

CORPORATE DATA

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VISION STATEMENT

To effectively manage the implementation of rural water supply projects by Ensuring the highest standards , adherence to time schedules and budget.

MISSION STATEMENT

**To improve access to potable water supply to the rural population by a variety of supply modalities at an affordable cost.
To utilize private sector consultants, contractors, in-house consultancy staff and supplies to achieve construction targets and efficient delivery of service.**

Message from the Minister of Water & Housing

- Dr. Horace Chang



The link between the provision of treated water and the health and socio-economic well being of citizens cannot be questioned. It is a connection that is uppermost in the mind of this government as water is not only a basic human need, but its availability is an important foundation for economic development.

Traditionally, sparse population density, the remoteness of water sources, and difficult terrain has posed challenges to the construction, maintenance and viability of rural water supply projects. Despite all this however, Rural Water Supply has adopted a 'can do' attitude to the task at hand and is doing a sterling job in bringing potable water to the residents of these communities. Shortly after this government took office in September 2007, 14 contracts were signed for water systems in several communities in Clarendon; Portland; St. Ann; St. Elizabeth; St. Catherine; Manchester and Hanover.

Apart from the greater convenience of piped water, what those contracts represent to the 27,212 residents of these communities is an improvement in their health, hygiene and economic well being. They will also provide a solid foundation for sustainable development within the communities through improvements to traditional businesses such as farming as well as the attraction of new businesses. The result is a higher standard of living for the residents.

In addition, Rural Water is currently finalizing 19 projects costing J\$412 million which will provide potable water to an additional 44,000 persons. On completion, access to potable water in the rural areas will increase to 51 percent.

We are essentially, injecting our rural communities with new life. As one of the major stakeholders in the effort to provide every household in Jamaica with potable water, Rural Water Supply Limited will have much to do in the coming years. Our target is to increase access to potable water in rural communities from the current 45 percent to 60 percent by the end of the 2011 fiscal year. But I have every confidence that the agency will rise to the challenges ahead as it continues to pursue its vision of being the major implementer of water related infrastructure in rural Jamaica.

Hon. Dr. Horace Chang, M.P.

Minister of Water & Housing



MESSAGE OF THE CHAIRMAN OF RWSL

NOEL DONALDSON

The growing cost of capital for the development of potable water systems and the growing cost of energy in the operation and maintenance of facilities, pose serious challenges to implementing projects to meet the need for potable water in our rural communities. Nonetheless, Rural Water Supply Limited has continued to meet these challenges head on, and is now one of the major stakeholders in the effort to provide rural households in Jamaica with potable water.

Since 2004, when the former Carib Engineering Company Limited (CECL) was revamped and renamed Rural Water Supply Limited, the agency has rapidly made major strides towards achieving its vision. Today, the transformation is complete and Rural Water Supply Limited is now “a well organized and efficient company having a competitive advantage in the field of infrastructure provision, specializing in potable water supply, irrigation and other related areas.”

As Chairman of the Board of Rural Water Supply Limited, I have every confidence in the dedication, commitment and abilities of our team whose efficient management in the implementation of projects, has resulted in a steady increase of coverage in rural communities. We are heartened by the fact that since September 2007, 14 contracts have been awarded valued at J\$117.5 million dollars, for eleven water supply installation and treatment projects.

The areas that will benefit are:-

- St. Catherine - Buxton Town; Colbeck Heights/Red Ground Bartons; and Blue Hole/Bellefield/Marlie Hill; Waugh Hill; Golden River/Santa Maria
- Portland – Fruitful Vale pipe supply and installation
- Manchester – Bottom Coffee Grove
- Clarendon – Peace River and James Hill
- Hanover – Askenish/Dias/Mt Carmel/Dolphin
- St. Elizabeth – Siloah/Windsor
- St. Ann – Cascade

I am particularly pleased to report that over 27 thousand persons in these communities stand to benefit from these projects. That translates to 2.1 percent of the rural population which numbers 1.287 million persons. We are proud of

these and other gains and as more of the nation's rural dwellers reap the benefits of our quest for excellence, we will maintain our commitment and strict adherence to standards, time schedules and budgets with the sure knowledge that we are transforming the communities and the lives of our fellow citizens.

In coming years, Rural Water Supply Limited will continue to increase its role in negotiating the financing of water related infrastructure, achieving construction targets and ensuring the efficient delivery of service.

With the 2015 Millennium Development deadline for universal access to potable water fast approaching, Rural Water Supply Limited can indeed stand tall and be counted amongst the ranks of major implementers of water systems and water related infrastructure in this country.

Noel Donaldson

Chairman

Board of Directors - 2008 / 2009



Noel Donaldson - Chairman



Judith Reid



Winston Maragh



Genefa Hibbert



Jason Smith



Kevin Lue



Basil Fernandez



Homer Davis



Franklyn Williams

Photo Unavailable : Claire Fernandez

About Rural Water Supply Ltd.....

In 1983 the Government of Jamaica through the Jamaican National Investment Company (JNIC), renamed the National Investment Bank of Jamaica (NIBJ), established Carib Engineering Corporation Limited (CECL). CECL entered into contracts to implement the construction of the Yallahs Pipeline Project. Construction works commenced in September 1983 and the full scheme was commissioned in February 1986. The project was completed within the specified time and CECL received the 1986 Gleaner Honour Award “For dramatic engineering breakthrough in record time in bringing water from Yallahs, St. Thomas to improve the water supply in the corporate area.”

CECL’s role as implementing agency expanded significantly since the construction of the Yallahs Pipeline. Its functions included the responsibility for the islandwide development and implementation of major water supply schemes as well as rural water development, utilizing funds provided by the Government of Jamaica and international agencies.

In its over twenty seven years history, the company developed and maintained the well deserved reputation for proficiency in the field of Project Management & Implementation, particularly in the area of water supply infrastructure. This is reflected in major savings on such projects as Martha Brae Water Supply Scheme (1987 – 1988), Great River Water Supply Scheme (1990 – 1992), Great River Distribution Improvements (1995 – 1997), South Chapleton Water Supply (1996 – 2001) and Bluefields / Whitehouse Water Supply (2000 – 2001).

The Rural Water Supply Limited became a legal entity in March 2006. It is registered in Jamaica, 99% shares are held by the Accountant General on behalf of the Government of Jamaica, and the remaining 1% by the Managing Director. The company is a service entity with its principal responsibility being to design and construct water supply systems in partnership with the National Water Commission, Private Sector, local authorities and community organizations.

With consistently reduced allocations from Capital A Budget to the Ministry of Water & Housing for water supply projects since 1998 / 1999, it had been felt that CECL could not survive due to the reduced project portfolio of the Ministry. However, Rural Water Supply Limited repositioned itself to efficiently execute works for other agencies such as Jamaica Social Investment Fund, National Housing Trust, National Irrigation Commission and Housing Agency of Jamaica as well as selected Private Sector companies such as the major players in the bauxite industry in order to achieve some amount of budgetary independence.

The Water Sector Policy has as its twin objectives the expansion of access to water supply by all Jamaicans, as well as improved efficiency of the NWC and increased cost recovery. The objective of universal access pre-supposes huge investments in the sector, a substantial amount of which must be provided by the government for rural projects, which are largely not financially viable. The objective of reorienting the NWC to make it more efficient, commercially driven and customer friendly, as well as the emphasis on full cost recovery, dictates that in the new dispensation, NWC ought not to be saddled with rural projects which undermine its bottom line.

The policy, therefore, makes a clear distinction between the NWC providing water in an efficient and profitable manner and the provision of water for social and developmental purposes. The two objectives are somewhat contradictory and call for an institutional arrangement that recognizes and separates these two functions.

Institutional Arrangement

After exhaustive consultations with stakeholders in the sector and the public generally, the Ministry of Water & Housing has agreed on an institutional framework, appropriate for the realization of the objectives of the Water Sector Policy.

The institutional arrangement recognizes the need to separate the regulators from the providers. The Water Resources Authority are managers and regulators of the water resources, while the Office of Utilities Regulation is the economic regulator. The institutional arrangement further recognizes the need for the NWC, as the principal provider to be run as a commercial organization with a mandate for efficiency and good customer service, but also recognizes that the government must continue to play a critical role in providing water which might not be necessarily be financially viable, but highly desirable from social, public health and environmental stand points.

With the NWC focusing on its core business, the new arrangements call for a single institution charged with the planning and implementation of all rural water supply projects, for subsequent handing over to various service providers – the NWC, Parish Councils and community based organization, on terms which will ensure their sustainable operation. The arrangement has the following benefits:-

1. It would eliminate the inefficiencies inherent in the current arrangement where a multiplicity of agencies are involved in the construction of rural water projects viz: the parish Councils, Jamaica Social Investment Fund and community based organizations.
2. This would streamline government's development to the water sector.
3. It would achieve government's development objectives, without compromising the efficiency focus of the NWC.
4. This institution responsible for planning and development of rural water schemes, can be held up as an important part of the Government's Poverty Alleviation mechanism and thus attract international funding.

Of the options that could be considered as models for implementing a rural water development programme, it must be most cost effective to employ existing resources and institutional infrastructure. Since NWC in this model must stick to its core function, only Rural Water Supply Ltd could be considered as having the requisite organizational framework and range of skills to be quickly mobilized to take on the responsibility to design and implement a range of projects that could be contemplated under any programme of rural water development.

Rural Water Supply Ltd is already structured as a project oriented organization with management and staffing in place and its systems are specifically designed to deal with the procurement of the range of services that are needed to implement water projects.

Nature of Services

The nature of the services provided by RWSL are summarized in the following activities which are carried out in providing a reliable supply of potable water, efficient sewage disposal systems and general infrastructure for housing schemes:

1. Project Planning, investigations and detailed designs
2. Contracts formation and evaluation
3. On-site supervision and project management
4. Project commissioning and handing over
5. Project review and analysis

Company Structure

RWSL has a Board of Directors, reporting to the Minister of Water & Housing, which provides strategic guidance. The company is structured to provide the core services and the required support services in order to achieve its mission as follows:

Corporate Division

The Corporate Division has overall responsibility for the Management and direction of the Company. Importantly, it functions as the link between the Board of Directors and the staff.

Specifically, the Division will continue to ensure the following:

1. Develop, in association with the Board, the necessary policies and procedures for the efficient running of the Company
2. Manage the implementation of these policies and procedures
3. Keep the Board informed of the activities of the Company

Engineering Division

This Division is responsible for the planning and development of new projects as they are required to meet the objectives of the Corporation in providing a reliable supply of potable water and efficient sewage disposal systems island-wide.

The function of this Division is to co-ordinate all phases and aspects of a project until that particular project is completed, commissioned and handed over.

The main activities carried out by this Division are set out below:

1. Project Planning, investigations and detailed designs
2. Contract Formation and evaluation
3. On-site supervision and project management
4. Project commissioning and handing over
5. Project review and analysis

Administrative & Human Resource Division

This Division directs and administers all activities of the company, ensuring that departments function effectively and efficiently, providing administrative co-ordination and support for the company in the following areas:

1. Communication
2. General Administration
3. Personnel Administration and Monitoring

Finance Division

The Finance Division is designed to provide and co-ordinate the financial and accounting function as a means of supporting the overall effort of Rural Water Supply Limited. This Division manages the financial and informational technology activity matters relating to:

1. Financial Statement preparation
2. Preparation of reports and analysis
3. Risk Management
4. Cash Flow Management
5. Budget preparation and monitoring
6. Stock Control
7. Provision of information technology

REPORT ON PROJECTS.....

Project	Major Tasks	Planned Targets for Period	Achievements
<p><u>Colbeck Water Supply Scheme - St Catherine</u></p> <p>Project cost: Ph 1 - \$72.46 Ph 2 - \$32.5M Exp. To date: Ph 1 - \$72.46M Ph 2 - \$12.32M Exp. this period: Ph 2 - \$12.30M</p>	<p>To construct deep well pumping plants & relift stations.</p> <p>To construct Storage Tanks.</p> <p>To complete all related pipe work including bridge crossings.</p>	<p>To achieve 75% construction of pump/ relift stations.</p> <p>To achieve 100% construction of Storage Tank A.</p> <p>To achieve 100% construction of Storage Tank B.</p> <p>To commence pipelaying.</p>	<p>75% construction of pump/ relift stations.</p> <p>100% completion of Storage Tank A, and 100% completion of Storage Tank B.</p> <p>10% completion of pipe work.</p> <p>Project is on target.</p>
<p><u>Broadgate Water Supply Scheme - St Mary.</u></p> <p>Project cost: Ph 1 - \$5.1M Ph 2 - \$40.0M Exp. To date: \$31.54M Exp. this period: Ph 2 - \$1.95M</p>	<p>To develop Well.</p> <p>To construct pumping station.</p> <p>To complete all pipelines.</p> <p>To construct Storage Tank</p>	<p>To complete development of Well.</p> <p>To achieve 100% completion of Pump Station.</p> <p>To achieve 100% completion of pipe work.</p> <p>To commence construction of Storage Tank.</p>	<p>100% development of Well.</p> <p>80% completion of Pump Station.</p> <p>100% completion of pipe work.</p> <p>Storage Tank commenced.</p> <p>All work on target except for slight delay with delivery of pump from overseas.</p>



Broadgate Water Supply: - Switchgear for Well Pump

Project	Major Tasks	Planned Targets for Period	Achievements
W C St Catherine: Blue Hole / Bellefield / Marlie Hill Water Supply – St Catherine Project cost: \$10.0M Exp. To date: \$9.89M Exp. this period: \$8.98M	To install distribution pipelines.	To achieve 100% installation of distribution pipelines.	Pipe laying was successfully completed and service was being provided prior to Tropical Storm Gustav. Storm damage to Goldmine treatment plant also; repairs to be done by NWC. Extensive storm damage requires specific funding for repairs.
W C St Catherine: Colbeck Heights / Red Ground / Bartons Supply Project cost: \$30.0M Exp. To date: \$21.70M Exp. this period: \$21.61M	To install distribution pipelines. To construct steel tank.	To achieve 100% installation of distribution pipelines. To achieve 100% construction of steel tank.	85% installation of distribution pipelines. Delays due to inclement weather. Steel tank completed. Testing /sterilization on-going.



Colbeck Heights / Red Ground / Bartons Water Supply : Pump Station

Project	Major Tasks	Planned Targets for Period	Achievements
<u>Fruitfulvale Water Supply - Portland</u> Project cost: \$28.00M Exp. To date: \$21.02M Exp. this period: \$17.82M	To supply distribution pipelines. To install distribution pipelines.	To achieve 100% supply of distribution pipelines. To achieve 20% installation of distribution pipelines.	100% supply of distribution pipelines. 15% installation of distribution pipelines. Delays due to inclement weather.
<u>Bottom Coffee Grove Water Supply - Manchester</u> Project cost: \$9.70M Exp. To date: \$6.23M Exp. this period: \$6.11M	To install distribution pipelines.	To achieve 100% installation of distribution pipelines.	90% installation of distribution pipelines. Delays due to inclement weather.



**Fruitful Vale Water Supply
- Water Source**



**Fruitful Vale Water Supply
- Opening Ceremony**

Project	Major Tasks	Planned Targets for Period	Achievements
<u>Askenish, Dias, Mt Carmel Water Supply – Hanover</u> Project cost: \$26.00M Exp. To date: \$23.93M Exp. this period: \$23.86M	To install distribution pipelines.	To achieve 90% installation of distribution pipelines.	Pipe laying and testing complete. Sterilization and road reinstatement outstanding. Project is on target.
<u>Hunts Town Water Supply - St Mary</u> Project cost: \$47.00M Exp. To date: \$30.93M Exp. this period: \$30.84M	To install pipelines. To construct Bolted Steel Tank. To construct Pump Station / Intake Works.	To achieve 50% installation of pipelines. To commence fabrication of reservoir. To construct Pump Station / Intake Works.	Pipeline Contract 70% and ongoing. Chlorine Contact Tank 90% complete. Storage Reservoir contract awarded. Approval obtained. Letter of Credit to be established for Tank supply. Pumping equipment has been ordered. Project is on target.



**Hunts Town Water Supply
- Storage Tank under construction**



**Hunts Town Water Supply
- Storage Tank under construction**

Project	Major Tasks	Planned Targets for Period	Achievements
<u>Lucky Valley Water Supply Scheme – St Catherine.</u> Project cost: \$5.60M Exp. To date: \$5.96M Exp. this period: \$0.07M	To construct storage tank and spring entombment. To install pipelines.	To achieve 100% construction of storage tank and spring entombment. To achieve 100% installation of pipelines.	System is substantially completed and operational. System handed over to St Catherine Parish Council for operation.
<u>W Central St Catherine: Marlie Hill / Browns Hall / Macca Tree Water Supply</u> Project cost: \$28.00M Exp. To date: \$12.81M Exp. this period: \$12.81M	To install distribution pipelines.	To achieve 100% installation of distribution pipelines.	75% of Pipelaying completed. Delays due to inclement weather.



Macca Tree Water Supply - Road Reinstatement

Project	Major Tasks	Planned Targets for Period	Achievements
<u>Whitehall Water Supply</u> – <u>Ph 1</u> – <u>St Elizabeth</u> Project cost: \$150.00M Exp. To date: \$0.062M Exp. this period: \$0.062M	To develop Well. To construct Storage Tank. To construct Relift Pumping Station.	To acquire well site and award contract for well development. To achieve 0% construction of Storage Tank. To achieve 0% construction of Relift Pumping Station.	Land acquisition processing. WRA recommends acquisition of two adjoining lots. Contract for well development approved by NCC. Delays in award of contract due to rising water levels that will yield erroneous well analysis. Storage Tank and Relift Pump Station to be done in the next financial year.
<u>Buxton Town Water Supply Scheme</u> – <u>St Catherine</u> Project cost: Ph 1 - \$9.75M Ph 2 – \$6.0M Exp. To date: Ph 1 - \$9.75M Ph 2 - \$5.64M Exp. this period: \$3.83M	To install well pump. To complete all civil works.	NWC to install well pump and electrification by RWSL To complete civil work.	100% Electrification of well pump. 100% completion of civil work. Test running and Commissioning complete.



Buxton Town Water Supply – Wakefield well #2.

Project	Major Tasks	Planned Targets for Period	Achievements
<u>Dublin Castle Water Supply - St Andrew</u> Project cost: \$1.0M Exp. To date: \$0.00M Exp. this period: \$0.00M	To install distribution pipelines.	To achieve 100% installation of distribution pipelines.	30% installation of distribution pipelines and concrete storage tank. Pipelines commenced through community effort. Awaiting funding from budget to continue work.
<u>Cascade Water Supply Scheme – St Ann</u> Project cost: Ph 1 - \$29.75M Ph 2 – \$26.00M Exp. To date: Ph 1 - \$29.75M Ph 2 - \$16.75M Exp. this period: \$15.12M	To construct slow sand filter plant. To construct Storage Tank. To complete all related pipe work including bridge crossings.	To remobilize works for construction of slow sand filter plant. To achieve 100% construction of Storage Tank. To achieve 100% completion of all related pipe work including bridge crossings.	Remobilization of works for construction of slow sand filter plant. To achieve 90% construction of Storage Tank. To achieve 98% completion of all related pipe work including bridge crossings. Slight delay due to inclement weather.



Cascade Water Supply : Settlement Tanks



Cascade Water Supply : Flocculation Tank

Project	Major Tasks	Planned Targets for Period	Achievements
<u>Higgin Town / Bamboo Water Supply - St Ann</u> Project cost: Ph 1 - \$14.45M Ph 2 – \$6.50M Exp. To date: Ph 1 - \$14.45M Ph 2 - \$6.08M Exp. this period: \$5.97M	To develop well at Green Park tall distribution pipelines.	To achieve 100% well development.	Development and testing completed. Awaiting budget support.
<u>James Hill Water Supply - Clarendon</u> Project cost: \$25.50M Exp. To date: \$14.69M Exp. this period: \$11.64M	To install distribution pipelines. To construct pumping station. To construct Storage Tanks.	To achieve 100% installation of distribution pipelines. To achieve 100% construction of pumping station. To achieve 100% construction of Storage Tank	95% installation of distribution pipelines. 75% construction of pumping station. 100% construction of Storage Tank. Slight delay due to inclement weather.



James Hill Water Supply:
Vertical Pump



Storage Tank

Project	Major Tasks	Planned Targets for Period	Achievements
<u>Duxes / Point Hill Water Supply - St Catherine</u> Project cost: \$9.50M Exp. To date: \$6.42M Exp. this period: \$4.88M	To rehabilitate distribution pipelines. To install Roto- Plastic Storage Tanks.	To achieve 100% rehabilitation of distribution pipelines. To achieve 100% installation of Roto- Plastic Storage Tanks	Final interconnections and rehabilitation to Storage Tank interior refurbished. Processing request for extension to serve Mendez; possible CDF funding.
<u>Hill Sixty Water Supply - St Thomas</u> Project cost: \$2.50M Exp. To date: \$2.01M Exp. this period: \$0.79M	To supply & install relift pump. To install Roto- Plastic Storage Tanks.	To achieve 100% installation of relift pump. To achieve 100% installation of Roto- Plastic Storage Tanks	Roto- Plastic Storage Tanks completed. Pump installed. Project was on target for successful completion. Pump was stolen prior to commissioning and hand-over exercise. Stolen pump to be replaced by RWSL. JPS preparing to make power connections.



Hill Sixty Roto-Plastic Storage Tanks.

Project	Major Tasks	Planned Targets for Period	Achievements
<u>Waugh Hill Water Supply - St Catherine</u> Project cost: \$18.00M Exp. To date: \$9.27M Exp. this period: \$3.84M	To construct relift pumping stations. To install pumps.	To achieve 100% construction of relift pumping stations. To achieve 100% installation of distribution pipelines. To achieve 100% completion of pump installation	100% construction of relift pumping stations. 95% installation of distribution pipelines. 80% installation of pump. Delay in delivery of pump.
<u>Enfield / Galliwasp Water Supply Scheme – St Mary</u> Project cost: \$10.0M Exp. To date: \$7.48M Exp. this period: \$7.46M	To construct intake, pipelines & chlorination facility.	To achieve 100% construction of intake, pipelines & chlorination facility.	Intake works and chlorination facility 100% complete. Pipelaying 100% complete. Pipelines laid and are to be tested & sterilized. Project is on target.



Waugh Hill Relift Pump Feeder Tank - Before



Waugh Hill Relift Pump Feeder Tank - After

Project	Major Tasks	Planned Targets for Period	Achievements
<u>Johns Groin Water Supply - St Catherine</u> Project cost: \$9.50M Exp. To date: \$2.77M Exp. this period: \$2.71M	To construct spring intake and install pipelines. To construct chlorination facility and reservoir.	To achieve 100% construction of spring intake and installation of pipelines. To achieve 0% of chlorination facility and reservoir	70% installation of pipelines. Delays due to inclement weather. Delays due to contractor default.
<u>Darliston Water Supply Distribution / New Roads Distribution - Westmoreland</u> Project cost: \$280.00M Exp. To date: \$255.86M Exp. this period: \$21.07M	To install distribution pipelines.	To achieve 100% installation of distribution pipelines.	Installation of distribution pipelines completed. Project is on target.



Roaring River – Clari-Flocculator.

Project	Major Tasks	Planned Targets for Period	Achievements
<u>Catadupa Water Supply - St James</u> Project cost: \$7.50M Exp. To date: \$5.89M Exp. this period: \$5.89M	To install pipelines. To erect Rapid Response 500gallon steel tank. To construct Pump Station / Intake Works.	To achieve 100% installation of pipelines. To complete erection of Rapid Response 5000 gallon steel tank. To construct Pump Station / Intake Works.	80% installation of pipelines. Delays due to inclement weather. RRP 5000 gallon tank not forthcoming. Alternative black plastic tanks procured and installed; to be fenced. Construction of Pump Station / Intake Works ongoing.
<u>Siloah/Windsor Water Supply - St Elizabeth</u> Project cost: \$10.00M Exp. To date: \$9.28M Exp. this period: \$5.12M	To install distribution pipelines.	To achieve 100% installation of distribution pipelines.	<u>COMPLETED</u> Maintenance period ongoing
<u>Tydixon Water Supply - St Catherine</u> Project cost: \$14.0M Exp. To date: \$13.44M Exp. this period: \$1.86M	To install pipelines. To install pumping plant. To refurbish storage tank.	To achieve 100% installation of pipelines, pumping plant and refurbishment of storage tank.	<u>COMPLETED</u> Maintenance period ongoing
<u>Wakefield Water Supply - St Catherine</u> Project cost: \$8.0M Exp. To date: \$6.27M Exp. this period: \$6.24M	To install pipelines. To construct pump station. To refurbish storage tank.	To achieve 100% installation of pipelines, pumping plant and refurbishment of storage tank.	100% construction of pumping stations. 100% installation of distribution pipelines. 80% installation of pump.

Project	Major Tasks	Planned Targets for Period	Achievements
<u>Beacon Hill Water Supply - St Thomas</u> Project cost: \$7.50M Exp. To date: \$7.43M Exp. this period: \$0.68M	To replace raw water pipelines. To refurbish community water tank.	To achieve 100% installation of pipelines. To complete refurbishment of wayside tank.	<u>COMPLETED</u>
<u>Albert Town / Ulster Spring Water Supply - Trelawny</u> Project cost: \$10.00M Exp. To date: \$5.40M Exp. this period: \$5.37M	To install distribution pipelines.	To achieve 100% installation of distribution pipelines.	<u>COMPLETED</u> Maintenance period ongoing
<u>Maggotty Carisbrook Ph 2 Water Supply - St Elizabeth</u> Project cost: \$80.0M Exp. To date: \$0.21M Exp. this period: \$0.21M	To install pipelines. To install pumping plant. To construct storage tank.	To achieve 10% installation of pipelines, pumping plant and storage tank.	Tenders for installation of pipelines invited. Procurement process halted due to lack of budget support.

Project	Major Tasks	Planned Targets for Period	Achievements
<u>Peace River Water Supply - Clarendon</u> Project cost: \$17.00M Exp. To date: \$9.81M Exp. this period: \$9.70M	To install distribution pipelines. To construct storage tank.	50% installation of distribution pipelines. To invite tenders for tank construction.	75% Installation of distribution pipelines. Testing and sterilizing on-going. Storage tank abandoned. Not necessary based upon re-design. Project is on target.
W C St Catherine: Watermount / Ginger Ridge Water Supply Project cost: \$2.50M Exp. To date: \$2.06M Exp. this period: \$0.78M	To achieve 100% installation of distribution pipelines.	100% installation of distribution pipelines.	Work completed
<u>Harrison Town Water Supply - St Ann</u> Project cost: \$4.00M Exp. To date: \$3.77M Exp. this period: \$1.02M	To install distribution pipelines.	To achieve 100% installation of distribution pipelines.	<u>COMPLETED</u>



Peace River Filter Repairs

Operational Plan – 2009/2010

PROJECT	QTR 1		QTR 2		QTR 3		QTR 4	
	TARGET	COST J\$M	TARGET	COST J\$M	TARGET	COST J\$M	TARGET	COST J\$M
Brandon Hill Water Supply Scheme.								
Completion of necessary improvements	20%	0.50	100%	2.50				
Construct Storage Tanks.	10%	0.30	50%	5.00	100%	7.00		
100% completion of pipe work.								
Hunts Town / Wellington Water Supply Scheme.								
Construct Pump Station.	100%	0.80						
Construct Storage Tank.	100%	1.30						
Construct pipelines.	100%	1.70						
Mason Hall Water Supply Scheme.								
Treatment Plant Upgrade	20%	5.95	60%	20.80	100%	12.00		
Construct pumping station.	0%	0.00	50%	14.95	90%	16.90	100%	0.50
Construct storage tank.	10%	2.00	90%	20.00			100%	2.00
Construct pipelines	10%	6.00	60%	51.45	70%	10.00	100%	17.74
New Roads Extension Works Water Supply								
Install pipelines.	100%	4.00						
Quaminus Water Supply								
Construct Pump Station.	100%	10.0						
Construct Storage Tank.	100%	9.0						
Complete all pipelines.	100%	18.0						
Platfield Water Supply Scheme.								
Intake improvement.	20%	0.20	100%	0.80				
To construct Storage Tanks.	30%	0.20	100%	0.70				
To complete pipeline work.	10%	0.30	60%	15.00	100%	14.00		

PROJECT	QTR 1		QTR 2		QTR 3		QTR 4	
	TARGET	COST J\$M	TARGET	COST J\$M	TARGET	COST J\$M	TARGET	COST J\$M
Peace River Water Supply Scheme.								
Construct of intake works	100%	10.0						
Construct storage tank.	100%	9.00						
Complete all pipelines.	100%	18.00						
Shirley Castle Water Supply Scheme.								
Construct Intake			60%	5.30	100%	3.00		
Construct Storage Tanks.	0%	0.00	0%	0.00	80%	16.20	100%	3.80
Complete all pipelines.	0%	0.00	20%	8.00	70%	15.00	100%	13.70
Low Woods / Minah Water Supply Scheme.								
Construct Intake	10%	0.20	90%	1.90	100%	0.10		
Construct Storage Tank.	10%	4.00	60%	19.00	80%	5.00	100%	3.00
Construct Pump Station	10%	1.50	70%	6.00	90%	2.00	100%	0.50
Complete pipelines.	50%	17.00	70%	11.00	90%	5.00	100%	1.60
Kitson Town/ Point Hill Water Supply Scheme.								
Construct Well Pump Station.	50%	20.50	75%	11.00	100%	11.00		
Construct Storage Reservoirs	30%	2.50	100%	6.00				
Complete all pipe works	60%	60.00	100%	45.00				
White Hall / Newmarket Water Supply Scheme.								
Construct Well Pump Station.	10%	0.50	75%	14.00	90%	5.00	100%	1.00
Construct pump station.	10%	1.50	60%	7.00	90%	3.00	100%	0.50
Construct storage tanks	10%	2.50	90%	22.00			100%	2.50
Complete all pipe work	0%	0.00	40%	17.00	75%	15.00	100%	7.50

PROJECT	QTR 1		QTR 2		QTR 3		QTR 4	
	TARGET	COST J\$M	TARGET	COST J\$M	TARGET	COST J\$M	TARGET	COST J\$M
Cascade Water Supply Scheme.								
Construct Filter Plant.	100%	1.20						
Construct Storage Tank.	100%	0.50						
Complete all related pipe work including bridge crossings.	100%	1.90						
Colbeck Water Supply Scheme.								
Construct deep well pumping plants & relift stations.	0%	0.00	100%	1.10				
Construct Storage Tanks.	100%	0.90						
Complete all related pipe work including bridge crossings.	0%	0.00	100%	1.20				
Higgin Town / Bamboo Water Supply								
Construct Well Pumping Station.	5%	0.50	10%	8	75%	1.50	100%	0.50
Construct Pipelines.	5%	10.00	20%	21	30%	30.00	40%	19.00
Construct Relift Pumping Station.	5%	0.50	10%	10	75%	1.50	100%	0.50
Construct 250,000 gallon Reservoir	20%	4.00	100%	43				
Albert Town Water Supply								
Construct Raw Water Pumping Station.	5%	4.5	10%	5.5	75%	1.50	100%	0.50
Construct Pipelines.	0%	0	10%	10	25%	15.00	30%	10.50
Construct Water Treatment Plant.	5%	5	10%	28.5	75%	17.00	100%	12.00
Refurbish Catchment Reservoir	5%	0.7	10%	2.8	85%	1.00	100%	0.50

PROJECT	QTR 1		QTR 2		QTR 3		QTR 4	
	TARGET	COST J\$M	TARGET	COST J\$M	TARGET	COST J\$M	TARGET	COST J\$M
Agualta Vale Water Supply Scheme.								
Construct Well Pump Station.	10%	0.50	50%	14.00	80%	5.00	100%	1.00
Construct Pump Station.	20%	1.50	70%	7.00	90%	3.00	100%	0.50
Construct Storage Tank.	0%	0.00	0%					
Complete all pipe works.	0%	0.00	50%	47.00	80%	36.00	100%	19.50

Salaries and emoluments for Chairman, Directors & Senior Management Staff – 2008/2009.....

DIRECTORS COMPENSATION 2008/09

Position of Director	Fees \$	Motor Vehicle Upkeep/Travelling or Value of Assignment of Motor Vehicle (\$)	Honoraria (\$)	All Other Compensation including Non- cash Benefits as applicable (\$)	Total (\$)
Chairman	209,500.00	0.00	0.00	0.00	209,500.00
Director 1	121,000.00	0.00	0.00	0.00	121,000.00
Director 2	110,000.00	0.00	0.00	0.00	110,000.00
Director 3	167,000.00	0.00	0.00	0.00	167,000.00
Director 4	121,000.00	0.00	0.00	0.00	121,000.00
Director 5	125,000.00	0.00	0.00	0.00	125,000.00
Director 6	106,500.00	0.00	0.00	0.00	106,500.00
Director 7	22,000.00	0.00	0.00	0.00	22,000.00
Director 8	92,000.00	0.00	0.00	0.00	92,000.00

Certified by:


Noel Donaldson (Mr)
Chairman Board of Directors

SENIOR EXECUTIVE COMPENSATION 2008/2009

POSITION OF SENIOR EXECUTIVE	YEAR	SALARY (\$)	GRATUITY OR PERFORMANCE INCENTIVE (\$)	TRAVELLING ALLOWANCE OR VALUE OF ASSIGNMENT OF MOTOR VEHICLE (\$)	PENSION OR RETIREMENT BENEFITS (\$)	OTHER ALLOWANCES (\$)	NON- CASH BENEFIT S (\$)	TOTAL (\$)
MANAGING DIRECTOR	2008/09	4,051,278.72	1,001,810.77	1,100,000.00	0.00	579,899.79	0.00	6,732,989.28
GENERAL MANGER	2008/09	3,313,975.46	765,456.29	796,500.00	0.00	61,200.00	0.00	4,937,131.75
FINANCIAL CONTROLLER	2008/09	3,193,837.50	1,277,991.89	796,500.00	0.00	56,520.00	0.00	5,324,849.39

Certified by:


Audley Thompson (Mr)
Managing Director

RURAL WATER SUPPLY LIMITED

FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2009

I N D E X

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Email: leeclarke@cwjamaica.com

INDEPENDENT AUDITORS' REPORT

To The Members
Rural Water Supply Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Rural Water Supply Limited set out on the pages 3 to 17 which comprise the company's statement of financial position as at March 31, 2009, statements of comprehensive income and retained earnings and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of the Jamaican Companies Act. This responsibility includes: designing implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether or not the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Oswald R. Lee, FCA, ACIS
Associate
Steadman Pitterson, FCA

INDEPENDENT AUDITORS' REPORT

Members of
Rural Water Supply Limited

Report on the Financial Statements Cont'd.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at March 31, 2009, and of its financial performance, changes in equity and cash flows for the year then ended in accordance with International Financial Reporting Standards, and comply with the requirements of the Jamaican Companies Act.

Report on other Legal and Regulatory Requirements

We have obtained all the information and explanations which, to be best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained and the financial statements are in agreement therewith and give the information required by the Jamaican Companies Act in the manner so required.

In our opinion, proper accounting records have been maintained and the financial statements are in agreement therewith and give the information required by the Jamaican Companies Act, in the manner so required.

Handwritten signature of Lee Clarke Chang in cursive script.

August 8, 2011

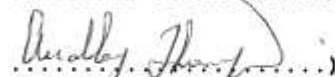
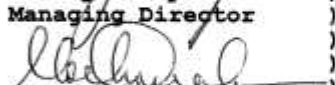
RURAL WATER SUPPLY LIMITED
STATEMENT OF COPREHENSIVE INCOME AND RETAINED EARNINGS
YEAR ENDED MARCH 31, 2009

	<u>Note</u>	<u>2009</u> <u>\$</u>	<u>2008</u> <u>\$</u>
INCOME	4	98,957,875	35,459,710
Administrative expenses		(72,297,780)	(40,725,298)
Engineering expenses		<u>(40,796,519)</u>	<u>(34,559,701)</u>
Operating loss		(14,136,424)	(39,825,289)
Finance income	5	1,311,699	3,115,961
Other income		<u>22,833</u>	<u>17,000</u>
Income before taxation	6	(12,801,892)	(36,692,328)
Provision for taxation	7	<u>1,955,634</u>	<u>14,380,067</u>
Net loss		(10,846,258)	(22,312,261)
Accumulated (losses)/surplus at beginning of year		<u>(16,953,902)</u>	<u>5,358,359</u>
Accumulated losses at end of year		<u>(27,800,160)</u>	<u>(16,953,902)</u>

RURAL WATER SUPPLY LIMITED
STATEMENT OF FINANCIAL POSITION
AT MARCH 31, 2009

	<u>Note</u>	<u>2009</u> \$	<u>2008</u> \$
<u>ASSETS</u>			
Current Assets			
Cash and bank balances		29,378,296	13,400,937
Fixed deposits	8	6,429,772	17,222,148
Receivables and prepayments	9	22,314,534	42,196,372
Taxation recoverable		5,503,389	5,258,327
		<u>63,625,991</u>	<u>78,077,784</u>
Non-current assets			
Property, plant and equipment	10	2,372,115	1,349,702
Deferred tax	11	33,934,087	31,978,453
		<u>36,306,202</u>	<u>33,328,155</u>
Work-in-progress	12	795,429,586	590,710,563
Total assets		<u>895,361,779</u>	<u>702,116,502</u>
<u>EQUITY AND LIABILITIES</u>			
Current liabilities			
Bank overdraft		789,928	5,835,081
Payables and accruals	13	132,595,303	86,236,193
Taxation		2,299,857	2,299,857
		<u>135,685,088</u>	<u>94,371,131</u>
Capital and reserves			
Share capital	14	200	200
Capital reserve	15	5,279,897	5,279,897
Accumulated losses		(27,800,160)	(16,953,902)
		<u>(22,520,063)</u>	<u>(11,673,805)</u>
Project advances	16	782,196,754	619,419,176
Total equity and liabilities		<u>895,361,779</u>	<u>702,116,502</u>

On Behalf Of The Board:


 Audley Thompson)
 Managing Director)

 Noel Donaldson)
 Chairman)

RURAL WATER SUPPLY LIMITED**STATEMENT OF CASH FLOWS****YEAR ENDED MARCH 31, 2009**

	<u>2009</u> \$	<u>2008</u> \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Losses before taxation	(12,801,892)	(36,692,328)
Adjustments for -		
Depreciation	(157,079)	302,413
Profit on disposal of assets	(22,833)	(17,000)
Adjustments	<u>6,200</u>	<u>-</u>
	<u>(12,975,604)</u>	<u>(36,406,915)</u>
Changes in operating asset and liabilities -		
Receivables and prepayments	19,881,838	32,176,998
Taxation recoverable	(245,062)	(774,152)
Payables and accruals	<u>46,359,111</u>	<u>(37,695,589)</u>
	<u>65,995,887</u>	<u>(6,292,743)</u>
Net cash provided by/ (used in) operating activities	<u>53,020,283</u>	<u>(42,699,658)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(871,535)	(810,960)
Construction work-in-progress	(204,719,023)	(34,943,419)
Proceeds from sale of fixed assets	<u>22,833</u>	<u>17,000</u>
Net cash used in investing activities	<u>(205,567,725)</u>	<u>(35,737,379)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Project advances	162,777,578	49,025,528
Capital reserve	<u>-</u>	<u>2,655,137</u>
Net cash provided by financing activities	<u>162,777,578</u>	<u>51,680,665</u>
INCREASE/ (DECREASE) IN NET CASH BALANCES	10,230,136	(26,756,372)
Net Cash Balance - Beginning of Year	<u>24,788,004</u>	<u>51,544,376</u>
NET CASH BALANCE - END OF YEAR	<u>35,018,140</u>	<u>24,788,004</u>
Represented by:		
Bank overdraft	(789,928)	(5,835,081)
Fixed deposits	6,429,772	17,222,148
Cash and bank balances	<u>29,378,296</u>	<u>13,400,937</u>
	<u>35,018,140</u>	<u>24,788,004</u>

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2009

1. OWNERSHIP:

The company's shares are held by the Accountant General on behalf of the Government of Jamaica.

2. PRINCIPAL ACTIVITIES:

The company's principal activities are the monitoring and control of the island-wide development and implementation of water supply schemes utilising grants and loans provided by the Government of Jamaica and international funding agencies.

3. SIGNIFICANT ACCOUNTING POLICIES:

(a) **Basis of Preparation -**

(i) Statement of compliance

These financial statements have been prepared in accordance and comply with International Financial Reporting Standards (IFRS) and the Jamaican Companies Act.

(ii) **Basis of Measurement -**

The financial statements have been prepared under the historical cost basis.

(iii) **Use of estimates and judgements -**

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

(iv) **Functional and presentation currency -**

These financial statements are presented in Jamaican dollars, which is the Company's functional currency.

(b) **Property, Plant and Equipment -**

(i) Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

(ii) Depreciation is provided on the straight-line basis at rates which will write-off the cost of the assets over their expected useful lives. The rates are as follows:

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2009

(b) **Property, Plant and Equipment Cont'd**

Plant and machinery	5 - 10 yrs
Motor vehicles and trailers	5 yrs
Furniture, fixtures and equipment	5 - 10 yrs
Leasehold improvement	4 yrs
Computer	4 yrs

(c) **Impairment -**

The carrying amounts of the company's tangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated in order to determine the extents of the impairment loss, if any. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

(d) **Foreign Currency Translation -**

Balances in foreign currencies are translated at the rate of exchange ruling at balance sheet date. Transactions during the year are translated at the exchange rate prevailing at the date of the transaction. Gains or losses on translation are dealt with in the statement of comprehensive income.

Exchange rates are determined by the weighted average rate at which Commercial Banks trade in foreign currencies as published by the Central Bank.

(e) **Mobilisation Advances -**

Mobilisation advances are made to contractors at the commencement of the contract at an amount agreed by negotiation to meet start up costs of the contractor. The amount is recovered in fixed instalments deducted from periodic progress billings.

(f) **Project Advances -**

Grants received are treated as project advances and are off-set against the costs incurred in the furtherance of the company's activities as agents of the Government of Jamaica on completion of the projects. Project advances are recognised as follows:

- (i) On receipt of Ministry of Finance subventions from the annual budget.

RURAL WATER SUPPLY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2009

3. SIGNIFICANT ACCOUNTING POLICIES CONT'D:

f) **Project Advances Cont'd.-**

(ii) On receipt of cash, goods or services from international funding agencies and other governments.

(iii) On payment of projects' liabilities by the Government of Jamaica.

(g) **Fair Value -**

The amount included in these financial statements for cash and short-term investments, receivables and payables reflect their approximate fair values because of the short-term nature of these instruments.

4. REVENUE:

	<u>2009</u> \$	<u>2008</u> \$
Management fees	70,000,000	20,508,379
Consultancy fees	28,980,708	14,951,331
	<u>98,980,708</u>	<u>35,459,710</u>

5. NET FINANCE INCOME:

	<u>2009</u> \$	<u>2008</u> \$
Interest income	1,015,879	3,149,361
Interest expense	(43,456)	(38,209)
Foreign exchange conversion gain	339,276	4,809
	<u>1,311,699</u>	<u>3,115,961</u>

RURAL WATER SUPPLY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2009

6. LOSS BEFORE TAXATION:

Arrived at after charging the following -

	<u>2009</u> \$	<u>2008</u> \$
Directors' emoluments -		
Fees	1,048,875	414,375
Remuneration	4,584,708	3,642,852
Auditors' remuneration	600,000	700,000
Depreciation	<u>(157,079)</u>	<u>302,413</u>

The Executive Officers, comprising the Managing Director, Engineering Manager and Financial Controller were paid gross emoluments of \$12,712,241 in 2009.

7. TAXATION

Taxation is based on the profit for the year adjusted for tax purposes and is calculated at 33 1/3%.

	<u>2009</u> \$	<u>2008</u> \$
Current taxation	-	-
Deferred taxation (Note 11)	<u>1,955,634</u>	<u>14,380,067</u>
	<u>1,955,634</u>	<u>14,380,067</u>

The tax effect of differences between treatment of items for financial statement and taxation purposes is as follows:

	<u>2009</u> \$	<u>2008</u> \$
Losses before taxation	<u>(12,801,892)</u>	<u>(36,692,328)</u>
Taxation @33 1/3%	(4,263,030)	(12,218,545)
Difference between depreciation and capital allowances	(437,564)	(93,108)
Tax losses brought forward	<u>4,700,594</u>	<u>12,311,653</u>
	<u>-</u>	<u>-</u>

Subject to agreement with The Commissioner Taxpayer Audit and Assessment Department, tax losses of \$95,926,174 (2008 - \$81,810,275) are available for set-off against future taxable profits.

RURAL WATER SUPPLY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2009

8. FIXED DEPOSITS:

These comprise the following:

	<u>2009</u> \$	<u>2008</u> \$
NCB Capital Market	5,209,504	16,103,727
Pan Caribbean Financial Services Limited	<u>1,220,268</u>	<u>1,118,421</u>
	<u>6,429,772</u>	<u>17,222,148</u>

9. RECEIVABLES AND PREPAYMENTS:

	<u>2009</u> \$	<u>2008</u> \$
Advances and deposits	5,332,769	9,632,253
Management fee	-	7,180,197
GOJ/IDB	3,986,890	3,469,890
National Irrigation	310,828	1,457,293
Staff loans	5,251,432	3,778,798
Salary advances	322,258	840,387
Mobilisation	1,310,178	1,310,178
Waste operations	3,181,387	11,840,224
Gct recoverable	-	621,653
J.S.I.F recoverable	559,157	559,157
Nippon Koei Company Limited	904,136	272,321
Other	<u>1,155,499</u>	<u>1,212,553</u>
	<u>22,314,534</u>	<u>42,174,906</u>

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2009

10. PROPERTY, PLANT AND EQUIPMENT:

	<u>Leasehold Improvement</u>	<u>Computers</u>	<u>Furniture Fixtures, Office Equipment & Trailers</u>	<u>Motor Vehicles</u>	<u>Total</u>
	\$	\$	\$	\$	\$
At Cost					
Valuation -					
April 1, 2008	1,409,800	7,165,151	4,611,034	4,933,868	18,119,853
Additions	-	531,015	340,520	-	871,535
Adjustments	-	-	(6,200)	-	(6,200)
	<u>1,409,800</u>	<u>7,696,166</u>	<u>4,945,354</u>	<u>4,933,868</u>	<u>18,985,188</u>
Depreciation -					
April 1, 2008	1,346,500	6,540,626	3,949,157	4,933,868	16,770,151
Charge for the Year	46,004	369,254	-	-	415,258
Adjustments	-	-	(572,336)	-	(572,336)
	<u>1,392,504</u>	<u>6,909,880</u>	<u>3,376,821</u>	<u>4,933,868</u>	<u>16,613,073</u>
Net Book Value -					
March 31, 2009	<u>17,296</u>	<u>786,286</u>	<u>1,568,534</u>	<u>-</u>	<u>2,372,115</u>
March 31, 2008	<u>63,300</u>	<u>624,525</u>	<u>661,877</u>	<u>-</u>	<u>1,349,702</u>

RURAL WATER SUPPLY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2009

11. DEFERRED TAXATION:

	<u>2009</u> <u>₹</u>	<u>2008</u> <u>₹</u>
Balance at beginning of year	31,978,453	17,598,386
Credit to statement of comprehensive income (note 7)	<u>1,955,634</u>	<u>14,380,067</u>
Balance at end of year	<u>33,934,087</u>	<u>31,978,453</u>

12. WORK-IN-PROGRESS:

This represents costs incurred on projects being undertaken on behalf of the Government of Jamaica. These projects will be transferred to a Government of Jamaica agency on completion.

RURAL WATER SUPPLY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2009

12. WORK-IN-PROGRESS CONT'D.:
Capital A Water Supply Projects:

Project Name	Balance B/F	Expenditure During 2008/2009	Projects Completed	Total Expenditure as at March 31, 2009
Broadgate	13,451,943	-	-	13,451,943
Darliston	234,791,684	21,067,333	-	255,859,017
Fruitful Vale W/S	-	371,772	-	371,772
Miscellaneous	55,116	-	-	55,116
	248,298,743	21,439,105	-	269,737,848

Urban Rural Water Supply Projects:

Project Name	Balance B/F	Expenditure During 2008/2009	Projects Completed	Total Expenditure as at March 31, 2009
Albert Town	7,030	-	-	7,030
Broadgate	29,584,381	1,952,021	-	31,536,402
Butt Bay - Hart Hill/Winsor Castle	147,354	12,727	-	160,081
Buxton	9,752,073	25,200	-	9,777,273
Cascade	29,738,242	9,300	-	29,747,542
Colbeck/Planters	72,418,051	-	-	72,418,051
Collab - Maggotly	1,793,667	-	-	1,793,667
Darliston	50,127,895	-	-	50,127,895
Higgin Town	14,446,309	-	-	14,446,309
Huddersfield	481	-	-	481
Huddersfield/Mango	76,719,750	120,000	-	76,839,750
John's Groin	4,725	-	-	4,725
Kitsen - Point Hill	3,487,553	-	-	3,487,553
Lucky Valley	279,986	-	-	279,986
Redwood	669,696	2,250	(671,946)	-
	289,177,192	2,121,498	(671,946)	290,626,745

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2009

12. WORK-IN-PROGRESS CONT'D.:

Ministry of Housing Water Supply Projects:

Project Name	Balance B/F	Expenditure During 2008/2009	Projects Completed	Total Expenditure as at March 31, 2009
Albert Town/Ulster	33,214	5,368,040	-	5,401,254
Askenish/Dias	73,058	23,861,499	-	23,934,557
Beacon Hill	6,752,652	677,163	(7,429,815)	-
B/Bay/H/Hill/Winson	-	15,450	(9,890,554)	15,450
Blue Hole/Beltfield	912,626	8,977,928	(16,965)	-
Brandon Hill	16,965	-	-	-
Buxton Town	1,804,131	3,833,373	-	5,637,504
Catadupa W/S	-	5,894,533	-	5,894,533
Cascade - Ph.2	1,625,154	15,120,384	-	16,745,538
Charlemont Housing Scheme	179,986	13,500	-	193,486
Coffee Grove	117,571	6,110,353	-	6,227,924
Colbeck Heights	82,219	21,613,808	-	21,696,027
Colbeck/Bannister	46,746	-	(46,746)	-
Colbeck Planters	-	12,302,070	(12,302,070)	-
Crescent W/S	-	1,282,097	-	1,282,097
Darliston	2,000	321,238	-	323,238
Enfield	24,964	7,458,796	-	7,483,760
Fruitful Vale	3,202,982	17,921,791	-	21,024,773
Golden Grove	-	547,531	-	547,531
Goldmine Improvement	-	2,447	(2,447)	-
Grange Lane/Hill Run	440,472	-	(440,472)	-
Harrison Town	2,753,915	1,017,963	(3,771,878)	-
Higgin Town - Ph.2	107,296	5,971,403	-	6,078,699
Hill Sixty	1,224,335	788,838	-	2,013,173
Hunts Town/Wellington	92,958	30,836,539	-	30,929,497
James Hill	3,048,783	11,639,116	-	14,687,899
John Austin to Pennants	21,093	-	-	21,093
John's Groin	60,412	2,709,197	-	2,769,609
Kennedy Grove	101,805	8,637	-	110,442
Kitson Town W/S	-	424,729	-	424,729
Balance carried forward	22,725,337	184,618,423	(33,900,947)	173,442,813

RURAL WATER SUPPLY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2009

12. **WORK-IN-PROGRESS CONT'D.:**

Balance brought forward	22,725,337	184,618,423	(33,900,947)	173,442,813
Lowwoods to Minnah	1,545	-	-	1,545
Lucky Valley - Ph.2	5,894,701	69,927	(5,964,628)	-
Magotly W/S - Ph.2	-	214,700	-	214,700
Marlie Hill/Brown's Hall W/S	-	12,807,606	-	12,807,606
Mason Hall W/S	-	14,889	-	14,889
O'Connor/Ginger Ridge	420,000	-	-	420,000
Peace River	114,321	9,697,323	-	9,811,644
Point Hill	1,538,533	4,877,674	-	6,416,207
Richmond Hill/Copp	-	68,198	-	68,198
Ritchie/Coffee Piece	23,048	446,050	-	23,048
RWSL Master Plan	-	-	-	446,050
Sanguinetti/Tweedside	685	-	-	685
Sherwood Content	-	14,852	-	14,852
South Clarendon W/S	-	215,167	-	215,167
Staverly Park	-	3,680	-	3,680
Tydxon - Ph.2	11,581,511	1,857,260	-	13,438,771
Victoria to Sunbury	-	27,402	-	27,402
Wakefield	26,579	6,241,214	-	6,267,793
Watermount	1,280,504	781,588	-	2,062,092
Waugh Hill	5,435,891	3,836,602	-	9,272,493
Whitehall	3,360	-	-	3,360
Whitehall/Giddy Hall	30,500	-	-	30,500
Whitehall New Market	-	61,500	(9,277,566)	-
Windsor/Siloah	4,158,113	5,119,453	(57,000)	-
Wire Lane District	-	57,000	-	-
Grand Total	53,234,628	231,030,507	(49,200,141)	235,064,994
	590,710,563	254,591,110	(49,872,087)	795,429,586

RURAL WATER SUPPLY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED MARCH 31, 2009****13. PAYABLES AND ACCRUALS:**

	<u>2009</u> \$	<u>2008</u> \$
Trade	15,170,721	20,954,974
Contractors' retentions	32,428,000	21,896,584
Contractors' levy	10,027,340	6,185,579
Contractors	46,371,215	9,780,285
Statutory contributions	11,766,456	13,052,294
Audit fee	1,500,000	600,000
Tax compliance certificate levy	5,836,690	5,836,690
Payables control	1,754,194	2,212,987
Stale dated cheques	1,370,705	-
Accrued expenses	5,369,846	5,369,846
Other	1,000,136	346,954
	<u>132,595,303</u>	<u>86,236,193</u>

14. SHARE CAPITAL:

	<u>2009</u> \$	<u>2008</u> \$
Authorised, issued and fully paid - 200 Ordinary shares of no par value	<u>200</u>	<u>200</u>

15. CAPITAL RESERVE:

	<u>2009</u> \$	<u>2008</u> \$
Unrealised surplus on the revaluation of fixed assets	2,624,760	2,624,760
Bank accounts previously omitted from books	2,175,137	2,175,137
Gift of computers	480,000	480,000
	<u>5,279,897</u>	<u>5,279,897</u>

16. PROJECT ADVANCES:

This represents amounts advanced by the Government of Jamaica to undertake projects on its behalf.

On completion of a project, Project Advances Account is reduced by the cost of the project at the same time it is removed from work-in-progress (Notes 3 (f) and 12).

RURAL WATER SUPPLY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED MARCH 31, 2009****17. ADMINISTRATIVE STAFF COSTS:**

	<u>2009</u> \$	<u>2008</u> \$
Subsistence allowance	496,420	115,801
Salaries and wages	17,014,607	11,221,744
Rent allowance	5,102,300	4,461,400
NIS	186,374	156,892
Education tax	688,591	363,390
NHT	694,182	461,562
Uniform allowance	333,990	440,123
Lunch allowance	32,562	9,360
Motor vehicle allowance	<u>2,560,850</u>	<u>1,356,349</u>
	<u>27,109,876</u>	<u>18,586,621</u>

18. FINANCIAL INSTRUMENTS RISKS:**(i) Interest rate risk -**

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. At March 31, 2009, there was no significant exposure to interest rate risk.

(ii) Foreign Exchange Risk -

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign currency exchange rates. At March 31, 2009, there was no significant exposure to foreign exchange risk.

(iii) Liquidity risk -

Liquidity risk is the risk that an entity will be unable to meet its payment obligations associated with its financial liabilities when they fall due. At March 31, 2009, current liabilities exceed current assets by \$72,059,097 indicating a significant exposure to liquidity risk.

19. COMMITMENTS AND CONTINGENT LIABILITIES:

The company, as agent, is liable under easement agreements with various parties to compensate for damages incidental to activities in connection with these easements.

RURAL WATER SUPPLY LIMITED

SUPPLEMENTARY INFORMATION

YEAR ENDED MARCH 31, 2009

RURAL WATER SUPPLY LIMITED

FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2009

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Administrative Expenses	3
Engineering Expenses	4

AUDITORS' REPORT
SUPPLEMENTARY INFORMATION

To The Directors of
Rural Water Supply Limited

The supplementary information presented on pages 2 to 4, taken from the accounting records of the company, has been subjected to the tests and other auditing procedures applied in our examination of the financial statements of the company for the year ended March 31, 2009.

In our opinion, this information is fairly presented in all material respects in relation to the financial statements taken as a whole, although it is not necessary for a fair presentation of the state of the company's financial affairs at March 31, 2009 or the results of its operations or cash flows for the year then ended.

RURAL WATER SUPPLY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED MARCH 31, 2009

	<u>2009</u> \$	<u>2008</u> \$
REVENUE -		
Management fees	70,000,000	20,508,379
Consultancy fees	<u>28,980,708</u>	<u>14,951,331</u>
	98,980,708	35,459,710
Administrative expenses (page 3)	(72,297,780)	(40,725,298)
Engineering expenses (Page 4)	<u>(40,796,519)</u>	<u>(34,559,701)</u>
Operating loss	(14,113,591)	(39,825,289)
Net Finance income	1,311,699	3,115,961
Other income	<u>-</u>	<u>17,000</u>
Loss before taxation	<u>(12,801,892)</u>	<u>(36,692,328)</u>

RURAL WATER SUPPLY LIMITED**ADMINISTRATIVE EXPENSES****YEAR ENDED MARCH 31, 2009**

	<u>2009</u>	<u>2008</u>
	<u>₹</u>	<u>₹</u>
Staff costs	27,109,876	18,586,621
Telephone	1,950,039	1,656,612
Electricity	1,975,628	1,391,248
Rent and maintenance	6,006,172	6,094,811
Directors' fees	1,048,875	414,375
Printing and stationery	955,879	1,091,327
Gratuity	5,514,392	2,108,662
General	1,510,113	628,689
Donations and subscriptions	376,769	850,729
Staff welfare	2,409,420	4,190,969
Legal and professional fees	-	75,000
Depreciation	(157,079)	302,413
Audit fee	600,000	700,000
Temporary service	102,760	275,800
Advertisement	305,170	-
Asset tax	21,000	35,000
Public relations	612,156	167,544
Computer	568,257	475,057
Board meetings	320,982	185,248
General insurance	190,931	190,107
Bad debt	18,951,235	-
Bank charges	429,853	421,419
	<u>70,802,428</u>	<u>39,841,631</u>
<u>Motor Vehicle</u>		
Petrol & oil	1,072,842	612,036
Service and parts	368,608	183,668
Batteries and tyres	53,902	87,963
	<u>1,495,352</u>	<u>883,667</u>

RURAL WATER SUPPLY LIMITED

ENGINEERING EXPENSES

YEAR ENDED MARCH 31, 2009

	<u>2009</u>	<u>2008</u>
	<u>\$</u>	<u>\$</u>
Staff costs	37,345,067	30,604,638
Telephone	594,819	416,880
Subscriptions	23,000	24,000
Bank charges	866,326	739,957
Motor vehicle	277,410	255,246
Temporary service	-	32,200
Computer	72,000	-
Project	871,829	2,265,966
Electricity	25,124	96,597
General	720,944	124,217
	<u>40,796,519</u>	<u>34,559,701</u>

RURAL WATER SUPPLY LIMITED

INCOME TAX COMPUTATION

YEAR OF ASSESSMENT 2009

	<u>\$</u>	<u>\$</u>
Loss per financial statements		(12,801,892)
Add - Depreciation		(<u>157,079</u>)
		(12,958,871)
LESS: Capital allowances -		
Annual	(982,621)	
Initial	(<u>174,307</u>)	
		(<u>1,156,928</u>)
		(14,115,899)
TAX LOSSES BROUGHT FORWARD		(<u>81,810,275</u>)
TAX LOSSES CARRIED FORWARD		(<u>95,926,174</u>)

