NRW level of about 33%, and to achieve an NRW level of 25% by the end of 2015, in line with the Ministry of Public Utilities/State Government's NRW target of 25% for all Water Authorities in the State by the same period.

Approach In Reducing NRW

The Board had implemented a holistic approach towards reducing its NRW by ensuring a faster renewal/upgrading of leakage prone pipelines, particularly asbestos cement pipelines, prompt detection and repair of all leakages, a continuous replacement of aged water meters to minimize meter under-registration, quality design and construction of new distribution system, as well as pressure/flow monitoring and management of the distribution network system. Inculcating a culture of leakage reporting and other supply shortcomings, both within the Department and from the public, such as through the introduction of "Friends of KWB" programme is part of the Board's strategy to help achieve earlier detection and repair of leakages. During the year, a total of 4,231 numbers of leaks from pipes and services were repaired and addressed.

The Board's NRW Task Force Committee in the year 2000 had concluded that most of the NRW was attributed to leakages from the pipeline network system, particularly from the aged asbestos cement

pipes. About 40% of the Board's total pipelines then were of asbestos cement and they contributed to about 70% of all pipeline bursts. Replacement of leakage prone old asbestos cement and lead jointed cast iron pipes, with priority accorded to the worst areas, is one of the priorities in tracking NRW for the Board.

Mains Renewal/Upgrading

Commencing from year 2000, action was initiated to renew/upgrade the existing aged asbestos cement pipes and other old pipes in a more systematic manner. A total length of 90.05km of pipelines had been renewed/upgraded during the 10th Malaysia Plan (10MP). As at the end of 2015, 53% or about 315km of some 600 km of old asbestos cement and cast iron pipes had been renewed/upgraded.

Mains renewal involves high capital expenditure. Therefore, in order to ensure a more efficient and effective approach in the reduction of water loss from the distribution network system, replacement of aged and leak-prone water mains shall be prioritized accordingly based on pipe burst records and water loss flow measurements via district metering.

NRW Management And Control Programme

NRW Management & Control Programme for KWB has been in place since 2006. The Board had benchmarked its NRW reduction and control approaches and efforts against the other Water Supply Agencies (WSA) in the State and the scope of the Board's NRW Management & Control Programme includes adopting a better and more effective leakage detection and control strategy, use of advanced/standardized leakage detection equipments and tools to ensure optimized operation, as well as extensively implement other NRW management and control strategies such as pressure management, setting-up of District Metering Areas (DMA) and close monitoring of leakage level, 'Active Leakage Control', GIS/Asset Management, and better maintenance of the Board's distribution system.

The Board had employed the modern and internationally accepted holistic 'International Water Association' (IWA) approach and methodology of Non Revenue Water (NRW) Management to manage and reduce NRW. This methodology shall involve using IWA Water Balance in quantifying NRW, using 'Infrastructure Leakage Index (ILI)' as indicator and target, establishment of District Metering Areas, and the use of technology to reduce and manage NRW. A methodology for the determination of the 'Optimal/Economic Level of Leakage' for the Board had been established and the 'Optimal/Economic Level of Leakage' shall be determined to serve as guides to a more feasible NRW reduction target.

The objectives of the Board's NRW Management & Control Programme are to achieve high performance on water supply system, to reduce its NRW level gradually to reach the State's target of 25%, and to reduce NRW continuously in tandem with the 10th Malaysia Plan which includes installation and monitoring of leakage detection equipments, establishment of district metering areas with remote logging and monitoring, pressure management, rehabilitation of aged water mains, replacement of aged water meters under the meter renewal programme, and 'Active Leakage Control' activities.

ISO 9001:2008 Quality Management System

Internal Quality Audits for the year 2015 were conducted on 21st to 22nd April 2015 and 1st to 3rd September 2015 while Re-certification Audit by external auditor M/s Intertek Certification International Sdn. Bhd. was conducted on 19th to 21st October 2015. ISO 9001:2008 Quality Management System Certifications granted on 16th December 2009 was subsequently extended for another three (3) years and to be expired on 14th September 2018.

ISO/IEC: 27001 Information Security Management System

Information Security Management System Internal Audit for the year 2015 was conducted on 13th to 16th January 2015 and the 1st Surveillance Audit by external auditor M/s Cyber Security Malaysia was conducted on 3rd to 4th March 2015. Kuching Water Board has been certified ISO/IEC 27001:2005 Information Security Management Systems on 6th June 2014.

Visitors

A total of 651 visitors comprising of waterworks federal department, engineers, consultants, health inspectors, oversea specialist, VIPs, students and teachers from school to university level visited the Batu Kitang Water Treatment Plants in 2015.

KWB Family Day 2015



KWB Family Day 2015



KWB Family Day 2015



KWB Family Day 2015



Financial Statements

PENYATA Pengerusi dan Seorang Ahli Lembaga Pengarah

Kami, **DATO SRI AHMAD TARMIZI BIN HAJI SULAIMAN**, yang merupakan Pengerusi dan salah seorang Ahli Lembaga Pengarah **LEMBAGA AIR KUCHING**, dengan ini menyatakan bahawa, pada pendapat Lembaga Pengarah, lembaran imbangan, penyata pendapatan, penyata perubahan dalam ekuiti, dan penyata aliran wang tunai yang berikut ini berserta dengan nota-nota di dalamnya adalah disediakan untuk menunjukkan pandangan yang benar dan saksama berkenaan kedudukan **LEMBAGA AIR KUCHING** pada **31 Disember 2015** dan hasil kendaliannya dan aliran wang tunai bagi tahun yang berakhir pada tarikh tersebut.

Bagi pihak Lembaga,



NAMA: **DATO SRI AHMAD TARMIZI B. HAJI SULAIMAN**

GELARAN: **Pengerusi**

Tarikh: 27/04/2016

KUCHING

Bagi pihak Lembaga,



NAMA: **IR. ZURAMI BIN HJ. SABKI**

GELARAN: **Ahli Lembaga**

Tarikh: 27 APR 2016

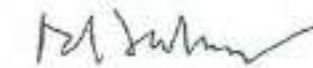
KUCHING

Financial Statements

PENGAKUAN OLEH PEGAWAI UTAMA YANG BERTANGGUNGJAWAB KE ATAS PENGURUSAN KEWANGAN LEMBAGA AIR KUCHING

Saya, **MOHAMAD SABARI BIN SHAKERAN** pegawai utama yang bertanggungjawab ke atas pengurusan kewangan **LEMBAGA AIR KUCHING**, dengan ikhlasnya mengakui bahawa lembaran imbangan, penyata pendapatan, penyata perubahan dalam ekuiti dan penyata aliran wang tunai yang berikut ini berserta dengan nota-nota di dalamnya mengikut sebaik-baik pengetahuan dan kepercayaan saya, adalah betul dan saya membuat ikrar ini dengan sebenarnya mempercayai bahawa ianya itu adalah benar dan atas kehendak-kehendak Akta Akuan Berkanun, 1960.

Sebenarnya dan sesungguhnya)
diakui oleh penama di atas)
di KUCHING, SARAWAK)
pada haribulan 2016)
15 APR 2016



Di hadapan saya,



D S Law Centre
Ground Floor, Lot 564
Lorong Rubber 6
93400 Kuching, Sarawak

Financial Statements



**LAPORAN KETUA AUDIT NEGARA
MENGENAI PENYATA KEWANGAN
LEMBAGA AIR KUCHING
BAGI TAHUN BERAKHIR 31 DISEMBER 2015**

Laporan Mengenai Penyata Kewangan

Penyata Kewangan Lembaga Air Kuching bagi tahun berakhir 31 Disember 2015 telah diaudit oleh wakil saya yang merangkumi Lembaran Imbangan pada 31 Disember 2015 dan Penyata Pendapatan, Penyata Perubahan Dalam Ekuiti serta Penyata Aliran Tunai bagi tahun berakhir pada tarikh tersebut, ringkasan polisi perakaunan yang signifikan dan nota penjelasan lain.

Tanggungjawab Lembaga Pengarah Terhadap Penyata Kewangan

Lembaga Pengarah bertanggungjawab terhadap penyediaan dan persembahan penyata kewangan tersebut yang saksama selaras dengan piawaian pelaporan kewangan yang diluluskan di Malaysia dan Ordinan Badan Berkanun (Prosedur Kewangan Dan Perakaunan), 1995. Lembaga Pengarah juga bertanggungjawab terhadap kawalan dalaman yang ditetapkan perlu oleh pengurusan bagi membolehkan penyediaan penyata kewangan yang bebas daripada salah nyata yang ketara sama ada disebabkan oleh fraud atau kesilapan.

Tanggungjawab Juruaudit

Tanggungjawab saya adalah memberi pendapat terhadap penyata kewangan tersebut berdasarkan pengauditan yang dijalankan. Pengauditan telah dilaksanakan mengikut Akta Audit 1957 dan piawaian pengauditan yang diluluskan di Malaysia. Piawaian tersebut menghendaki saya mematuhi keperluan etika serta merancang dan melaksanakan pengauditan untuk memperoleh jaminan yang munasabah sama ada penyata kewangan tersebut bebas daripada salah nyata yang ketara.

Pengauditan meliputi pelaksanaan prosedur untuk memperoleh bukti audit mengenai amaun dan pendedahan dalam penyata kewangan. Prosedur yang dipilih bergantung kepada pertimbangan juruaudit, termasuk penilaian risiko salah nyata yang ketara pada penyata kewangan sama ada disebabkan oleh fraud atau kesilapan. Dalam membuat penilaian risiko tersebut, juruaudit mempertimbangkan kawalan dalaman yang bersesuaian dengan entiti dalam penyediaan dan persembahan penyata kewangan yang memberi gambaran yang benar dan saksama bagi tujuan merangka prosedur pengauditan yang bersesuaian tetapi bukan untuk menyatakan pendapat mengenai keberkesanan kawalan dalaman entiti tersebut. Pengauditan juga termasuk menilai kesesuaian polisi perakaunan yang diguna pakai dan kemunasabahan anggaran perakaunan yang dibuat oleh pengurusan serta persembahan penyata kewangan secara menyeluruh.

Saya percaya bahawa bukti audit yang saya peroleh adalah mencukupi dan bersesuaian untuk dijadikan asas bagi pendapat audit saya.

Pendapat

Pada pendapat saya, penyata kewangan ini memberikan gambaran yang benar dan saksama mengenai kedudukan kewangan Lembaga Air Kuching pada 31 Disember 2015 dan prestasi kewangan serta aliran tunainya bagi tahun berakhir pada tarikh tersebut selaras dengan piawaian pelaporan kewangan yang diluluskan di Malaysia.


(KHALID KHAN BIN ABDULLAH KHAN)
b.p. KETUA AUDIT NEGARA
MALAYSIA

KUCHING
TARIKH: 08 AUG 2016



Balance Sheet

As at 31 December 2015

	Note	2015 RM	2014 RM
NON-CURRENT ASSETS			
Property, plant and equipment	6	736,183,170	624,781,047
Other investment	7	952,931	952,931
		<u>737,136,101</u>	<u>625,733,978</u>
CURRENT ASSETS			
Inventories	8	22,916,504	22,620,059
Trade receivables	9	13,927,790	10,757,955
Other receivables, deposits and prepayments	10	6,832,488	2,732,973
Fixed deposits	11	149,407,061	194,273,035
Cash and bank balances		11,220,904	12,353,362
Deferred taxation	17	5,278,269	-
		<u>209,583,016</u>	<u>242,737,384</u>
CURRENT LIABILITIES			
Trade payables		3,522,631	3,763,802
Other payables and accruals	12	34,281,440	22,405,855
Provision for employee benefits	13	289,000	102,954
Term loans	14	19,516,889	15,154,670
		<u>57,609,960</u>	<u>41,427,281</u>
NET CURRENT ASSETS			
		<u>151,973,056</u>	<u>201,310,103</u>
		<u>889,109,157</u>	<u>827,044,081</u>
Financed by :			
RESERVES			
	15	269,899,642	250,166,275
LONG TERM AND DEFERRED LIABILITIES			
Deferred Income	16	345,665,210	344,415,635
Provision for employee benefits	13	1,688,000	1,630,046
Term loans	14	271,856,305	230,734,948
Deferred taxation	17	-	97,177
		<u>889,109,157</u>	<u>827,044,081</u>

The notes on pages 9 to 23 form an integral part of these financial statements.

Income Statements

for the year ended 31 December 2015

	Note	2015 RM	2014 RM
Revenue	18	100,951,068	93,374,667
Cost of production		<u>(47,867,848)</u>	<u>(49,431,786)</u>
Gross Profit		53,083,220	43,942,881
Other operating income	19	29,319,791	32,778,707
Distribution and selling cost		<u>(46,060,632)</u>	<u>(43,975,384)</u>
Administration cost	20	<u>(17,964,257)</u>	<u>(17,422,561)</u>
Other operating expenses		<u>(2,742,266)</u>	<u>(1,187,522)</u>
Profit From Operation	21	15,635,804	14,136,121
Finance cost		<u>(25,188)</u>	<u>(37,234)</u>
Profit before tax		15,610,616	14,098,887
Taxation	22	<u>4,122,751</u>	<u>5,042,821</u>
Net Profit For The Year After Taxation		<u>19,733,367</u>	<u>19,141,708</u>

The notes on pages 9 to 23 form an integral part of these financial statements.

Statement of Changes in Equity

for the year ended 31 December 2015

	RESERVES RM
Balance as at 1 January 2014	231,024,567
Net profit for the year	19,141,708
Balance as at 31 December 2014	<u>250,166,275</u>
Net profit for the year	19,733,367
Balance as at 31 December 2015	<u><u>269,899,642</u></u>

The notes on pages 9 to 23 form an integral part of these financial statements.

Cash Flow Statements

for the year ended 31 December 2015

	2015 RM	2014 RM
Cash Flows From Operating Activities		
Net profit before taxation	15,610,616	14,096,887
Adjustments for :-		
Depreciation and amortisation	41,966,739	40,389,448
Dividend received	-	(20,457)
Interest expense	25,188	37,234
Interest income	(5,010,781)	(6,508,714)
Loss/ (Gain) on disposal of property, plant and equipment	29,210	(2,647,841)
Allowances for employee benefits	334,915	112,072
Allowances for doubtful debts	1,813,000	224,000
Transfer from deferred income	(22,623,770)	(21,643,519)
Tax paid	(1,881,246)	(1,750,000)
	<u>14,653,255</u>	<u>7,992,223</u>
Operating Profit Before Working Capital Changes	<u>30,263,871</u>	<u>22,091,110</u>
Increase in inventories	(296,445)	(1,623,031)
(Increase)/Decrease in trade receivables	(4,982,835)	974,922
Increase in other receivables, deposits and prepayments	(6,370,051)	(743,646)
Decrease in trade payables	(241,172)	(1,306,885)
Increase/(Decrease) in other payables and accruals	14,229,500	(10,847,775)
	<u>2,338,997</u>	<u>(13,546,415)</u>
Cash Generated From Operations	<u>32,602,868</u>	<u>8,544,694</u>
Interest paid	(25,188)	(37,234)
Net Cash Generated From Operating Activities	<u>32,577,680</u>	<u>8,507,460</u>
Cash Flows From Investing Activities		
Capital expenditure	(141,311,766)	(50,352,480)
Grants and capital contributions received	11,782,810	34,007,770
Interest received	5,465,038	6,630,595
Dividend received	-	20,457
Proceeds from disposal of property, plant and equipment	4,230	2,852,603
Net cash Used In Investing Activities	<u>(124,059,688)</u>	<u>(6,841,055)</u>
Cash Flows From Financing Activities		
Proceeds from term loans	62,286,531	3,972,778
Repayment of term loans	(16,802,955)	(13,787,436)
Net Cash Provided By / (Used In) Financing Activities	<u>45,483,576</u>	<u>(9,794,858)</u>
Net Decrease In Cash and Cash Equivalents	<u>(45,998,432)</u>	<u>(8,128,253)</u>
Cash And Cash Equivalents At Beginning Of The Year	<u>206,626,397</u>	<u>214,754,650</u>
Cash And Cash Equivalents At End Of The Year	<u><u>160,627,965</u></u>	<u><u>206,626,397</u></u>
Cash And Cash Equivalents Comprise Of :-		
Cash and bank balances	11,220,904	12,353,362
Fixed deposits	149,407,061	194,273,035
	<u>160,627,965</u>	<u>206,626,397</u>

The notes on pages 9 to 23 form an integral part of these financial statements.

Notes to the Financial Statements

for the year ended 31 December 2015

- 1 Principal Activity**

The principal activity of Kuching Water Board (Board) is to produce and distribute potable water to consumers within its supply areas.
- 2 Basis Of Preparation**

The financial statements of the Board have been prepared in accordance with the applicable approved accounting standards in Malaysia.
- 3 Date Of Authorization For Issue**

The financial statements were authorised for issue by the Board on 27 April 2016.
- 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:-

 - a. Interest Rate Risk**

Surplus funds are placed with government approved financial institutions with competitive and favorable interest rates.
 - b. 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.
 - c. 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**
 - a. Basis Of Accounting**

The accounts of the Board are prepared under the historical cost convention and comply with approved accounting standards (MASB) and Private Entity Reporting Standards in Malaysia.
 - b. Revenue Recognition**

Revenue from sales of water is recognised based on metered usage upon delivery of the water.
Interest income from placement of fixed deposit 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.
 - c. Work-In-Progress**

Work-in-progress is valued at cost and where appropriate includes supervision expenses. Work-in-progress shall be capitalised when the asset is substantially functional and the date of capitalisation shall be based on the date of handing over to Kuching Water Board.

Notes to the Financial Statements

for the year ended 31 December 2015

- d. Property, Plant And Equipment And Depreciation**

Property, plant and equipment are depreciated on the straight line method to write off the cost of the assets over their estimated useful lives. Fully depreciated assets are retained in the accounts at nominal value of RM1.00 until they are no longer in use and no further charge for depreciation is made in respect of these assets.

The estimated useful lives have been taken as follow:

Treatment plant, mains and ancillary works	25 years
Meters and pipes	10 - 20 years
Machinery, vehicles and equipment	5 years
Buildings and furniture	10 - 25 years

Leasehold land is amortised over the period of the respective leases.

Property, plant and equipment are written down to recoverable amount if the recoverable amount is less than their carrying value. Recoverable amount is the higher of an asset's net selling price and its value-in-use.
- e. Other Investment**

Other investment is stated at cost. A provision is made when permanent diminution has, in the opinion of the Board, arisen on the value of the investment.
- f. Inventories**

Inventories for capital projects and maintenance accounts are valued at cost, using the weighted average method.
- g. Trade and Other Payables**

Trade and other payables are stated at the amount which the Board has contracted or obligated to settle including any incidental legal expenses.
- h. Allowance For Doubtful Debts**

Known bad debts are written off and specific allowance is made for those considered to be doubtful.
- i. Deferred Income**

Certain consumers are required to contribute towards the cost of revenue-earning capital projects. These contributions together with government grants in respect of capital expenditures 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.
The contribution in respect of Communication Pipes are amortized over 20 years, whereas the other types of contributions and government grants are amortized over 25 years.
- j. Non-Capitalization of Borrowing Costs**

Interest incurred on loans taken by the Board is treated as current operating expenses.

Notes to the Financial Statements

for the year ended 31 December 2015

Notes to the Financial Statements

for the year ended 31 December 2015

5 Significant Accounting Policies (Continued)

k. Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to cash with insignificant risk of changes in value.

l. 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's policy statement associated with each item.

m. Impairment Of Assets

The carrying values of assets, other than inventories, are reviewed at each balance sheet date to determine whether there is an indication of impairment. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts.

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 flow expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amount are estimated for individual assets or, if it is not possible, for the cash generating unit.

An impairment loss is recognised in the Income Statement for assets carried at cost, whenever the carrying amount of an asset exceeds its recoverable amount. When there is an indication that the impairment loss recognised in prior years for an asset no longer exists or has decreased, a reversal of this impairment loss will be recorded in the Income Statement.

n. Income Taxes

Income taxes on profit or loss for the year comprise of 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 taxation is calculated, using the liability method at the current tax rate in respect of all temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base including unused tax losses and capital allowances.

A deferred tax asset is recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of a deferred tax assets is reviewed at each balance sheet date. If it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised, the carrying amount of the deferred tax asset will be reduced accordingly. When it becomes probable that sufficient taxable profit will be available such reduction will be reversed to the extent of the taxable profit.

o. Employee Benefits

(i) Short-term and Long-term Benefits

Wages, salaries, bonuses and social security contributions are recognized as expenses 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 increase their entitlement to future compensated absences and short-term non-accumulating compensated absences such as sick leave are recognized when absences occur.

Provision made in respect of other employee benefits which are not expected to be settled within 12 months, such as payment in lieu of untaken leave, are measured at the present value of the estimated future cash flows to be made by the Board in respect of services provided by employees up to the balance sheet date.

(ii) Defined Contribution Plan

As required by law, the Board makes contributions to the government pension scheme and the Employee Provident Fund. Such contributions are recognised as expenses in the Income Statement as incurred.

Notes to the Financial Statements

for the year ended 31 December 2015

6 Property, Plant and Equipment

	Land RM	Treatment plant, mains & ancillary works RM	Meters and pipes RM	Machinery, vehicles and equipment RM	Buildings and furniture RM	Work- in- progress RM	Total RM
2015							
Cost							
Beginning of year	8,201,901	1,051,730,179	64,024,587	23,281,433	19,526,808	56,713,254	1,223,478,162
Additions	-	12,090,536	-	-	-	141,311,766	153,402,302
Adjustment	(1)	-	-	(1)	-	(1)	(3)
Disposals	-	(38,000)	-	-	-	-	(38,000)
Reclassification	-	17,726,065	4,090,632	1,075,345	375,403	(23,268,445)	-
End of year	8,201,900	1,081,508,780	68,115,219	24,357,777	19,902,211	174,756,574	1,376,842,461
Accumulated Depreciation							
Beginning of year	2,271,463	524,610,969	37,055,100	20,313,269	14,446,314	-	598,697,115
Charge for the year	127,222	37,356,317	3,015,280	968,866	498,055	-	41,966,739
Adjustment	2	(1)	-	(3)	(1)	-	(3)
Disposals	-	(4,560)	-	-	-	-	(4,560)
End of year	2,398,687	561,962,725	40,070,380	21,283,131	14,944,368	-	640,659,291
Net book value							
- end of year	5,803,213	519,546,055	28,044,839	3,074,646	4,957,843	174,756,574	736,183,170
- beginning of year	5,930,438	527,119,210	26,969,487	2,968,164	5,080,494	56,713,254	624,781,047
2014							
Cost							
Beginning of year	8,215,609	1,011,386,983	59,734,957	22,580,637	19,361,539	30,156,036	1,151,437,761
Additions	-	22,329,815	-	-	-	50,352,480	72,682,295
Disposals	(13,708)	-	-	(625,522)	(2,664)	-	(641,894)
Reclassification	-	18,011,381	4,288,630	1,326,318	167,833	(23,795,262)	-
End of year	8,201,901	1,051,730,179	64,024,587	23,281,433	19,526,808	56,713,254	1,223,478,162
Accumulated Depreciation							
Beginning of year	2,155,672	488,643,237	34,181,978	20,007,562	13,956,330	-	558,944,799
Charge for the year	127,317	35,967,732	2,873,122	929,687	491,610	-	40,369,448
Disposals	(11,525)	-	-	(623,980)	(1,626)	-	(637,132)
End of year	2,271,463	524,610,969	37,055,100	20,313,269	14,446,314	-	598,697,115
Net book value							
- end of year	5,930,438	527,119,210	26,969,487	2,968,164	5,080,494	56,713,254	624,781,047
- beginning of year	6,059,937	522,745,746	25,552,979	2,573,055	5,405,208	30,156,036	592,492,962

As at 31st December 2015 included in work-in-progress are leasehold land costing RM1,446,516 (RM1,502,059 in 2014). The titles to these leasehold land are in the process of being transferred to Kuching Water Board.

Notes to the Financial Statements

for the year ended 31 December 2015

7 Other Investment

	2015 RM	2014 RM
Unit trust at cost - Quoted in Malaysia	952,931	952,931
Market value of unit trust	1,022,870	1,022,870

Other investment consists of investment in unit trust from Amanah Saham Sarawak. At year end the market value of the unit trust is RM1.00 per unit.

8 Inventories

	2015 RM	2014 RM
Pipes and fittings, meter, spare parts and chemical carried at cost	22,916,504	22,620,059

9 Trade Receivables

	2015 RM	2014 RM
Trade receivables	18,580,790	13,597,955
Less: Allowance for doubtful debts	(4,653,000)	(2,840,000)
	13,927,790	10,757,955
Allowance for doubtful debts		
As at 1 January	2,840,000	2,616,000
Additional Allowances	1,813,000	224,000
As at 31 December	4,653,000	2,840,000

10 Other Receivables, Deposits and Prepayments

	2015 RM	2014 RM
Other receivables, deposits and prepayments	7,304,575	3,205,060
Less: Allowance for doubtful debts	(472,087)	(472,087)
	6,832,488	2,732,973

11 Fixed Deposits

All the Board's fixed deposits are placed with licensed banks approved by the Ministry of Finance Malaysia.

Notes to the Financial Statements

for the year ended 31 December 2015

12 Other Payables and Accruals

	2015 RM	2014 RM
Collateral and temporarily deposit	16,078,266	15,913,998
Other payable	16,562,010	5,554,302
Accruals	1,641,164	937,555
	<u>34,281,440</u>	<u>22,405,855</u>

13 Provision for Employee Benefits

	2015 RM	2014 RM
Balance as at 1 st January	1,733,000	1,871,000
Provision during the year	334,915	112,072
Utilization of provision during the year	(90,915)	(250,072)
Balance at 31 st December	<u>1,977,000</u>	<u>1,733,000</u>
At 31 st December		
Current	<u>289,000</u>	<u>102,954</u>
Non-current:		
Later than 1 year but not later than 2 years	110,000	227,000
Later than 2 years but not later than 5 years	327,000	251,000
Later than 5 years	1,251,000	1,152,046
	<u>1,688,000</u>	<u>1,830,046</u>
	<u>1,977,000</u>	<u>1,733,000</u>

14 Term Loans

	2015 RM	2014 RM
(a) State Government Loan (Unsecured) This RM5.3 million loan bears an interest rate at 3% per annum and is repayable in 17 annuities commencing on 22nd February 2000.	425,992	839,582
(b) Federal Government Loan (Unsecured) This RM4.5 million loan is interest-free and is repayable in 20 annuities commencing on 26th November 1999.	675,000	900,000
(c) State Government Loan (Unsecured) This RM10 million loan is interest-free and is repayable in 17 annuities commencing on 11th June 2000.	588,240	1,176,475
(d) Federal Government Loan (Unsecured) This RM4.53 million loan is interest-free and is repayable in 20 annuities commencing on 25th January 2004.	955,280	1,181,780

Notes to the Financial Statements

for the year ended 31 December 2015

14 Term Loans (Continued)

	2015 RM	2014 RM
(e) State Government Loan (Unsecured) This RM3 million loan is interest-free and is repayable in 17 annuities commencing on 26th February 2002.	529,420	705,890
(f) State Government Loan (Unsecured) This RM5 million loan is interest-free and is repayable in 17 annuities commencing on 26th February 2002.	882,348	1,176,466
(g) State Government Loan (Unsecured) This RM30 million loan is interest-free and is repayable in 17 annuities commencing on 22nd January 2003.	7,058,835	8,823,540
(h) State Government Loan (Unsecured) This RM2.7 million loan is interest-free and is repayable in 17 annuities commencing on 16th November 2003.	635,294	794,118
(i) State Government Loan (Unsecured) This RM3.868 million loan is interest-free and is repayable in 17 annuities commencing on 16th February 2002.	910,118	1,137,647
(j) State Government Loan (Unsecured) This RM35 million loan is interest-free and is repayable in 20 annuities commencing on 16th August 2003.	12,250,000	14,000,000
(k) State Government Loan (Unsecured) This RM4.6 million loan is interest-free and is repayable in 17 annuities commencing on 15th December 2003.	1,082,353	1,352,941
(l) Federal Government Loan (Unsecured) This RM4 million loan is interest-free and is repayable in 20 annuities commencing on 3rd February 2005.	1,800,000	2,000,000
(m) Federal Government Loan (Unsecured) This RM43.8 million loan is interest-free and is repayable in annuities commencing on 26th January 2007.	24,090,000	26,280,000
(n) State Government Loan (Unsecured) This RM11.1 million loan is interest-free and is repayable in 20 annuities commencing on 26th January 2008.	6,660,000	7,215,000
(o) Federal Government Loan (Unsecured) This RM8 million loan is interest-free and is repayable in 20 annuities commencing on 26th January 2008.	4,800,000	5,200,000

Notes to the Financial Statements
for the year ended 31 December 2015

14 Term Loans (Continued)

	2015 RM	2014 RM
(p) State Government Loan (Unsecured) This RM8million loan is interest-free and is repayable in 20 annuities commencing on 1st March 2008.	4,800,000	5,200,000
(q) State Government Loan (Unsecured) This RM6.4million loan is interest-free and is repayable in 20 annuities commencing on 21st April 2008.	3,758,575	4,047,696
(r) State Government Loan (Unsecured) This RM9.3million loan is interest-free and is repayable in 20 annuities commencing on 22nd October 2008.	4,835,700	5,238,675
(s) State Government Loan (Unsecured) This RM34.7million loan is interest-free and is repayable in 20 annuities commencing on 3rd November 2008.	14,047,800	15,218,450
(t) State Government Loan (Unsecured) This RM 4 million loan is interest-free and is repayable in 20 annuities commencing on 9th April 2009.	2,800,000	2,800,000
(u) State Government Loan (Unsecured) This RM 7.5 million loan is interest-free and is repayable in 17 annuities commencing on 10th February 2010.	4,852,941	5,294,118
(v) Federal Government Loan (Unsecured) This RM 8 million loan is interest-free and is repayable in 20 annuities commencing on 10th February 2009.	5,200,000	5,600,000
(w) Federal Government Loan (Unsecured) This RM 14 million loan is interest-free and is repayable in 20 annuities commencing on 29th April 2013.	11,900,000	12,600,000
(x) Federal Government Loan (Unsecured) This RM 27 million loan is interest-free and is repayable in 20 annuities commencing on 25th January 2013.	22,950,000	24,300,000
(y) Federal Government Loan (Unsecured) This RM 6.7 million loan is interest-free and is repayable in 20 annuities commencing on 13th January 2014.	6,030,000	6,365,000
(z) Federal Government Loan (Unsecured) This RM 49 million loan is interest-free and is repayable in 20 annuities commencing on 24th October 2016.	49,000,000	49,000,000

Notes to the Financial Statements
for the year ended 31 December 2015

14 Term Loans (Continued)

	2015 RM	2014 RM
(za) Federal Government Loan (Unsecured) This RM 26 million loan is interest-free and is repayable in 20 annuities commencing on 27th December 2015.	24,700,000	26,000,000
(zb) Federal Government Loan (Unsecured) This RM 5 million loan is interest-free and is repayable in 20 annuities commencing on 26th December 2015.	4,750,000	5,000,000
(zc) Federal Government Loan (Unsecured) This RM2,469,462 million loan is interest-free and is repayable in 20 annuities commencing on 26th December 2015.	2,345,989	2,469,462
(zd) Federal Government Loan (Unsecured) This RM5,305,380 million loan is interest-free and is repayable in 20 annuities commencing on 29th December 2016.	5,030,538	3,972,778
(ze) Federal Government Loan (Unsecured) This RM26 million loan is interest-free and is repayable in 18 annuities commencing on 18th December 2019.	26,000,000	-
(zd) Federal Government Loan (Unsecured) This RM164 million loan is interest-free and is repayable in 18 annuities commencing on 18th December 2020.	35,228,771	-
Total as at 31 December	<u>291,373,194</u>	<u>245,889,618</u>
Less: Repayment due within 12 months	<u>(19,516,889)</u>	<u>(15,154,670)</u>
Repayment due after 12 months	<u>271,856,305</u>	<u>230,734,948</u>

15 Reserves

Being a Statutory Body, the Board does not have shareholder's fund and the reserve is represented by the Boards' retained earning.

Notes to the Financial Statements
for the year ended 31 December 2015

16 Deferred Income

Deferred income represents government grants and capital contributions by consumers towards the cost of capital projects as follow:

	2015 RM	2014 RM
(a) Government Grant		
Balance at 1 st January	43,104,949	19,879,269
Received during the year	4,000,000	25,430,000
Released to the Income Statement	(2,364,320)	(2,204,320)
Balance at 31 st December	<u>44,740,629</u>	<u>43,104,949</u>
(b) Capital Contributions		
Balance at 1 st January	301,310,686	289,842,299
Received during the year	19,873,345	30,907,586
Released to the Income Statement	(20,259,450)	(19,439,199)
Balance at 31 st December	<u>300,924,581</u>	<u>301,310,686</u>
Total Deferred Income	<u>345,665,210</u>	<u>344,415,635</u>

17 Deferred Taxation

	2015 RM	2014 RM
Balance at 1st January	97,177	6,767,177
Transfer to Income Statement	(5,375,446)	(6,670,000)
Balance at 31st December	<u>(5,278,269)</u>	<u>97,177</u>
The deferred taxation arises as a result of :		
Deferred tax liability		
Property, Plant and Equipment capital	118,893,879	118,537,218
Deferred tax assets		
Unabsorbed capital allowance	(124,172,148)	(118,440,041)
	<u>(5,278,269)</u>	<u>97,177</u>

18 Revenue

	2015 RM	2014 RM
Water Sales	<u>100,951,068</u>	<u>93,374,667</u>

Notes to the Financial Statements
for the year ended 31 December 2015

19 Other Operating Income

	2015 RM	2014 RM
Income from related water services	1,714,450	1,758,176
Income from other sources	4,981,571	9,377,012
Deferred income on capital contribution	<u>22,623,770</u>	<u>21,643,519</u>
	<u>29,319,791</u>	<u>32,778,707</u>

20 Administration Cost

	2015 RM	2014 RM
Finance department expenses	4,467,701	4,491,545
Administrative department expenses	12,581,841	12,017,758
Depreciation	<u>914,715</u>	<u>913,258</u>
	<u>17,964,257</u>	<u>17,422,561</u>

21 Profits From Operation

The following items have been charged/(credited) in arriving at the profit from operation :

	2015 RM	2014 RM
Depreciation on property, plant and equipment	41,966,739	40,389,448
Dividend from other investment	-	(20,457)
Transfer from deferred income	(22,623,770)	(21,643,519)
Interest income	(5,010,780)	(6,508,714)
Board members' remuneration	92,090	42,520
Loss /(Gain) on disposal of property, plant &	29,210	(2,847,841)
Auditor's remuneration	26,128	26,128
Allowances for doubtful-debts	1,813,000	224,000
Rental	<u>58,080</u>	<u>58,080</u>

22 Taxation

	2015 RM	2014 RM
Current year taxation in respect of;		
(a) investment and interest income	1,252,695	1,627,179
(b) Provision for Deferred Tax Assets/ reduction in over provision Deferred Tax Liabilities	<u>(5,375,446)</u>	<u>(6,670,000)</u>
	<u>4,122,751</u>	<u>(5,042,821)</u>

Notes to the Financial Statements

for the year ended 31 December 2015

22 Taxation (Continued)

The numerical reconciliation between the average effective tax rate and the applicable tax rate are as follow:-

	%	%
Applicable tax rate	<u>25.00</u>	<u>25.00</u>
Tax effect in respect of:-		
Expenses not deductible for tax purposes	4.36	1.44
Tax Exempt Income	<u>(55.78)</u>	<u>(62.21)</u>
Over Provision of reduction in deferred tax liabilities in prior year	0.05	-
Average Effective Tax Rate	<u>(26.37)</u>	<u>(35.77)</u>

The YB Minister of Finance had under Section 127(3)(b) of the Income Tax Act 1967 granted the Board exemption, since the year of assessment 2001, in respect of the followings:

- allocations given by State or Federal Government in the form of grants for operating expenses;
- allocations given by State or Federal Government in the form of grants or loan for development expenditure ; and
- any other donations or contributions received by the Board.

A further exemption, Income Tax (Exemption No.22) Order 2006, effective from year of assessment 2006 was also granted to the Board by the YB Minister of Finance under the same Section in respect of the followings:

- income relating to the allocations given by the Federal and 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 provision of the Act regulating the Board; or
- any donation or contribution received.

23 Financial Instruments

(a) Interest 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 rate on classes of financial asset and financial liability 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
Financial Assets					
Fixed deposit	149,407,061	-	-	149,407,061	3.3% - 4.25%
Financial Liability					
Loan	19,516,889	102,451,907	169,404,398	291,373,194	3%

Notes to the Financial Statements

for the year ended 31 December 2015

23 Financial Instruments (Continued)

(b) Credit Risk

The carrying amount 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 concentrations of credit risk.

(c) Fair Values

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

	Carrying Amount RM	Fair Value RM
Asset		
Other Investment	952,931	1,022,870

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

i. Deposit, 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 And Payables

The historical cost carrying amount of receivable 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 maturity.

iii. Other Investment

The fair value of publicly traded instrument is based on the quoted market prices prevailing on that day.

iv. Borrowings

The carrying amount of both short and long term borrowings approximate the fair value because the loans are interest free and for those loans that bear interest the interest rates are fixed and the interest amount had been accrued and capitalised to the loan.

v. Long Term Employee Benefits

The carrying value of the long term employee benefits approximate the fair value determined using discounted cash flow analysis based on fixed deposit interest rate.

24 Capital Commitments

Contracts for developments and indents for purchases entered into by the Board but not provided for in the accounts as at 31 December 2015 amounted to approximately RM85,035,854 (2014: RM130,097,029).

Notes to the Financial Statements for the year ended 31 December 2015

25 Staff Information

	2015	2014
Number of staff	531	550
	RM	RM
Staff cost comprises:		
(i) Staff salaries, bonus and allowances	25,783,979	25,102,349
(ii) Provision for employee benefits – Golden HandShake	353,993	154,755
(iii) Others	1,112,555	1,048,601
Contribution under defined contribution plan:		
(i) Employees Provident Fund	390,428	379,091
(ii) Government pension scheme	2,186,898	2,182,404

26 Currency

All amounts are stated in Ringgit Malaysia (RM).

27 Comparative Figure

Certain comparative figure have been adjusted to conform to current year presentation.

Performance Indicators 2015

Financial Performance Indicator		2014	2015
1	Average O & M cost increase % Average increase in water production cost	6.0 6.7	2.0 -3.16
2	Unit Production Cost (sen) $\frac{\text{Total O\&M cost/}}{\text{Total cum. water produced}}$	0.65	0.64
3	Average cost of water sold (sen) $\frac{\text{Total O\&M/}}{\text{Total cum. water sold}}$	1.02	0.97
4	Average tariff (sen) (RM) $\frac{\text{Total Revenue/}}{\text{Total cum water sold}}$	0.84	0.86
5	Operating ratio $\frac{\text{Total O\&M/}}{\text{Total Revenue (exclude interest)}}$	0.96	0.92
6	Ratio of Total Domestic Consumption/ Total Industrial Consumption	1.07	1.54
7	Ratio of Total Revenue of Domestic Consumption/ Total Revenue of Industrial Consumption	0.67	0.92
8	Collection Efficiency (%) $\frac{\text{Total Annual Collection/}}{\text{Total Annual Billings}}$	102	103
9	Average Collection Period of Debts (days) $\frac{\text{Total Debt} \times 365 \text{ days}}{\text{Total billed}}$	51	74

Financial Performances

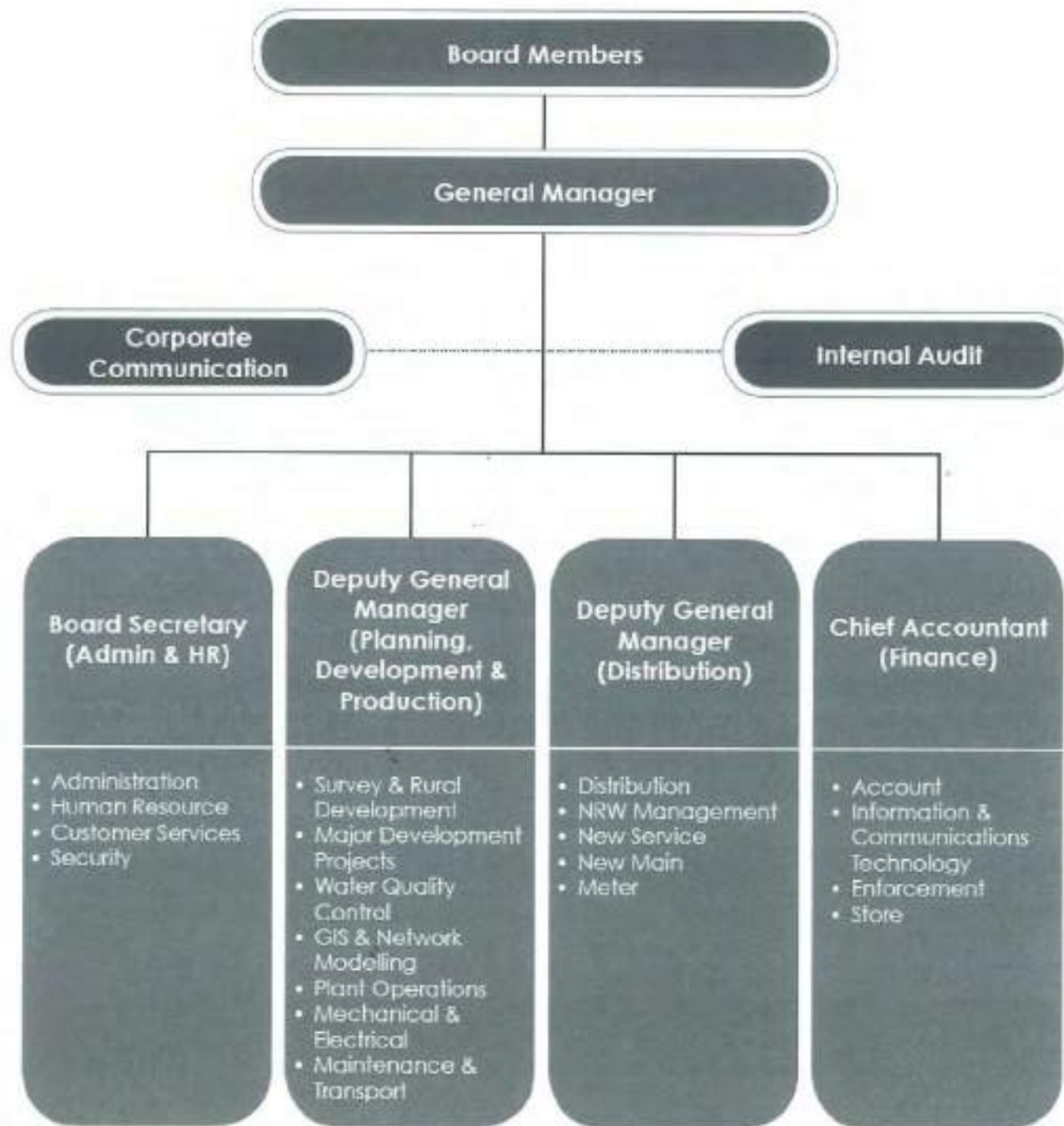
	2011	2012	2013	2014	2015
Basic Statistic	(,000)	(,000)	(,000)	(,000)	(,000)
Water sales	86,690	90,033	91,258	93,375	100,951
Total Revenue	104,819	109,555	113,039	126,154	130,270
Operating expenditure	94,868	105,051	105,704	112,055	114,860
Net Profit	9,951	7,143	9,985	19,142	19,733
Long Term Loan	223,364	238,470	255,684	245,890	271,856
Performance Ratio					
Net Profit Ratio	9.50%	6.50%	8.80%	15.10%	15.14%
Current ratio	5.0	5.5	4.6	5.9	3.6
Return on Total Asset	2.00%	0.90%	1.20%	2.20%	2.08%
Long Term Debt to Equity (Reserves)	0.6	0.7	0.7	0.9	1.0

Appendices

Appendix	Description
1	Kuching Water Board Organization Chart
2	Human Resources Training 2015
3	Water Production & Gross Consumption – 2015
4	Water Consumption Analysis – 2015
5	Consumers' Normal Monthly Consumption – 2015
6	Kuching Water Board Raw Water Quality – Extracted from the Report of Chemistry Department for the Year 2015
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8	Treatment Plants and Pumping Stations 2015
9	Comparison of Pipe Lengths Laid (Km) Against Pipe Type and Size(mm) for 2015
10	Metered Water Consumption – 2015
11	Profitability Trend 2006 - 2015
12	Annual Water Sales 2006 – 2015
13	Revenue and Expenditure 2006 – 2015
14	Analysis of Consumers Connections, Consumption and Revenue for 2015
15	Percentage of NRW for Years 2006 – 2015
16	KWB New Water Connections 2006 – 2015
17	KWB Main Renewed 2006 - 2015
18	KWB Mains Laid 2006 - 2015
19	Scale of Water Charges
20	Statutory Boundary of Kuching Water Board

KWB Organizational Chart

Appendix 1



Human Resources Training 2015

Appendix 2

	Types of Training	No. Attended
1	External Training (114 Programmes)	613 Officers (Scale A & Support Group)
2	Inhouse Training (17 Programmes)	848 Officers (Scale A & Support Group)
	Inhouse Programmes:-	
a.	Taklimat Pelaporan Maklum Balas Jawatankuasa Integriti dan Tadbir Urus [JITU] @ 8 April 2015@ KWB Board Room	14 Officers (Scale A)
b.	Taklimat Berkenaan 27 Pekeliling Perjawatan Tahun 2014 @ 17 April 2015 @Jab. Ketua Menteri/Merdeka Palace Hotel, Kuching	265 Officers (Support Group)
c.	Seminar Mengenal 360 Hari Malaysia @ 28 April 2015@ ASNB/KWB Board Room	18 Officers (Support Group)
d.	Kursus Kad Hijau CIDB @ 30 April & 7 May 2015 @ Kompleks CIDB, Jalan Sultan Tengah, Petra Jaya	52 Officers(Support Group)
e.	New Service and New Mains Mini LAB @19 May 2015@KWB Board Room	10 Officers (Support Group)
f.	Kursus Keselamatan Kebakaran @ 8 – 9 June, 26 – 27 August & 29 – 30 December 2015 @Jabatan Bomba dan Penyelamat, Balai Bomba Batu Lintang	54 Officers (Scale A & Support Group)
g.	Program Pra Persaraan @9 – 10 June & 11 – 12 June 2015 @ Insan HRD Consultancy SB/ Imperial Hotel, Kuching	39 Officers(Support Group)
h.	Kursus Dalaman "Service From The Heart" @ 9 – 10 June 2015@ Farwide Sdn Bhd/Dormani Hotel, Kuching	23 Officers (Support Group)
i.	Meter Unit Mini LAB @ 15 – 16 June 2015@ KWB Board Room	7 Officers (Support Group)
j.	Kursus Dalaman "Aplikasi dan Amalan 5S Dalam Pengurusan Rekod dan Fail" @ 22 – 23 June, 24 – 25 June & 29 – 30 June 2015@ Smart Management Development/Harbour View Hotel, Kuching	73 Officers (Scale A & Support Group)
k.	Kursus Dalaman "Pelupusan Rekod" @ 1 – 2 July & 6 – 7 July 2015@ Smart Management Development, Harbour View Hotel, Kuching	47 Officers (Scale A & Support Group)
l.	Inhouse Training On SINGER Altitude Valve@ 25 August 2015 @ SVM Water Controls Sdn Bhd/Batu Kilang Hall & 9 ½ Mile Reservoir	19 Officers (Scale A & Support)
m.	Dialogue On Borneo Housing Mortgage Finance BHD'S Loan Facilities @21 September 2015@ Borneo Housing Finance BHD/KWB Board Room	27 Officers (Scale A & Support Group)
n.	Kursus Dalaman " Bengkel Penyediaan Penduan Manual Rekod dan Fail (SOP)" @ 26 – 27 October 2015 @Smart Management Development	24 Officers (Scale A & Support Group)
o.	Briefing Cum Training Presentation of Carbon Brush and Mechanical Seals @10 November 2015 @ Axelle Bina Sdn Bhd /Harbour View Hotel, Kuching	32 Officers (Support Group)
p.	Diabetes Camp 2015 @14 – 15 November 2015 Diabetes Malaysia Cawangan Negeri Sarawak /Bank Retreat, Siar Lundu, Sarawak	5 Officers (Scale A & Support Group)
q.	Kursus Dalaman "Ten Disciplines For High Performance Team" @ 23 – 24 November & 14 – 15 Dec & 16 - 17 December 2015 @ Insan HRD Consultancy S/B @Harbour View Hotel, Kuching	55 Officers (Support Group)
3)	Industrial Training	Attachment
	Bachelor Degree	6 students
	Diploma level	2 students

WATER PRODUCTION & GROSS CONSUMPTION 2015 (IN MEGALITRES)
Appendix 3

YEAR/ MONTH	WATER PRODUCTION (ML)						GROSS CONSUMPTION (MLD)			
	Batu Kintang Plant			Matang Plant			Total Production (ML)	Average Daily	Minimum Daily	Maximum Daily
	Plant 1 Modules 1 & 2	Plant 2 Modules 3 & 4	Plant 3 Modules 5 & 6	Plant 4 Modules 7 & 8	Plant 5 Modules 9 & 10	Plant 6 Modules 11 & 12				
Jan	512.334	2,731.290	5,057.191	6,425.980	281.480	15,018.275	484.962	465.613	503.486	
Feb	482.494	2,481.960	4,578.168	5,821.804	254.240	13,598.696	486.900	464.891	499.245	
March	480.461	2,619.330	5,072.595	6,573.990	272.800	15,037.176	484.973	453.888	498.763	
April	491.992	2,891.170	4,145.988	6,624.910	253.800	14,407.860	488.254	460.674	505.998	
May	527.272	2,989.640	4,223.943	7,140.150	262.260	15,143.265	488.775	462.031	510.023	
June	577.587	2,785.330	4,082.901	6,852.130	253.800	14,531.748	484.252	411.054	518.674	
July	552.738	3,043.670	4,413.434	7,041.460	282.280	15,313.562	493.908	456.761	520.364	
Aug	555.324	2,977.250	4,548.170	7,233.230	282.260	15,576.234	502.614	480.032	523.732	
Sept	536.694	2,561.380	4,676.398	6,921.280	146.640	14,842.372	494.993	443.888	523.959	
Oct	563.616	2,868.760	4,764.110	7,176.187	87.420	15,460.093	498.841	472.921	549.149	
Nov	533.130	3,120.370	4,645.869	6,817.236	155.091	15,271.496	509.14	486.011	546.18	
Dec	590.854	2,783.810	4,979.391	7,047.430	215.241	15,616.726	504.236	477.476	521.081	
Total (ML)	6,402.486	33,833.990	55,197.958	81,675.767	2,707.292	179,817.503				
Average Daily (mid)	17.541	92.696	151.227	223.769	7.417	492.651				

Total Metered Consumption : megalitres
Non-Retention Water :
+ Max - Daily Gross Consumption : 549.149 megalitres
+ Min - Daily Gross Consumption : 411.054 megalitres

Note - ML - Million Litre
MLD - Million Litre Per Day

WATER CONSUMPTION ANALYSIS 2015
Appendix 4

Month	Domestic			Domestic / Commercial			Commercial			Retailers			Processed			Total	
	Metered Consumption (ML)	No. of Services	%	Metered Consumption (ML)	No. of Services	%	Metered Consumption (ML)	No. of Services	%	Metered Consumption (ML)	No. of Services	%	Metered Consumption (ML)	No. of Services	%	Metered Consumption (ML)	No. of Services
Jan	4,365,110	144,828	46.17	3,005,263	2,044	17.02	3,028,274	10,223	32.43	24,629	81	0.22	28,246	17	0.25	11,890,374	160,695
Feb	4,095,226	124,476	51.14	1,982,336	1,965	19.84	1,981,404	10,709	26.00	18,915	76	0.25	22,865	14	0.30	7,571,716	113,213
Mar	5,840,620	170,462	30.96	1,016,261	2,392	14.10	3,958,136	22,870	14.53	21,656	90	0.19	24,762	18	0.22	11,461,429	195,838
Apr	4,385,350	138,411	46.28	1,737,464	2,054	19.10	2,791,205	18,546	31.45	11,994	85	0.21	22,285	16	0.25	8,895,347	159,142
May	6,580,690	131,411	49.94	1,200,131	1,891	18.37	2,251,702	17,375	31.23	62,291	57	0.15	35,348	16	0.31	8,171,162	190,810
Jun	5,579,230	141,365	52.27	1,890,484	2,116	17.15	3,206,686	18,725	30.66	28,283	88	0.20	27,629	16	0.26	10,674,326	162,318
Jul	4,676,785	136,372	50.16	1,651,123	2,083	13.73	2,695,566	18,296	31.53	18,276	68	0.20	37,278	17	0.18	9,923,186	157,210
Aug	5,145,381	131,035	49.72	1,261,341	2,048	22.20	2,780,601	18,508	27.40	25,939	81	0.26	31,111	16	0.15	10,146,663	152,548
Sept	4,815,466	142,090	46.43	1,581,586	2,108	15.26	3,925,121	19,442	37.84	18,638	81	0.18	26,388	13	0.29	10,372,219	163,766
Oct	4,906,614	137,117	50.43	1,676,042	1,772	19.66	2,908,045	17,994	26.47	26,023	80	0.22	18,709	10	0.20	9,326,311	157,453
Nov	5,028,035	146,829	47.26	1,921,123	2,192	18.03	3,664,725	19,510	34.42	14,291	69	0.14	23,114	22	0.22	10,664,061	161,984
Dec	4,073,183	121,655	48.11	1,750,944	1,799	19.24	3,141,868	17,570	35.02	11,917	64	0.15	35,805	15	0.28	8,489,313	140,408
Total	57,790,465			31,234,262			37,574,481			285,142			318,519			116,965,769	

CONSUMERS' NORMAL MONTHLY CONSUMPTION 2015
Appendix 5

CONSUMPTION (M3)	DOMESTIC		COMMERCIAL/ DOMESTIC		COMMERCIAL		STANDPIPES		PROCESSED	
	No. of Consumers	%	No. of Consumers	%	No. of Consumers	%	No. of Consumers	%	No. of Consumers	%
0.000	10,709	8.17	178	9.1	2,895	15.33	4	5.63	0	3
0.001 - 5.000	10,193	7.78	248	12.68	3,750	21.39	2	3.1	0	0
5.001 - 10.000	9,823	7.50	221	11.32	2,007	11.41	1	1.26	0	2
10.001 - 15.000	11,847	9.04	157	8.05	1,238	7.04	1	1.15	1	7
15.001 - 20.000	12,824	9.79	143	7.3	858	4.88	1	1.72	1	5
20.001 - 25.000	12,601	9.62	119	6.11	672	3.82	1	1.26	0	2
25.001 - 30.000	11,252	8.59	105	5.38	551	3.19	2	2.99	0	2
30.001 - 35.000	9,592	7.32	83	4.27	470	2.67	1	1.26	0	2
35.001 - 40.000	7,979	6.09	74	3.78	400	2.28	1	1.38	0	2
40.001 - 45.000	6,444	4.92	66	3.4	342	1.94	1	1.84	0	0
45.001 - 50.000	5,121	3.91	56	2.89	303	1.72	1	1.61	0	1
50.001 - 100.000	18,011	13.75	292	14.95	1,778	10.11	11	15.61	2	13
100.001 - 150.000	2,831	2.16	88	5.08	761	4.33	7	9.3	1	5
150.001 - 200.000	782	0.60	38	1.94	420	2.39	6	8.38	0	1
200.001 - 250.000	328	0.25	22	1.1	244	1.39	5	6.2	0	1
250.001 - 300.000	169	0.13	15	0.77	172	0.98	5	6.54	0	0
300.001 - 350.000	105	0.08	8	0.39	120	0.68	3	4.36	0	0
350.001 - 400.000	69	0.05	6	0.29	94	0.53	3	3.79	0	1
400.001 - 450.000	47	0.04	4	0.18	72	0.41	3	3.58	0	1
450.001 - 500.000	38	0.03	2	0.1	56	0.32	2	2.99	0	1
OVER 500.000	250	0.19	18	0.93	561	3.19	12	16.07	8	52
Grand Total :	131,011	100	1,953	100	17,583	100	73	100	15	100

KUCHING WATER BOARD RAW WATER QUALITY
Extracted from the Report of Chemistry Department for the year 2015
Appendix 6

Parameter	Location	Recommended Criteria	Raw Water			
			Batu Kitang Intakes	Sungai Cina	Matang Dam	Sebut Basin
No. of Samples Analysed			12	12	12	12
Group I Parameter						
pH (H ⁺)		5.5 - 9.0	7.0	6.7	6.0	6.0
Color (Hazen)		300	48	<10	11	33
Turbidity (NTU)		1000	50	1.0	1.5	4.1
Group II Parameter (unit in ppm)						
TDS at 105 - 110°C		1500	30	<10	<10	<10
Total Organic Carbon			3.74	1.55	3.09	2.65
Chemical Oxygen Demand COD		10	-	-	-	-
Biochem. Oxygen Demand BOD		6	<2	<2	<2	<2
Ammonia (N)		1.5	0.1	0.1	0.1	0.1
Nitrate (N)		10	<0.5	0.7	<0.5	<0.5
Detergent (MBAS)		1.0	-	-	-	-
Total Hardness (CaCO ₃)		500	31	<5	30	24
Fluoride (F)		1.5	<0.4	<0.1	<0.1	<0.1
Chloride (Cl)		250	1	2	1	1
Iron (Fe)		1.0	0.46	0.04	0.18	0.46
Manganese (Mn)		0.2	0.03	<0.01	0.02	0.04
Group III Parameter (unit in ppm)						
Arsenic (As)		0.05	<0.001	<0.001	<0.001	<0.001
Mercury (Hg)		0.001	<0.001	<0.001	<0.001	<0.001
Cadmium (Cd)		0.005	<0.0002	<0.0002	<0.0002	<0.0002
Lead (Pb)		0.1	<0.001	<0.001	0.002	0.001
Chromium (Cr)		0.05	<0.002	<0.002	<0.002	<0.002
Silver (Ag)		0.05	<0.002	<0.002	<0.002	<0.002
Copper (Cu)		1.0	0.001	0.001	0.003	0.002
Zinc (Zn)		1.5	0.015	0.007	0.204	0.130
Magnesium (Mg)		150	1.05	0.46	0.45	0.42
Sodium (Na)		200	2	2	2	1
Selenium (Se)		0.01	<0.001	<0.001	<0.001	0.0
Sulphate (SO ₄)		400	8.0	<5	<5	<5
Group IV Parameter (unit in ppb)						
Alpha-BHC			<0.020	<0.020	<0.020	<0.020
Beta-BHC			<0.020	<0.020	<0.020	<0.020
Lindane / Gamma-BHC		2	<0.020	<0.020	<0.020	<0.020
Delta-BHC			<0.020	<0.020	<0.020	<0.020
Heptachlor		0.03	<0.005	<0.005	<0.005	<0.005
Heptachlor-Epoxyde		0.03	<0.005	<0.005	<0.005	<0.005
Alpha-Endosulfan			<0.020	<0.020	<0.020	<0.020
Beta-Endosulfan			<0.020	<0.020	<0.020	<0.020
Endosulfan-Sulfate			<0.020	<0.020	<0.020	<0.020
4,4-DDE			<0.020	<0.020	<0.020	<0.020
4,4-DDD			<0.020	<0.020	<0.020	<0.020
4,4-DDT		2	<0.020	<0.020	<0.020	<0.020
Aldrin		0.03	<0.005	<0.005	<0.005	<0.005
Dieldrin		0.03	<0.005	<0.005	<0.005	<0.005
Endrin			<0.020	<0.020	<0.020	<0.020
Metaoxychlor		20	<0.020	<0.020	<0.020	<0.020
Endrin-Aldehyde			<0.020	<0.020	<0.020	<0.020
Alpha-Chlordane		0.2	<0.020	<0.020	<0.020	<0.020
Gamma-Chlordane		0.2	<0.020	<0.020	<0.020	<0.020

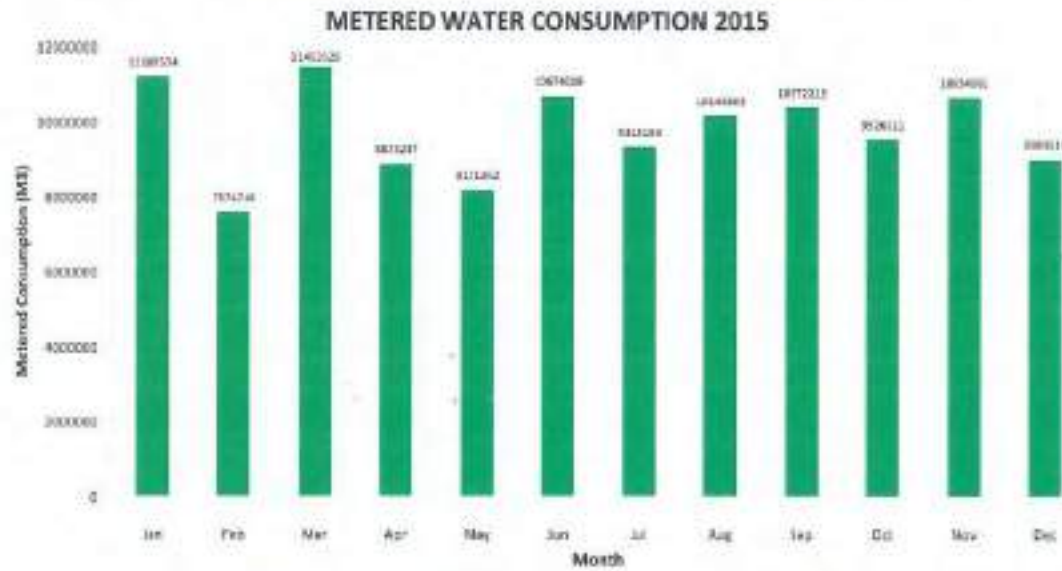
COMPARISON OF PIPE LENGTHS LAID (KM) AGAINST PIPE TYPE AND SIZE (MM) FOR 2015

Appendix 9

Types of Pipes	100mm-150mm	200mm-400mm	450mm-600mm	700mm-1000mm	Total
A.G.	-	-	-	-	-
D.I.	29.54	18.93	-	-	48.47
HDPE	-	4.38	-	-	4.38
Steel	-	-	-	-	-
Total	29.54	23.31	-	-	52.85

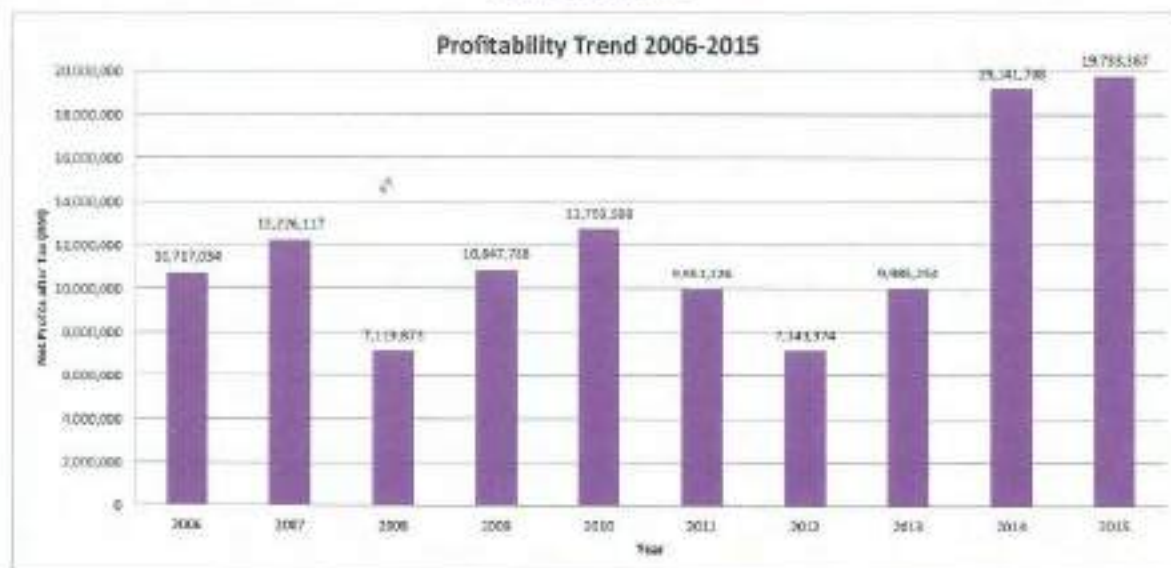
METERED WATER CONSUMPTION 2015

Appendix 10



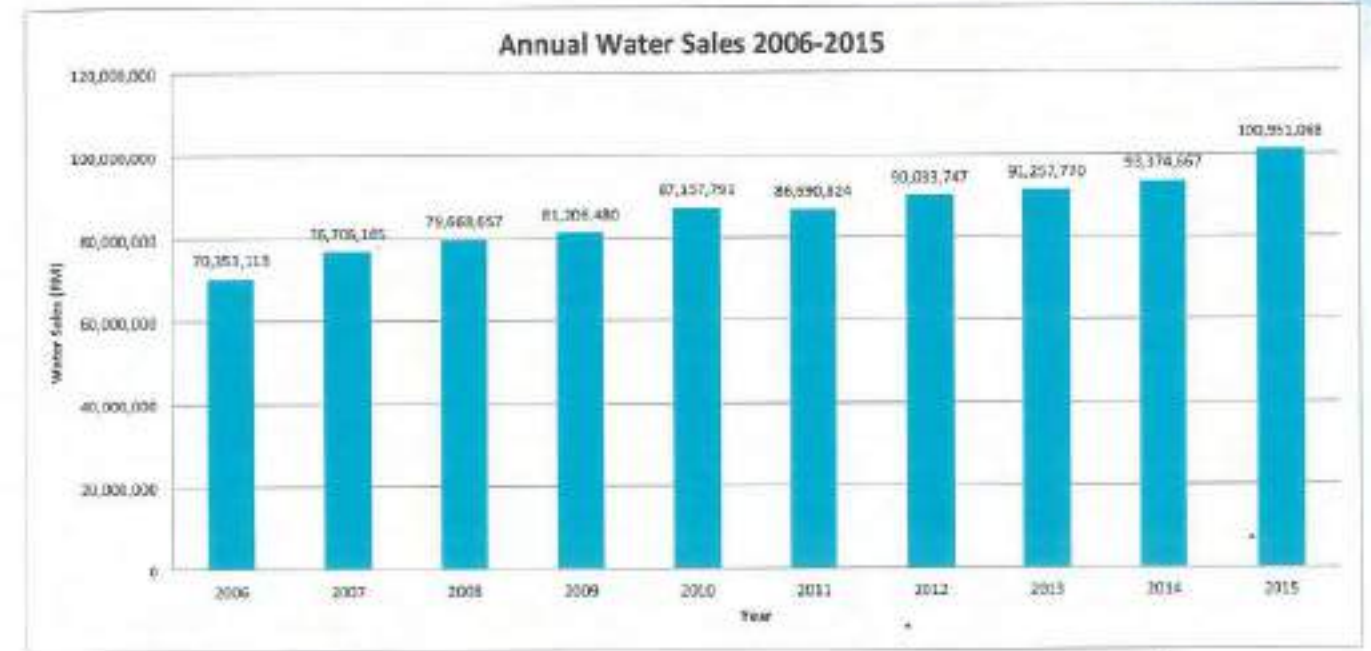
PROFITABILITY TREND 2006-2015

Appendix 11



ANNUAL WATER SALES 2006 – 2015

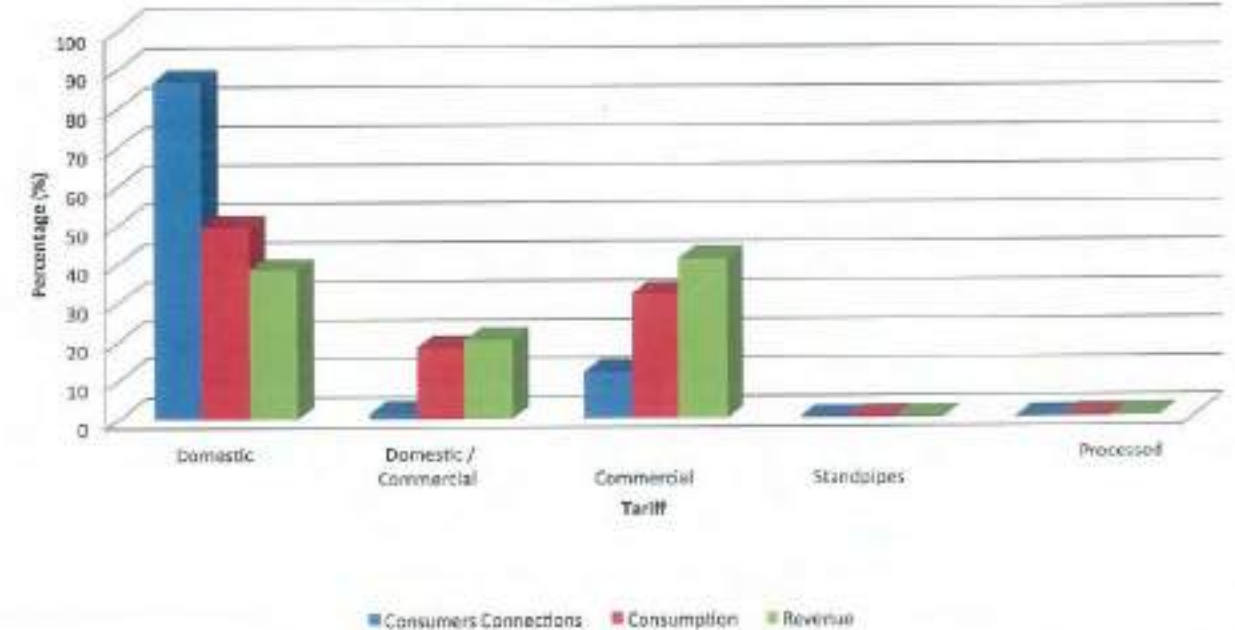
Appendix 12



REVENUE AND EXPENDIURE 2006 – 2015

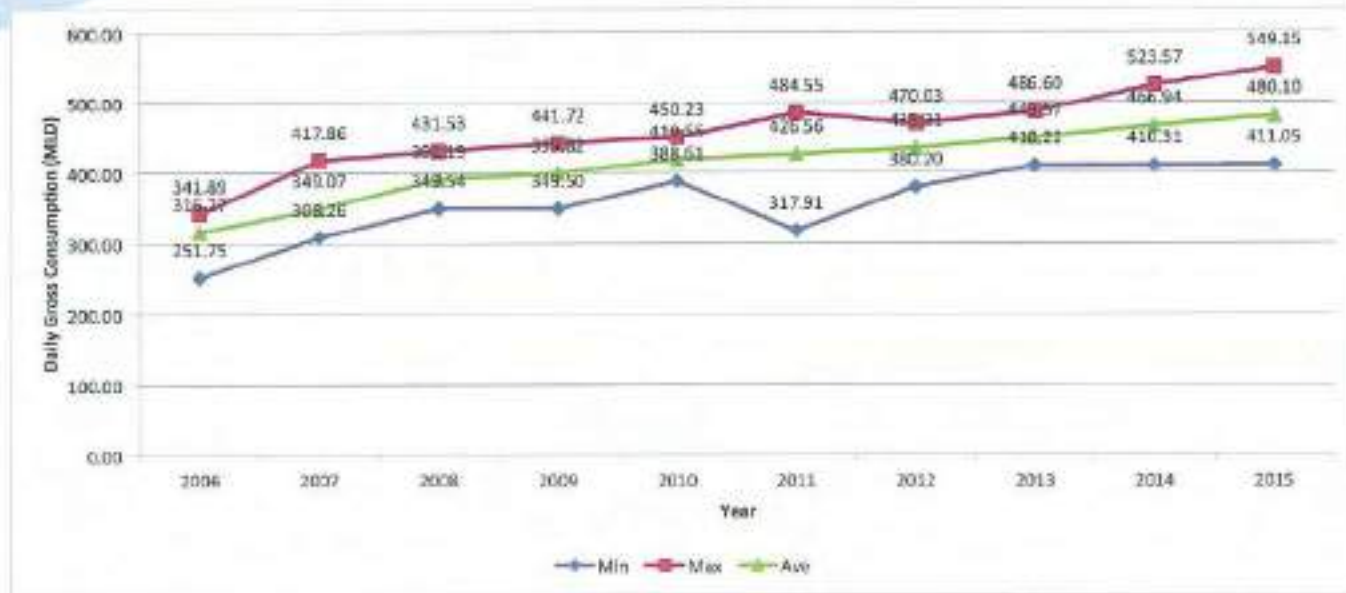
Appendix 13

ANALYSIS OF CONSUMERS CONNECTIONS, CONSUMPTION AND REVENUE FOR 2015



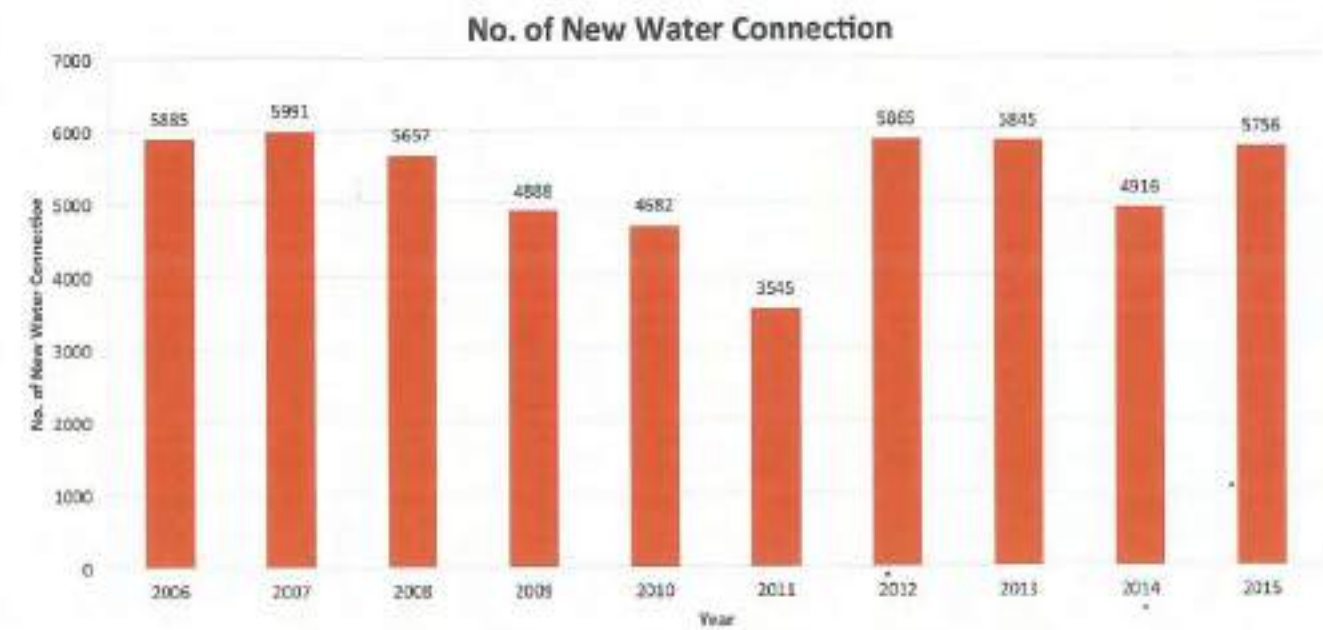
ANALYSIS OF CONSUMERS CONNECTIONS, REVENUE AND CONSUMPTIONS IN 2015

Appendix 14



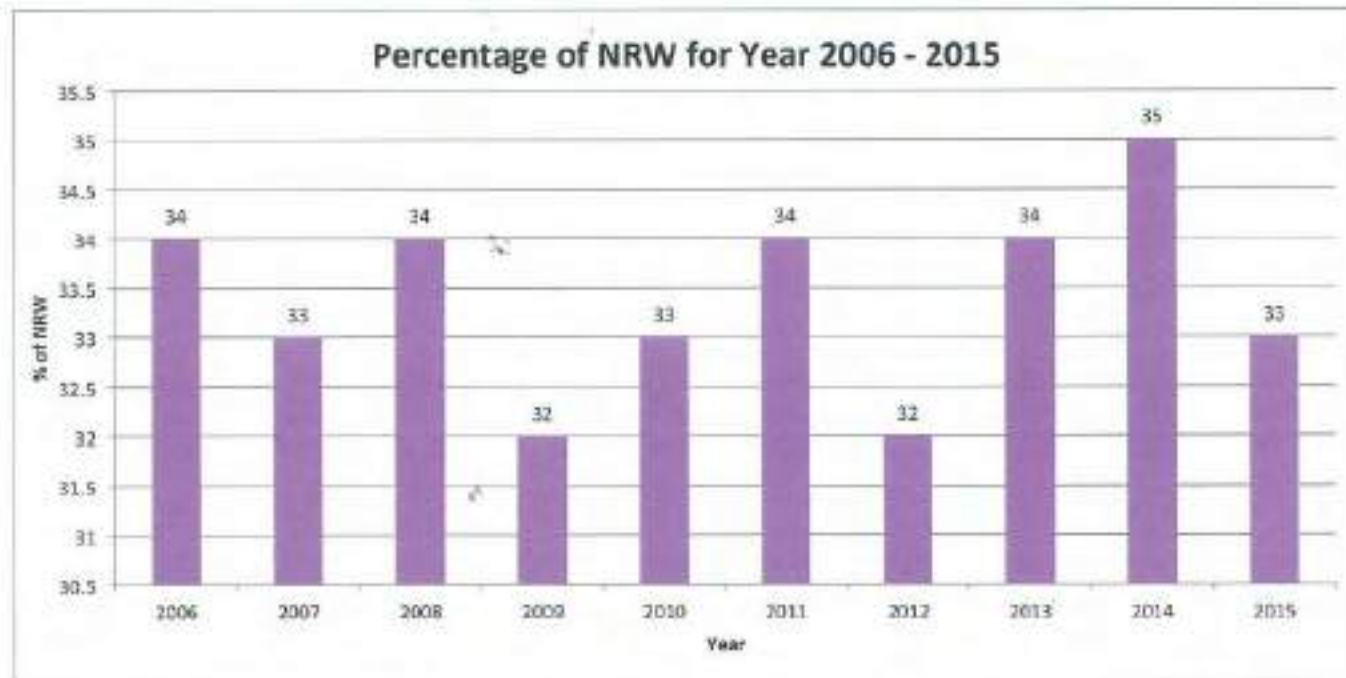
KWB NEW WATER CONNECTIONS 2006 TO 2015

Appendix 16



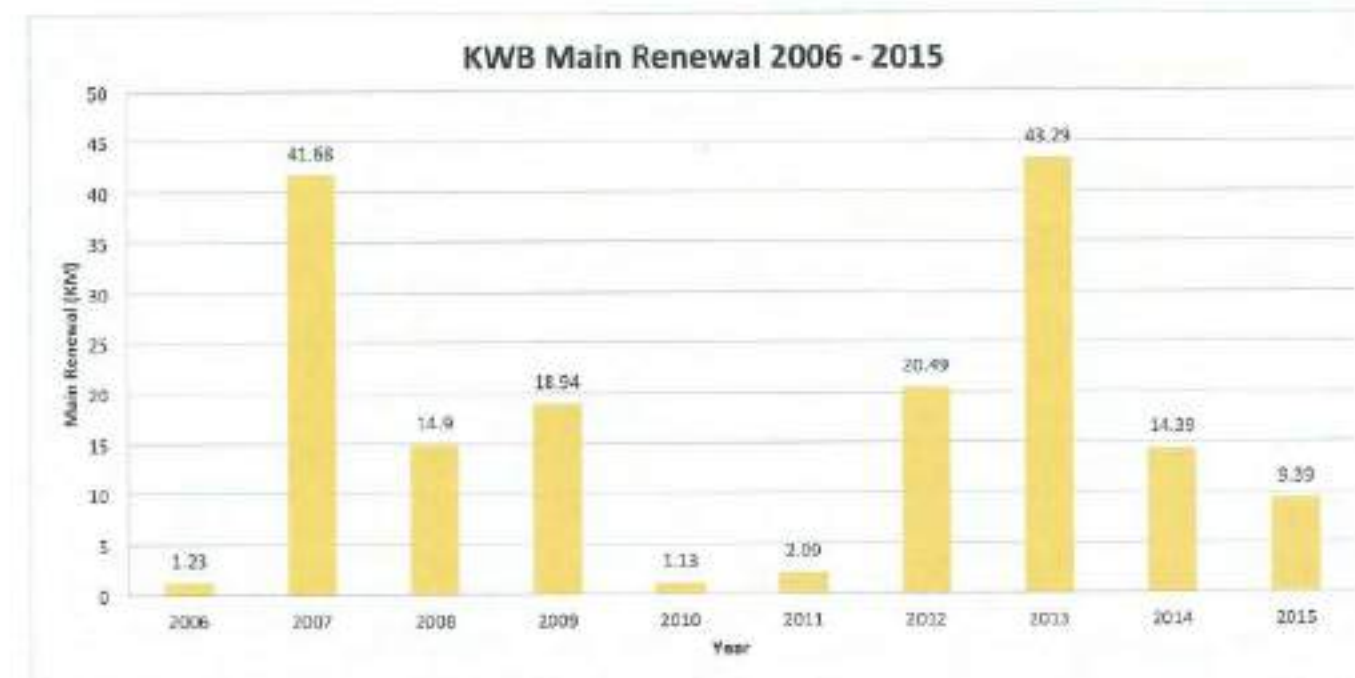
PERCENTAGE OF NRW FOR YEAR 2006 TO 2015

Appendix 15



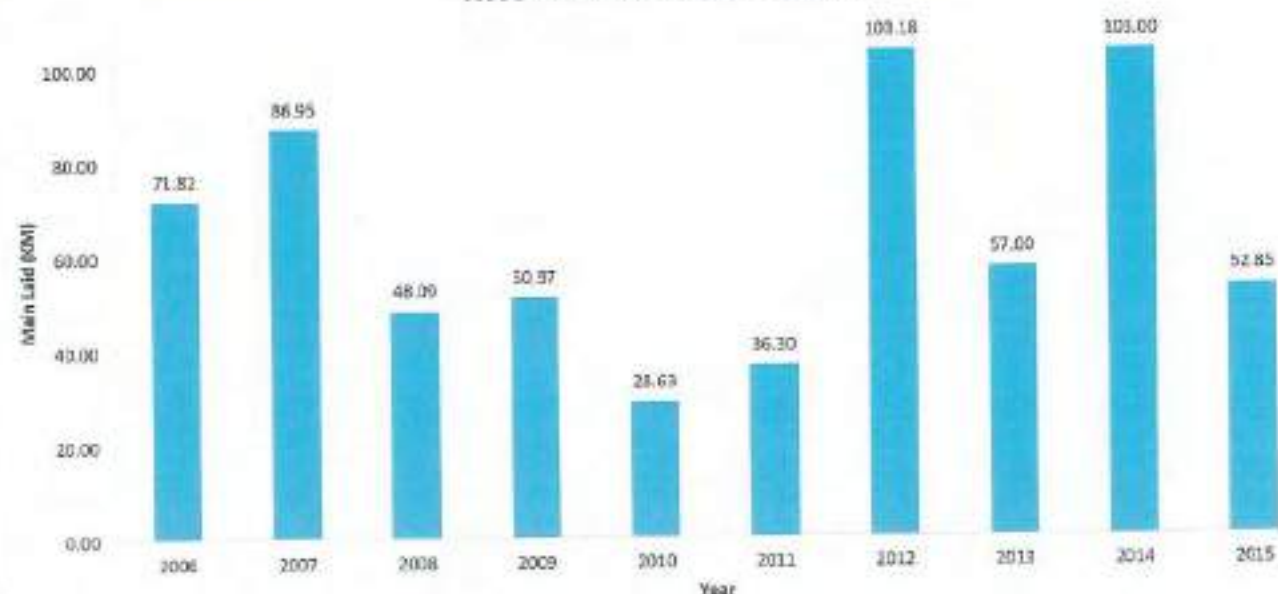
KWB MAINS RENEWED 2006-2015

Appendix 17



KWB MAINS LAID 2006-2015
Appendix 18

KWB Main Laid 2006 - 2015



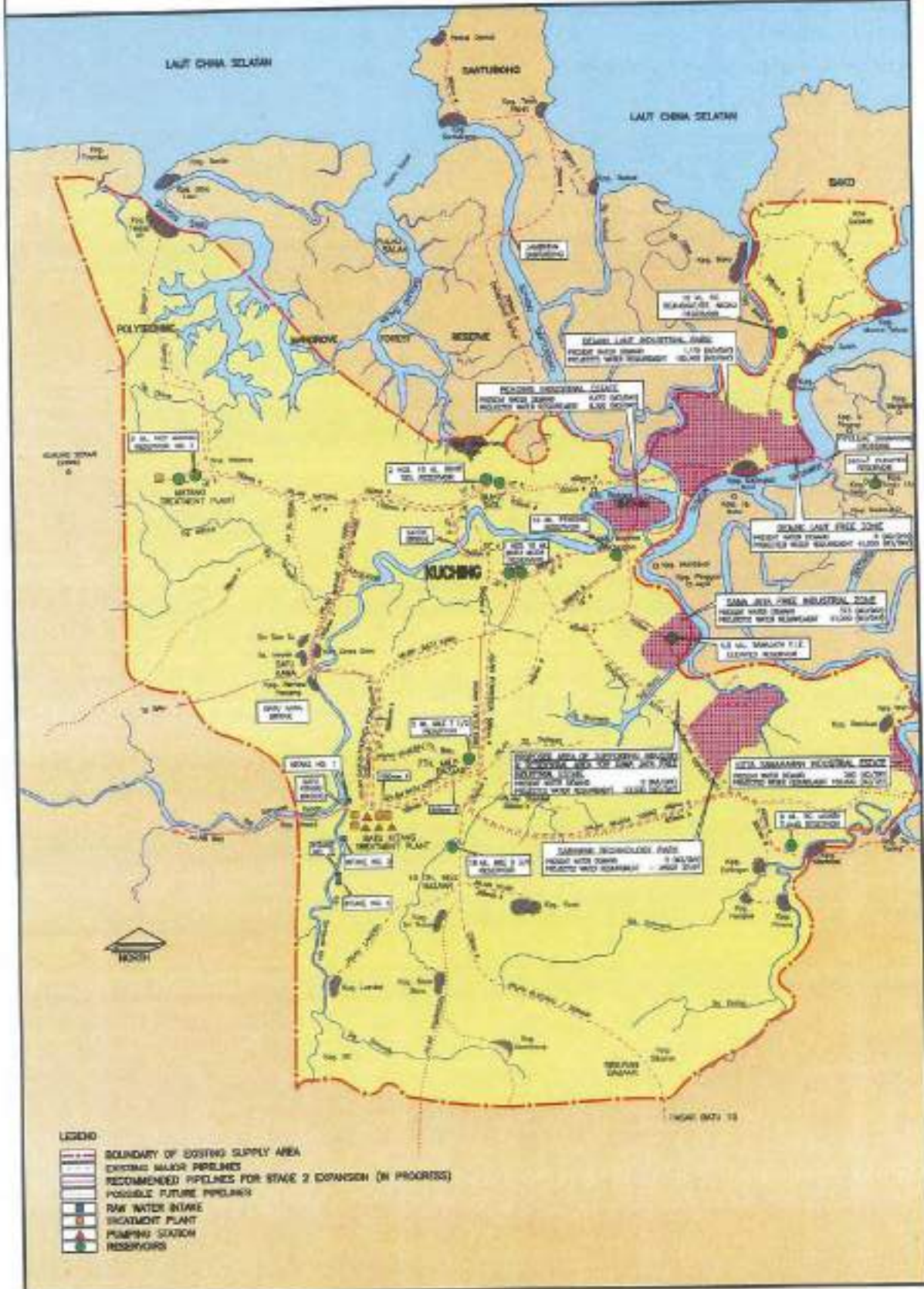
SCALE OF WATER CHARGES
Appendix 19

Domestic Rate	Per 1,000 Litre
Minimum Charge in any one month	RM 4.40
1,000 to 15,000 litres in any one month	RM 0.48
In excess of 15,000 litres but not exceeding 50,000 litres in any one month	RM 0.72
The excess over 50,000 litres in any one month	RM 0.76
Domestic/Commercial Rate	
Minimum Charge in any one month	RM 18.70
1,000 to 25,000 litres in any one month	RM 0.83
The excess over 25,000 litres in any one month	RM 0.95
Commercial Rate	
Minimum Charge in any one month	RM 22.00
1,000 to 25,000 litres in any one month	RM 0.97
The excess over 25,000 litres in any one month	RM 1.06
Special Commercial Rate for Water Processed for Sale	
Minimum Charge in any one month	RM 27.50
1,000 to 25,000 litres in any one month	RM 1.21
The excess over 25,000 litres in any one month	RM 1.33
Public Standpipes	RM 0.43
Water Collected at Depot (Customer's Transport)	RM 0.43
Water to Ship	RM 1.70
Meter Rents	Per Month or Part of a Month
15 mm	RM 0.55
20 mm	RM 1.65
25 mm	RM 2.20

STATUTORY OF KUCHING WATER BOARD

Appendix 20

STATUTORY BOUNDARY OF KUCHING WATER BOARD





KUCHING WATER BOARD

Jalan Batu Lintang, 93200 Kuching, Sarawak, Malaysia

Tel : 082 - 222222

Faks : 082 - 222259

Call Centre : 082 - 222333

Website : www.kwb.gov.my