RURAL WATER SUPPLY LTD

WINDOW DIAGRAM-Layout1.pdf

Engineering Solutions for Development

Varrell Greene

2018/2019

CORPORATE DATA

Registered Office:

Rural Water Supply Limited
3rd Floor, The Towers
25 Dominica Drive
Kingston 5
Jamaica W.I.
Telephone: (876) 754-5485, Fax: (876) 908-0414
Email: info@rwslja.com
Website: www.rwslja.com

Management Team:

Mr. Audley Thompson - Managing Director
Mr. Douglas Wilson - General Manager, Engineering
Mr. Michael Johnson - Finance Manager
Ms. Murie Bennett - HR/Corporate Services Manager
Mr. Garreth Mills - Engineering Manager

Bankers:

Sagicor Bank Jamaica Limited
17 Dominica Drive
Kingston 5

National Commercial Bank
1-7 Knutsford Boulevard
Kingston 5

Auditors:

Calvert Gordon & Associates
7 West Ave
Kingston Gardens
P.O. Box 13
Kingston 4

Attorney-at-law:

Garth McBean & Associates
Seymour Square
Kingston 6

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MISSION STATEMENT

To effectively manage the implementation of projects, by ensuring adherence to standards, time schedules and budget.

VISION STATEMENT

RWSL aims to be the major implementer projects, by ensuring adherence to standards, time schedules and budget.

MESSAGE FROM THE HON. KARL SAMUDA CD, MP
MINISTER WITHOUT PORTFOLIO
- MINISTRY OF ECONOMIC GROWTH & JOB CREATION

The provision of a consistent supply of potable water is a key priority of the Government of Jamaica. As this Government works to ensure universal access to this essential commodity by 2030, Rural Water Supply Limited (RWSL) remains a critical component of our efforts.

In 2018/19 RSWL continued its programme to deliver potable water to rural communities that have traditionally not had consistent and reliable access to the commodity. I wish to commend the RWSL team for implementing and upgrading 13 water supply systems in eight parishes across the island and beginning work on another three systems. Rural Water also repaired and rehabilitated rain water harvesting systems in rural communities and schools over the course of the year. The efforts of RWSL have directly benefitted over 10,500 persons who now have potable water in their taps as well as thousands of persons including students, teachers who now have access to a more consistent supply of water in their schools.

I welcome the close working relationship that RWSL has developed with the National Water Commission, the National Housing Trust and the Housing Agency of Jamaica. This joined up government approach is critical as we forge ahead with plans to increase access to water across the island.

Water is indeed life and no one should be without the commodity. Rural Water Supply Limited has the full support of the Government. Let us continue to work together to expeditiously bring water to even more rural communities.

MESSAGE FROM HIS WORSHIP THE MAYOR COUNCILLOR HOMER DAVIS, CD, JP - CHAIRMAN, RURAL WATER SUPPLY LIMITED

It has been my pleasure to once again serve as the Chairman of the Board of Directors for this small but efficient company, Rural Water Supply Limited (RWSL).

Throughout the years the RWSL has successfully provided the lifeblood commodity, running water, to thousands of Jamaicans in numerous rural communities island wide. This quote from French environmentalist Jean Michel Cousteau perfectly summarises the work of our team when he said **"Clean water, the essence of life and birthright for everyone, must become available to all people now".**

According to the 2018 Social and Economic Survey, the annual rainfall was below the 30 year mean for most parishes. So, being mindful of this along with the challenges faced by the rural communities to obtain water, much attention has been paid to strategies that mitigate this challenge including rehabilitation of catchment tanks.

So, during the 2018/2019 financial year, approximately 2,000 persons in the communities of Devon, Heavy Tree and Robins Hall in Manchester no longer had to walk miles for the precious commodity as their community storage tanks were repaired.
Given the similar challenge faced by many rural schools, the Ministry of Education provided the Agency with a list of 182 primary schools where upgrading of rainwater catchment facilities were required.

A lot of work has started in many of these facilities and many more will be done during the next financial year. In the reporting period rainwater systems in schools in the parishes of St. Mary, Hanover, St. Catherine, Clarendon, St. Ann and St. Andrew have been upgraded or are in the process of being repaired.

As we continue to play our part in managing Jamaica's water resources, a further 10,500 residents in the parishes of St. James, Manchester, St. Ann, Portland and Clarendon, benefited from improved and increased water supply under the Rural Water Supply Upgrade Programme at a cost of $100 million.

In the meanwhile, this small engineering company, Rural Water Supply Limited, continues to provide consultancy and or supervisory services for housing solutions being built by Government Ministries and Agencies such as the National Housing Trust, and the Ministry of Economic Growth and Job Creation. Consultancy service is also provided to the National Water Commission.

Once again, I must acknowledge the dedication and discipline of the Management and Staff of the organization. I must commend as well, my fellow Directors for their continued commitment and assistance in providing guidance and direction to the Company.

The work continues and we will play our part to provide this lifeblood commodity for the well-being of our bodies and to aid in the building of our economy.

Homer Davis, CD, JP
Chairman

MESSAGE FROM THE MANAGING DIRECTOR - AUDLEY THOMPSON

Rural Water Supply Limited's (RWSL) efforts to provide access to potable water in rural communities continue through the implementation/upgrade of rural water supply systems, during the 2018/2019 Financial Year under the headings detailed below:-

Comprehensive Rural Water Supply Systems Upgrade and Repairs

The complete rehabilitation of the following minor water supply systems have benefitted over 10,500 residents within the following service area:-

- Spring Garden Water Supply System, St. James
- Burnt Ground Water Supply System, St. James
- Top Reading/Haughton Water Supply, St Elizabeth
- Spice Grove Loading Bay, Manchester
- Knockpatrick pipe extension, Manchester
- Browns Hall pipe extension, St Catherine
- Shearers Heights Water Supply, Clarendon
- Hermitage Water Supply, St. Ann
- Comfort Valley Water Supply, St. Mary
- Rock River Water Supply, St. Mary
- Tinsbury Water Supply, St. Mary

- Reach Water Supply, Portland
- York Castle Ferro-cement Tank, St Ann

Works commenced on the following during the period under review and are ongoing:-

- Platfield Water Supply System, St. Mary (materials procurement)
- Peart Spring Water Supply System, Manchester (materials procurement) Ticky Ticky Water Supply System, Manchester (materials procurement)

Rainwater Harvesting and Catchment Tank Rehabilitation

The rehabilitation of rainwater harvesting facilities, island wide, is an ongoing process. In this regard, complete rehabilitation of the following systems were effected during the period under review and have benefitted over 2,000 residents:-

- Heavy Tree, Manchester (completed)
- Mt. Olivett, Manchester (completed)
- Robins Hall, Manchester (completed)
- Devon Water, Manchester (completed)
- Queenhyte ,St. Ann (on going)

Rehabilitation of Rainwater Harvesting Facilities in schools and institutions

Schools:-

- Gayle, Derry and Mt. Angus Primary Schools, St. Mary - Completed
- Ferncourt High School, St. Ann - Completed
- Rockhall Primary School, St. Andrew
- Charlton Primary School, St Ann

- Knockalva Agricultural School, Hanover
- Garlogie Primary school, Clarendon
- Enid Bennett High School, St Catherine

EXTERNAL CONSULTANCY SERVICES PROVIDED BY RWSL TO OTHER PUBLIC SECTOR ENTITY

National Water Commission- NWC/RWSL K-Factor Programme

RWSL provided consultancy supervision for the Cascade Water Supply System, Hanover; the Nonpariel Water Supply System, Westmoreland and the Mason River Water Supply System in Clarendon along with Clydesdale, St Andrew.

Contracts were also in place with the NWC to provide consultancy for the following water supply systems:-

- New Market Water Supply System, St. Elizabeth;
- Albert Town Water Supply System, Trelawny;
- Canaan Adelphi Water Supply System, St. James, and;
- Connors/Ginger Ridge Water Supply System, St. Catherine.

Additionally, rehabilitation works continued on the Longville Park Waste Water Treatment Facility, Clarendon, in keeping with the National Environment Planning Agency and the NWC's Standard.

National Housing Trust

RWSL was engaged, by the NHT, to provide consultancy supervision for the following projects-

- Industry Cove Housing Development, Hanover
- Friendship Housing Development, St. James

- Preparation of well design for the Colbeck Offsite Water Supply System, St. Catherine
- Rehabilitation of the Meylersfield Waste Water Treatment facility
- Barrett Hall/Sheckles /Dry Valley Housing Developments
- Rockhampton Housing Development , St Mary

Housing Agency of Jamaica (HAJ)

RWSL was engaged to carry out rehabilitation works at the Luana Wastewater Treatment Facility, St. Elizabeth and also to prepare design for the offsite water supply system for the White Hall Housing Development, St. Elizabeth

Ministry of Economic Growth and Job Creation (MEGJC)

The Ministry of Economic Growth and Job Creation engaged the services of RWSL to:-

- Provide consultancy supervision for the Kennedy Grove Treatment Facility, Clarendon
- Carry out review of structural assessment for the Rasta City/Tivoli Gardens Housing Development

FINANCIAL MATTERS

Income/Revenue from External Consultancy Service

Revenue from Consultancy fees, for the Financial Year ended 2019 March 31, stood at $66.7M. The amount represented an increase of $5.8M, when compared with the $60.9M earned for the preceding (2017/2018) Financial Year. The increase is attributed to effort made to diversify service offerings. RWSL continue to provide Consultancy Services for a number of NHT's housing development and some Environmental Foundation of Jamaica Projects.

Income/Revenue from GOJ Subvention

The Government of Jamaica's subvention (Administrative Support) amounted to $91.92M. The amount reflected an increase of $8.04M which was made available to facilitate the increase in operating cost and salaries.

Administrative Expenses

The Administrative expenses for the year ended 2019 March 31, stood at $152.22M when compared with the $158.77M on record for the previous year.

Profit of the period stood at $7.39M and reflected improvement in the area, given the recorded loss of $11.43M for the preceding (2017/2018) year.

Public Relations Matters

Projects completed and officially opened during the period under review include:- the Spring Garden Water Supply System, Montpelier Well, St. James, Hermitage Water Supply System, St. Ann, rainwater harvesting projects in schools such as the Roehampton Primary and Basic school and the Anchovy Primary School. The RWSL also participated in the World Water Day unction hosted by the Font Hill Primary School, St. Thomas during the month of March. Technical services was also provided to the Ministry and the NWC in upgrading the Font Hill Water Supply System.

BUSINESS PLAN

RWSL, on an annual basis is required to earn approximately $80M or 45% of its operating expenses. Efforts are, therefore, being made to aggressively secure external consultancy works. It is in this regard that a plan of action is being formulated to grow revenue. A listing of all external consultancy contracts along with the projected monthly income are to be monitored to ensure that the targets are met have been included as part of the strategy.

Administrative (Staff) related matters

The annual Christmas staff function was held at Jungle Fire Restaurant in Portmore and was well appreciated and supported by staff members.

The annual staff Fun day was held at the Jewel Dunn's River, St. Ann. Most staff participated in the event.

The staff is to be commended for their steadfast dedication, loyalty, and commitment to the RWSL and by extension to the water sector.

The Director will make every effort to lobby the Ministry of Economic Growth and Job Creation and the Government in ensuring that additional funding is provided for the implementation of rural water supply systems and to enhance service delivery to the nation.

Audley Thompson
Managing Director

BOARD OF DIRECTORS

2018/2019

Homer Davis - Chairman

Audley Thompson - M.D.

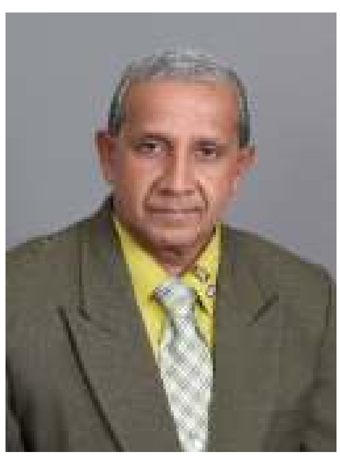
Doreen Hutchinson

Herbert Thomas

Farrah Blake

Kevin Lue

Jason Smith



Winston Maragh

Collen Gager

Mark Knight

REPORT ON PROJECTS

Comprehensive Rural Water Upgrade

This involves the establishment and/or rehabilitation of minor water supply systems some of which were upgraded island wide, including projects in St. Ann, St. James, Clarendon, Manchester, St Elizabeth, St Ann, Portland, St Andrew, St Catherine and St. Mary with approximately **10,500** residents benefiting.

COMPREHENSIVE RURAL WATER UPGRADING PROGRAMME			
Project	**Planned targets for the Period**	**Major Tasks**	**Achievements**
Comprehensive Rural Water Upgrading Programme Program Budget: $80.00M Exp. this period: $80.00M	To achieve 100% construction of minor water supplies across the island to include intakes, pipelines, pumping stations, storage tanks and catchment tanks.	To construct or repair intakes, pipelines, pumping stations, storage tanks and catchment tanks.	**12 Minor Water Supply Systems Completed.** **7 Minor Water Supply Systems Ongoing**

The following projects have been completed:

- Portland Cottage (Pumping Station, Electromechanical Equipment, Pipeline, Reservoir), Clarendon
- Top Reading/Haughton WSS, St Elizabeth
- Hermitage WSS, St. Ann
- McNie WSS, St Ann
- Burnt Ground WSS, St. James
- Spring Garden Water Supply System, St. James
- Tinsbury WSS, St Mary
- Rock River WSS, St Mary
- Reach WSS, Portland
- Camp Road Pipeline , St James
- Browns Hall pipeline extension, St Catherine
- Manchester Municipality Wayside Tank, Manchester

Portland Cottage Pumping Station, Clarendon

64,000 gal. Reservoir at Portland Cottage, Clarendon

Pipelaying activities at Portland Cottage, Clarendon

Spring Gardens Water Supply

Spring Gardens Steel Storage Tank

Spring Gardens Pipeline

The following projects are ongoing:

- Platfield WSS (pipe material), St. Mary
- Ticky Ticky WSS, Manchester
- Peart Spring WSS, Manchester
- Knockpatrick Pipeline extension (phase 2), Manchester
- Charles Town/Kildare W/S (pipe material)
- Wayside Tanks Island-wide
- Portland Cottage WSS- rehabilitation of distribution system, Clarendon

Rainwater Harvesting Projects and Rehabilitation of Catchment Tanks

This involved the rehabilitation of parish Catchment Tanks including repairs to barbeques, water proofing and covering of tanks, piping and fencing.

Approximately 3000 residents benefitted from these works.

CATCHMENT TANK REPAIRS AND RAINWATER HARVESTING PROGRAMME			
Project	**Planned targets for the Period**	**Major Tasks**	**Achievements**
Catchment Tank Repairs & Rainwater Harvesting Programme Programme Budget: $20.00M Exp. this period: $20.00M	To achieve 100% construction of catchment tanks across the island	Refurbishing/Installation of sundry catchment tanks and rainwater facilities across the island	**13 Rainwater Facilities have been completed.** **9 Rainwater Harvesting facilities are ongoing**

Rehabilitated tanks and rainwater harvesting facilities implemented are as follows:-

- Heavy Tree Catchment Tank, Manchester
- Robins Hall Catchment Tank , Manchester
- Foga Catchment Tank, Clarendon
- Devon Catchment Tank, Manchester
- York Castle Ferrocement Tank
- Rock Hall All Age School, St. Andrew
- Gayle Primary School, St. Mary
- Derry All Age School, St. Mary
- Mount Angus All Age School, St. Mary
- St. Ann's Bay General Hospital, St. Ann
- St. Mary's Infirmary, Port Maria, St. Mary
- Ginger Hill Primary School, St. Elizabeth
- Rennals Community rainwater system

20,000 gal. Storage Tank at the Enid Bennett High School, St. Catherine

Solar Panels installed at the Enid Bennett High School, St. Catherine

Ongoing Rainwater Facilities:

- Charlton Primary School, St Ann
- Ferncourt High School, St. Mary
- Reid's Mountain rainwater system
- Knockalva Agricultural School, Hanover
- Garlogie Primary School, Clarendon
- Enid Bennett High School, St. Catherine
- Rock Hall All Age School, St. Andrew (water efficiency)
- Ebenezer Catchment Tank, Manchester
- Woodlands # 1 Catchment Tank, St. Elizabeth

Rural Water Supply Development Strategy Implementation Programme (RWSDSIP)

RWSL continued the RWSDSIP that emanated from the revised National Water Sector Policy. For the period, the Strategy undertook investigations and prepared preliminary designs for Non-Utility Service Areas in Trelawny as well as commencing Westmoreland and various projects for EFJ funding. The Non-Utility Service Areas are identified as areas where it is not economically feasible for the National Water Commission (NWC) to provide piped water.

External Consultancy Services provided to other Public Sector Entities

RWSL earns a vital portion of its income from external consultancy by providing professional Engineering and Project Management Services for designs and construction of infrastructure works.

National Water Commission

a. NWC/RWSL K-Factor Programme;
b. NWC- Whitehall/New Market W/S ,St Elizabeth; Albert Town W/S Trelawny; Cannan/Adelphi W/S, St James; Connors/Ginger Ridge W/S St Catherine – preparation of designs and tendering
c. NWC – Clydesdale – contract administration

Ministry of Economic Growth & Job Creation

a. Kennedy Grove Water Supply Treatment Plant, Clarendon
b. Rasta City (Phase 2)

National Housing Trust

- Longville Park Phase 3, Clarendon – Sewage Treatment Plant Rehabilitation - contract administration
- Industry Cove Housing Development, Hanover – contract administration
- Colbeck Housing, St. Catherine - Offsite Water - contract administration
- Meylersfield Wastewater, Westmoreland
- Friendship Housing Development, St. James - contract administration
- Barrett Hall/Sheckles/Dry Valley housing – design

Manchester Municipality Wayside Tank, Manchester

OPERATIONAL PLAN- 2019/2020								
Project	**QTR 1 Target**	**Cost J$M**	**QTR 2 Target**	**Cost J$M**	**QTR 3 Target**	**Cost J$M**	**QTR 4 Target**	**Cost J$M**
COMPREHENSIVE RURAL WATER UPGRADING PROGRAMME								
Construction of rural water supply schemes to impact needy communities	20%	138	40%	276	70%	482	100%	688
CATCHMENT TANK REPAIRS & RAINWATER HARVESTING PROGRAMME								
Catchment Tank Repairs / Rainwater Harvesting Projects	25%	27	50%	54	85%	92	100%	108

			CAPITAL PROJECTS PROGRAM			
PROJECT	POPULATION	PARISH	COMPONENTS	ESTIMATE	TIME**	STATUS
				$M	months	
Completion of Ongoing Projects		Islandwide		10		
Plainfield Phase 1	5000	S.E. St Mary	Intake, treatment, pipeline	42	12	Pipe materials procured/Tender
Plainfield Phase 2	3000	S.E. St Mary		43	9	[illegible]
Plainfield Loading Bay	1000	S.E. St Mary		4	9	
[illegible] Hill	1000	[illegible] St Andrew	Tank, pipeline, [illegible]	13	3	Prelim. Design completed
[illegible]	2500	[illegible]	pipeline, storage, pumps	16	9	
[illegible]	400	[illegible] St Catherine	Solar pumping, intake, treatment, pipeline, storage	29	6	Prelim. Design
[illegible]	450	S. Trelawny	Pipeline extension & [illegible]	5	3	Prelim. Design
[illegible]	650	[illegible] St Catherine	Intake, treatment, pipeline	15	4	Prelim. Design
[illegible] pipeline extension	250	[illegible] St Catherine	Pipeline extension	8	3	Prelim. Design
[illegible] Spring	400	[illegible]	Intake, treatment, pipeline	6	4	Prelim. Design
[illegible] Spring	500	[illegible]	Solar pumping, intake, treatment, pipeline, storage	13	4	Pipe materials procured
[illegible]	450	[illegible]	Solar pumping, intake, treatment, pipeline, storage	11	4	Prelim. Design
[illegible]	1500	[illegible]	Solar pumping, intake, treatment, pipeline, storage	36	5	Prelim. Design
[illegible]	4000	[illegible] St Elizabeth	Pipeline extension	16	4	[illegible]
[illegible]	400	[illegible]	Intake, treatment, pipeline	6	3	
[illegible]	1000	[illegible]	Intake, treatment, pipeline	109	12	[illegible]
[illegible]	400	[illegible]	Intake, treatment, pipeline	7	5	
[illegible]	750	[illegible] St Elizabeth	Pipeline	4	2	Prelim. Design
[illegible]	1000	[illegible]	Intake, treatment, pipeline	15	6	
[illegible]	10000	[illegible]	Pipeline	90	9	[illegible]
[illegible] Phase 1	2500	[illegible]	Intake, treatment, pipeline, [illegible]	58	11	
[illegible]	7500	[illegible] St Catherine	[illegible]	88	12	
[illegible] Solar	2050	[illegible] St Mary	Solar pumping, pipeline, storage	8	3	Prelim. Design
[illegible] Hill Solar	400	[illegible] St Mary	Solar pumping, pipeline, storage	7	3	Prelim. Design
[illegible] Hill	900	[illegible]	Intake, treatment, pipeline	9	2	
[illegible] Hill	350	[illegible]	Intake, treatment, pipeline	5	2	
[illegible]	500	[illegible]	Intake, treatment, pipeline	5	2	
[illegible]	100	[illegible]	Pipeline	8	3	Prelim. Design
[illegible]		[illegible]		10		
[illegible]		[illegible]		15		
[illegible] Hill		[illegible]		45		
[illegible]	20000	Islandwide	Rehabilitation and [illegible]	65	24	
Rainwater Harvesting		Islandwide	Schools, institutions, [illegible]	25	24	
SUBTOTAL				185		
TOTAL	[illegible]			788		
** Time [illegible]						

SALARIES AND EMOLUMENTS FOR CHAIRMAN, DIRECTORS AND SENIOR MANAGEMENT STAFF 2018/2019

Directors' Compensation

NAME & POSITION OF DIRECTORS	FEES $	MOTOR VEHICLE UPKEEP/TRAVELLING OR VALUE OF ASSIGNMENT OF MOTOR VEHICLE $	HONORARIA $	ALL OTHER COMPENSATION INCLUDING NON-CASH BENEFITS AS APPLICABLE	TOTAL
Homer Davis Chairman	127,200.00	-	-	-	127,200.00
Collen Gager Director	74,200.00	-	-	-	74,200.00
Doreen Hutchinson Director	110,000.00	-	-	-	110,000.00
Farrah Blake Director	77,000.00	-	-	-	77,000.00
Herbert Thomas Director	130,000.00	-	-	-	130,000.00
Jason Smith Director	53,000.00	-	-	-	53,000.00
Kevin Lue Director	98,800.00	-	-	-	98,800.00
Mark Knight Director	88,800.00	-	-	-	88,800.00
Winston Maragh Director	136,800.00	-	-	-	136,800.00
TOTAL	**895,800.00**	**-**	**-**	**-**	**895,800.00**

Notes:

1. **Where a non-cash benefit is received (eg. Government Housing) the value of that benefit shall be quantified and stated in the appropriate column above.**

SALARIES AND EMOLUMENTS FOR CHAIRMAN, DIRECTORS AND SENIOR MANAGEMENT STAFF 2018/2019

Directors' Compensation

NAME & POSITION OF DIRECTORS	FEES $	MOTOR VEHICLE UPKEEP/TRAVELLING OR VALUE OF ASSIGNMENT OF MOTOR VEHICLE $	HONORARIA $	ALL OTHER COMPENSATION INCLUDING NON-CASH BENEFITS AS APPLICABLE	TOTAL
Homer Davis Chairman	127,200.00	-	-	-	127,200.00
Collen Gager Director	74,200.00	-	-	-	74,200.00
Doreen Hutchinson Director	110,000.00	-	-	-	110,000.00
Farrah Blake Director	77,000.00	-	-	-	77,000.00
Herbert Thomas Director	130,000.00	-	-	-	130,000.00
Jason Smith Director	53,000.00	-	-	-	53,000.00
Kevin Lue Director	98,800.00	-	-	-	98,800.00
Mark Knight Director	88,800.00	-	-	-	88,800.00
Winston Maragh Director	136,800.00	-	-	-	136,800.00
TOTAL	**895,800.00**	**-**	**-**	**-**	**895,800.00**

Notes:

1. **Where a non-cash benefit is received (eg. Government Housing) the value of that benefit shall be quantified and stated in the appropriate column above.**

Senior Executives' Compensation

NAME AND POSITION OF SENIOR EXECUTIVE	SALARY $	GRATUITY OR PERFORMANCE INCENTIVE $	TRAVELLING OR VALUE OF ASSIGNMENT OF MOTOR VEHICLE $	PENSION OR OTHER RETIREMENT BENEFIT $	OTHER ALLOWANCES $	NON-CASH BENEFIT	TOTAL $
Audley Thompson **Managing Director**	5,038,043	1,334,822	1,542,864	-	534,024	-	8,449,753
Michael Johnson **Finance Manger**	4,575,743	1,283,962	813,564	-	409,904	-	7,083,173
Douglas Wilson **General Manager, Engineering**	4,132,957	1,051,383	1,542,864	-	270,685	-	6,997,889
Murie Bennett **HR & Corporate Services Manager**	3,985,480	1,178,965	813,564	-	983,771	-	6,961,780
Garreth Mills **Engineering Manager**	3,378,821	787,131	813,746	-	-	-	4,979,698

Notes:

1. **Where contractual obligations and allowances are stated in a foreign currency, the sum in that stated currency must be clearly provided and not the Jamaican equivalent.**

2. **Other Allowances (including laundry, entertainment, housing, utility, etc.)**

3. **Where a non-cash benefit is received (eg. Government Housing), the value of that benefit shall be quantified and stated in the appropriate column above.**

FINANCIAL STATEMENTS

YEAR ENDED

MARCH 31, 2019

RURAL WATER SUPPLY LIMITED

YEAR ENDED MARCH 31, 2019

CONTENTS

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Associates

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INDEPENDENT AUDITORS' REPORT

To the members of

RURAL WATER SUPPLY LIMITED

Report on the financial statements

Opinion

We have audited the financial statements of Rural Water Supply Limited (the Company), set out on pages 2 to 30, which comprise the statement of financial position as at March 31, 2019, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at March 31, 2019, and financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Jamaican Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that presents a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on additional matters as required by the Jamaican Companies Act

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

CalvertGordon Associates

Chartered Accountants

Kingston, Jamaica
August 8, 2019

RURAL WATER SUPPLY LIMITED

STATEMENT OF FINANCIAL POSITION AT MARCH 31, 2019

	Notes	2019 $'000	2018 $'000
ASSETS			
Non-current assets			
Property and equipment	5	5,051	3,771
Work-in-progress	6	181,980	213,142
Total non-current assets		187,031	216,913
Current assets			
Inventories	7	11,082	4,482
Receivables and prepayments	8	32,741	75,818
Cash, bank and short-term deposits	9	83,310	86,764
Total current assets		127,133	167,064
Total assets		314,164	383,977
EQUITY AND LIABILITIES			
Share capital	10	- *	- *
Special reserve	11	10,640	10,640
Accumulated (deficit) surplus		(37,725)	183
Total equity		(27,085)	10,823
Current liabilities			
Project advances	12	311,597	317,293
Payables and accruals	13	29,652	55,861
Total current liabilities		341,249	373,154
Total equity and liabilities		314,164	383,977

* Denotes less than J$1,000

The Notes on Pages 6 to 30 form an integral part of the Financial Statements.

The financial statements on Pages 2 to 30 were approved and authorised for issue by the Board of Directors on August 8, 2019 and are signed on its behalf by:

Chairman

Managing Director

RURAL WATER SUPPLY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED MARCH 31, 2019

	Notes	2019 $'000	2018 $'000
INCOME			
Government subventions	14	91,920	83,871
Consultancy fees	15	66,704	60,992
Finance income	16	502	763
Other income	17	497	1,710
		159,623	147,336
EXPENSES			
Staff cost	18	146,375	133,797
Property		1,393	2,145
Motor vehicle		1,506	626
Utilities, rates and taxes		1,946	2,341
Depreciation		911	1,807
Bad debts		(18,346)	11
Advertising and public relations		853	1,157
Professional fees		4,725	4,634
Minimum Business Tax	19	60	62
Other		12,804	12,192
		152,227	158,772
PROFIT (LOSS) AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR	19	7,396	(11,436)

The Notes on Pages 6 to 30 form an integral part of the Financial Statements.

RURAL WATER SUPPLY LIMITED

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED MARCH 31, 2019

	Share Capital $'000	Special Reserve $'000	Accumulated Surplus (Deficit) $'000	Total $'000
Balance at April 1, 2017	-	10,640	11,619	22,259
Loss and Total Comprehensive Income for the year	-	-	(11,436)	(11,436)
Balance at March 31, 2018	-	10,640	183	10,823
Impact of IFRS 9 adoption	-	-	(45,304)	(45,304)
Restated opening balance	-	10,640	(45,121)	(34,481)
Profit and Total Comprehensive Income for the year	-	-	7,396	7,396
Balance at March 31, 2019	-	10,640	(37,725)	(27,085)

The Notes on Pages 6 to 30 form an integral part of the Financial Statements.

RURAL WATER SUPPLY LIMITED

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2019

	Note	2019 $'000	2018 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (Loss) for the year		7,396	(11,436)
Adjustments for:			
Depreciation of property and equipment		911	1,807
Loss on disposal of property and equipment		89	-
Foreign exchange adjustment		(1)	8
Deferred income		(63)	(63)
Interest income		(502)	(771)
Impact of IFRS 9 adoption	2 (a)	(45,304)	-
Reversal of expected credit loss on trade receivables		(18,346)	-
Impairment loss recognised on receivables		-	11
Increase (Decrease) in provision for employee benefit		956	(727)
Operating cash flows before movement in working capital		(54,864)	(11,171)
Decrease (Increase) in receivables and prepayments		61,423	(1,641)
Increase in inventories		(6,600)	(1,241)
Increase in payables and accruals		1,515	6,700
Net cash provided by (used in) operating activities		1,474	(7,353)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		494	807
Proceeds from disposal of property and equipment		14	-
Acquisition of property and equipment		(2,294)	-
Work-in-progress		(179,253)	(147,404)
Cash used in investing activities		(181,039)	(146,597)
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital grant received		176,103	200,100
Cash provided by investing activities		176,103	200,100
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(3,462)	46,150
OPENING CASH AND CASH EQUIVALENTS		86,751	40,609
Effect of foreign exchange rate changes on the balance of cash held in foreign currency		1	(8)
CLOSING CASH AND CASH EQUIVALENTS		83,290	86,751

The Notes on Pages 6 to 30 form an integral part of the Financial Statements.

1 IDENTIFICATION

The Rural Water Supply Limited (the Company), formerly Carib Engineering Corporation Limited, was established on April 21, 1983. The Company falls under the auspices of the Ministry of Economic Growth and Job Creation with registered office at The Towers, 25 Dominica Drive, Kingston 5. The Company's shares are held by the Accountant General on behalf of the Government of Jamaica.

The Company's principal activities are the designing, management and implementation of potable water supply systems mainly on behalf of the Government of Jamaica. This activity is funded through Government Grants provided under the Capital 'A' Budget.

The Company also provides private consultancy services for other public/private entities requiring its service at an agreed fee.

The Company is exempt from income tax under Section 12(b) of the Income Tax Act.

2 ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

Standards and Disclosures affecting amounts reported and/or presentation and disclosures in the current period (and/or prior periods)

The following Standards affected presentation and disclosures in the current period:

(a) **IFRS 9 – Financial Instruments**

In the current year, the Company has applied IFRS 9 issued by the International Accounting Standards Board (IASB), effective for annual periods beginning on or after January 1, 2018 for the first time.

IFRS 9 'Financial Instruments' replaces IAS 39 'Financial Instruments: Recognition and Measurement'. The Company has adopted the modified retrospective approach and has not restated comparative information for 2017 for financial instruments in the scope of IFRS 9. Therefore, the comparative information for 2018 is reported under IAS 39 and is not comparable with the information presented for 2019. Changes arising from the adoption of IFRS 9 have been recognized directly in retained earnings as of April 1, 2018 and are disclosed below.

Changes to classification and measurement
To determine their classification and measurement category, IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics. The IAS 39 measurement categories of financial assets (fair value through profit or loss (FVPL), available for sale (AFS), held-to-maturity and amortised cost) have been replaced by:

(i) Debt instruments at amortised cost
(ii) Debt instruments at fair value through other comprehensive income (FVOCI), with gains or losses recycled to profit or loss on derecognition
(iii) Equity instruments at FVOCI, with no recycling of gains or losses or profit or loss on derecognition
(iv) Financial assets at FVPL

The accounting for financial liabilities remains largely the same as it was under IAS 39, except for the treatment of gains or losses arising from an entity's own credit risk relating to liabilities designated at FVPL. Such movements are presented in OCI with no subsequent reclassification to the income statement.

The Company's classification of its financial assets and liabilities is explained in Note 3.

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

2 **ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Cont'd)**

Standards and Disclosures affecting amounts reported and/or presentation and disclosures in the current period (and/or prior periods) (Cont'd)

(a) **IFRS 9 – Financial Instruments** (Cont'd)

Changes to the impairment calculation
The adoption of IFRS 9 has fundamentally changed the Company's accounting for accounts receivable loss impairments by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Company to record an allowance for ECLs for all debt financial assets not held at FVPL. The allowance is based on the ECLs associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination, in which case the impairment is assessed over its lifetime. If the financial asset meets the definition of purchased or originated credit impaired (POCI), the allowance is based on the change in the ECLs over the life of the asset. The quantitative impact of applying IFRS 9 as at April 1, 2018 was as follows:

	Increase/(Decrease) $
Assets	
Receivables	(45,304)
Total	(45,304)
Equity	
Accumulated surplus/deficit	(45,304)
Total	(45,304)

(b) **IFRS 15 – Revenue from Contracts with Customers**

IFRS 15 supersedes IAS 11, 'Construction Contracts', IAS 18, 'Revenue' and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Under IFRS 15, an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services, following a five step model:

- Step 1: Identify the contract(s) with a customer (agreement that creates enforceable rights and obligations);
- Step 2: Identify the different performance obligations (promises) in the contract and account for those separately;
- Step 3: Determine the transaction price (amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services);
- Step 4: Allocate the transaction price to each performance obligation based on the relative stand-alone selling prices of each distinct good or service; and
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation by transferring control of a promised good or service to the customer. A performance obligation may be satisfied at a point in time or over time.

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

2 ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Cont'd)

IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the Standard requires extensive disclosures.

Standards and Disclosures affecting amounts reported and/or presentation and disclosures in the current period (and/or prior periods) (Cont'd)

(b) **IFRS 15 – Revenue from Contracts with Customers** (Cont'd)

IFRS 15 also includes disclosure requirements to provide comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Company adopted IFRS 15 using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under this method, the Standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the Standard only to contracts not completed at this date. Contracts that are not completed are those for which there are unsatisfied performance obligations. The Company also applied the practical expedient of aggregating the effect of all of the modifications that occurred in contracts that were modified before April 1, 2018 when identifying the satisfied and unsatisfied performance obligations, determining the transaction price, and allocating the transaction price to the satisfied and unsatisfied performance obligations.

The adoption of IFRS 15 did not impact the timing or amount of revenue from contracts with customers and the related assets and liabilities recognised by the Company. Accordingly, the impact on the comparative information is limited to new disclosure requirements.

There were no other Standards and Interpretations that were applied in the year that affected the presentation and disclosures in these financial statements.

Standards and Interpretations adopted with no effect on financial statements

The following new and revised Standards and Interpretations have been adopted in these financial statements. Their adoption has not had any impact on the amounts reported in these financial statements but may impact the accounting for future transactions or arrangements.

		Effective for annual periods beginning on or after
Amendments to Standards		
IAS 40	Investment Property	
	- Amendments relating to the transferring of investment property to, or from, investment property only when there is a change in use	January 1, 2018
IFRS 1 and IAS 28	- Amendments arising from Annual Improvements to IFRS 2014 – 2016 Cycle	January 1, 2018
IFRS 2	Share-based Payment	
	- Amendments to clarify classification and measurement of share-based payment transactions	January 1, 2018
IFRS 4	Insurance Contracts	
	- Amendments to provide two options for entities that issue Insurance contracts within the scope of IFRS 4	
	• Overlay approach	Applies when IFRS 9 is applied

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

		January 1, 2018
	• Deferral approach	
IFRS 7 and 9	Amendments requiring disclosures about the initial application of IFRS 9	Applies when IFRS 9 is applied
New and Revised Interpretations		
IFRIC 22	Foreign Currency Transactions and Advance Consideration	January 1, 2018

Standards and interpretations in issue not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but not effective or early adopted for the financial period being reported on:

		Effective for annual periods beginning on or after
New and Revised Standards		
IAS 1 and 8	Amendments to the definition of 'Material'	January 1, 2020
IAS 12 and 23 and IFRS 3 and 11	Amendments arising from Annual Improvements to IFRS Standards 2015 – 2017 Cycle	January 1, 2019
IAS 19	Employee Benefits - Amendments to clarify measurement of plan amendment, curtailment or settlement	January 1, 2019
IAS 28	Investments in Associates and Joint Ventures - Amendments to clarify the application of IFRS 9 to long-term interests in an associate or joint venture that form a part of the net investment	January 1, 2019
IFRS 3	Definition of a Business	January 1, 2020
IFRS 9	Amendments to IFRS 9 Prepayment Features with Negative Compensation	January 1, 2019
IFRS 16	Leases	January 1, 2019
IFRS 17	Insurance Contracts	January 1, 2021
New and Revised Interpretations		
IFRIC 23	Uncertainty over Income Tax Treatments	January 1, 2019

New and Revised Standards and Interpretations in issue not yet effective that are relevant

The Board of Directors and management have assessed the impact of all the new and revised Standards and Interpretations in issue not yet effective and have concluded that the following are relevant to the operations of the Company:

- IAS 1 and 8

  The amendments in Definition of Material (Amendments to IAS 1 and IAS 8) clarify the definition of 'material' and align the definition used in the Conceptual Framework and the Standards. The adoption of these amendments at the effective date is not expected to have a significant impact on the Company's financial statements.

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 *Statement of compliance*

The Company's financial statements have been prepared in accordance, and comply with International Financial Reporting Standards (IFRS) and the relevant requirements of the Companies Act, 2004 of Jamaica.

3.2 *Basis of preparation*

These financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2, or value in use is IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level I, 2 or 3 based on the degree to which inputs to the fair value measurements are observable, and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

(i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

(ii) Level 2 inputs other than quoted prices Included within Level 1, that are observable for the asset or liability, either directly or indirectly, and

(iii) Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

3.3 *Functional and presentation currency*

The financial statements are presented in Jamaican dollars, which is the functional currency of the Company.

3.4 *Property and equipment*

All property and equipment held for use in the supply of services, or for administrative purposes, are recorded at historical cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation is recognised so as to write off the cost of property and equipment less their residual values, over the estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation methods are reviewed at each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of

3 **SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.5 ***Impairment of tangible assets***

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.6 ***Inventories***

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on an average cost basis. All inventories held by the Company are for use in the supply of services.

3.7 ***Financial instruments (Policy applicable from April 1, 2018)***

Financial instruments include transactions that give rise to both financial assets and financial liabilities.

Financial assets and liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transactions costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities (except for financial assets and financial liabilities at fair value through profit or loss where such costs are recognised immediately in profit or loss), as appropriate, on initial recognition.

The fair values of financial instruments are highlighted at Note 21.

3.7.1 ***Financial assets***

Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

3 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

3.7 *Financial instruments (Policy applicable from April 1, 2018) (Cont'd)*

3.7.1 *Financial assets (Cont'd)*

Initial recognition and measurement (Cont'd)
In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

(i) Financial assets at amortised cost (debt instruments)
(ii) Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
(iii) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
(iv) Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)
This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Company's financial assets at amortised cost includes trade and other receivables and cash and bank balances.

De-recognition of financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

(i) The rights to receive cash flows from the asset have expired or
(ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the

3 **SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

3.7 ***Financial instruments (Policy applicable from April 1, 2018) (Cont'd)***

3.7.1 ***Financial assets (Cont'd)***

Impairment

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs.

Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.7.2 ***Financial liabilities***

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. to related parties and trade and other payables, except accruals.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

3 **SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

The Company's financial liabilities include trade and other payables.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

De-recognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of income.

3.8 ***Financial instruments (Policy applicable before April 1, 2018)***

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities or are recognised immediately in profit or loss, as appropriate, on initial recognition.

3.8.1 ***Financial assets***

Financial assets of the Company are classified into the following specified category: "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All purchases or sales of financial assets are recognised and derecognised on a trade date basis, and require delivery of assets within the timeframe established by regulation or convention in the market place.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including receivables and prepayments, cash and bank balances which are short-term in nature and held-to-maturity investments) are measured at amortised cost using the effective interest method less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for the debt instruments.

Impairment of financial assets
Financial assets are assessed for indication of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investment have been affected.

3 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- the probability that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are in addition assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, and increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

3.8 *Financial instruments (Policy applicable before April 1, 2018) (Cont'd)*

3.8.1 *Financial assets (Cont'd)*

Impairment of financial assets (Cont'd)
For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written-off against the profit or loss. Subsequent recoveries of amounts previously written-off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets
The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial assets and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset or retains a residual interest that does not result in the retention of substantially all the risks and rewards of ownership and the Company retains control), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing

3 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised is recognised in profit or loss.

3.8.2 *Financial liabilities and equity instruments*

Classification as debt or equity
Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities
Financial liabilities of the Company are classified as other financial liabilities.

Other financial liabilities are initially measured at fair values net of transaction costs and subsequently measured at amortised cost using the effective interest method.

3.8 *Financial instruments (Policy applicable before April 1, 2018) (Cont'd)*

3.8.2 *Financial liabilities and equity instruments (Cont'd)*

Financial liabilities (Cont'd)
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, (where appropriate), a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities
The Company derecognises financial liability when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.9 *Related party transactions and balances*

A party is related to the Company if:

(i) directly, or indirectly through one or more intermediaries, the party:
- controls, is controlled by, or is under common control with, the Company (this includes parent, subsidiaries and fellow subsidiaries);
- has an interest in the entity that gives it significant influence over the Company; or
- has joint control over the Company;

(ii) the party is an associate of the Company;
(iii) the party is a joint venture in which the Company is a venturer;
(iv) the party is a member of the key management personnel of the Company;
(v) the party is a close member of the family of any individual referred to in (i) or (iv);

3 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v).

Related party transactions and balances are recognised and disclosed in the financial statements.

Transactions with related parties are recorded in accordance with the normal policies of the Company at transaction dates.

3.10 *Project advances*

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

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

(ii) On receipt of cash, goods or services from International Funding Agencies and other Governments.

(iii) On payment of project liabilities by Government of Jamaica.

3.11 *Revenue recognition*

Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer.

3.11.1 *Government subvention*

Government subvention that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

3.11.2 *Consultancy fees Consultancy fees (Policy applicable before April 1, 2018)*

The Company's policy for recognition of revenue from external consultancy is to gradually recognise income when the outcome of the transaction can be reliably estimated by reference to the stage of completion.

3.11.2 *Consultancy fees (Policy applicable from April 1, 2018)*

The Company provides engineering consultancy service for water projects. Such services are recognised based on the stage of completion of the contract. The directors have assessed that the stage of completion, determined as the proportion of the total service time expected that has elapsed at the end of the reporting period, is an appropriate measure of progress towards complete satisfaction of these performance obligation under IFRS 15.

3.11.3 *Interest income*

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of the income can be measured reliably.

3 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.12 *Foreign currencies*

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency, the Jamaican dollar, are recognised at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

3.13 *Taxation*

Current tax
The Company is not liable to income tax as it is exempt under Section 12(b) of the Income Tax Act but is required to pay a Minimum Business Tax (Note 19).

3.14 *Employee benefits*

Termination benefit
A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and the entity recognises any related restricting costs.

Short-term employee benefits
A liability is recognised for benefits accruing to employees in respect of annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the service.

4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in Note 3, the management and directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 *Critical judgments in applying accounting policies*

Management and directors believe that there are no judgements made apart from those involving estimation, in the process of applying the company's accounting policies that have a significant effect on the amounts recognised in the financial statements.

4.2 *Key sources of estimation uncertainty*

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

4.2.1 Useful lives of property and equipment

Depreciation is provided so as to write down the respective assets to their residual values over their expected useful lives and, as such, the selection of the estimated useful lives and the expected residual values of the assets require the use of estimates and judgements. Details of the estimated useful lives are as disclosed in Note 5.

4.2.2 Allowance for expected credit losses

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for various ageing buckets and the related loss patterns. The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product, inflation and foreign exchange rates) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 8.

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

5 **PROPERTY AND EQUIPMENT**

	Leasehold Improvements	Computers	Furniture, Fixtures and Equipment	Motor Vehicles	Total
	$'000	$'000	$'000	$'000	$'000
Cost					
April 1, 2017	1,750	5,334	5,603	3,556	16,243
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
March 31, 2018	1,750	5,334	5,603	3,556	16,243
Additions	518	1,184	592	-	2,294
Disposals/write-offs	-	(435)	-	-	(435)
March 31, 2019	2,268	6,083	6,195	3,556	18,102
Depreciation					
April 1, 2017	1,750	3,589	2,482	2,844	10,665
Charge for year	-	362	733	712	1,807
March 31, 2018	1,750	3,951	3,215	3,556	12,472
Charge for year	6	674	231	-	911
On disposal/write-off	-	(332)	-	-	(332)
March 31, 2019	1,756	4,293	3,446	3,556	13,051
Carrying Amount					
March 31, 2019	512	1,790	2,749	-	5,051
March 31, 2018	-	1,383	2,388	-	3,771

The following useful lives are used in the calculation of depreciation:

Leasehold improvements	-	4 years
Computers	-	4 years
Furniture, fixtures and equipment	-	5 - 10 years
Motor vehicles	-	5 years

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

6 WORK IN PROGRESS

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

	2019				
Project funded from:	Balance at April 1, 2018 $'000	Cost incurred during the year $'000	Projects completed during the year $'000	Adjustments $'000	Balance at March 31, 2019 $'000
Capital 'A' Budget - (Comprehensive Rural Water Upgrade)	152,926	125,149	(124,460)	1,288	154,903
Constituency Development Fund	-	5,328	-	-	5,328
Sugar Transformation (MOA)	12,424	-	(12,327)	-	97
National Water Commission	34,784	18,872	(32,004)	-	21,652
Environmental Foundation of Jamaica (EFJ)	13,008	-	(13,008)	-	-
	213,142	149,349	(181,799)	1,288	181,980

	2018				
Project funded from:	Balance at April 1, 2017 $'000	Cost incurred during the year $'000	Projects completed during the year $'000	Adjustments $'000	Balance at March 31, 2018 $'000
Capital 'A' Budget - (Comprehensive Rural Water Upgrade)	100,327	150,582	(96,106)	(1,877)	152,926
Sugar Transformation (MOA)	11,300	1,124	-	-	12,424
National Water Commission	24,075	10,709	-	-	34,784
Environmental Foundation of Jamaica (EFJ)	4,251	8,757	-	-	13,008
	139,953	171,172	(96,106)	(1,877)	213,142

Adjustments are primarily with respect to the write back of contractors' payables which have expired and or cancelled.

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

7 INVENTORIES

These comprise:

	2019 $'000	2018 $'000
Pipes, automatic valves and accessories	8,743	-
Engine driven, pressure fire pumps	2,339	4,482
	11,082	4,482

8 RECEIVABLES AND PREPAYMENTS

8.1 These include:

	2019 $'000	2018 $'000
Consultancy fees	32,168	56,776
Less: Allowance for expected credit losses	(26,969)	(11)
	5,199	56,765
Subvention receivable	37	8,657
Staff loans and advances	5,560	6,162
Other receivables (net of allowance for expected credit losses of $0.55 million, (2018: $0.55 million))	21,567	3,536
Prepayments	378	698
	32,741	75,818

The average credit period on consultancy service is 30 days. The Company has provided fully for all receivables due for over 90 days because historical experience has shown that receivables that are past due beyond this period are generally not recoverable. Receivables outstanding between 30 days and 90 days are provided for based on estimated irrecoverable amounts from the service provided, determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

Of the trade receivables balance at year end $29.80 million (2018: $51.44 million) is due from the Company's largest customers who represent approximately 93% (2018: 91%) of the total balance of trade receivables.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for customers with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off when there is significant evidence of impairment.

Ageing of past due but not impaired

	2019 $'000	2018 $'000
31-60 days	147	5,165
61-90 days	460	4,100
Over 90 days	-	43,686
Total	607	52,951

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

8 **RECEIVABLES AND PREPAYMENTS (Cont'd)**

8.2 Movement in the allowance for expected credit losses:

	2019 $'000	2018 $'000
Balance at beginning of the year	564	836
Impact of IFRS 9 adoption	45,304	-
Net remeasurement of loss allowance	(18,346)	11
Amounts recovered during the year	-	(265)
Amounts written off during the year as uncollectible	-	(18)
Balance at end of the year	27,522	564

9 **CASH, BANK AND SHORT-TERM DEPOSITS**

9.1 These comprise:

	2019 $'000	2018 $'000
Funds held for administration and resource management	30,361	80,092
Funds held for consultancy projects	47,527	6,012
Staff Revolving Loan Fund	5,422	660
Cash, bank and short-term deposits	83,310	86,764

9.2 For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks and investments in Money Market instruments with an original maturity of three months or less from the date of acquisition.

	Weighted Average Interest Rate %	2019 $'000	2018 $'000
Fixed deposit (Jamaican dollars)	3.80	14,774	14,508
Cash on hand and in banks:			
– Current accounts		68,236	71,964
– Saving accounts - including US$2,000 (2018 - US$1,998)		265	264
Cash on hand		15	15
Cash and cash equivalents		83,290	86,751

10 **SHARE CAPITAL**

	2019 $	2018 $
Authorised, issued and fully paid 200 Ordinary shares at no par value at beginning and end of the year		
Stated capital: Balance at April 1 and March 31	200	200

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

11 SPECIAL RESERVE - REVOLVING LOAN FUND

This comprises the Company's share of surplus arising from the wound-up pension plan in March 2011. The Ministry of Finance and Public Service has given permission for this to be used as a staff revolving loan fund. The reserve was set up by transfer from surplus of the 2011 financial year.

12 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.

	2019 $'000	2018 $'000
Balance at beginning of year	317,293	213,299
Capital grants received during the year	176,103	200,100
Set-off against work-in-progress (Note 6)	(181,799)	(96,106)
Balance at end of year (Note 12(b))	311,597	317,293

(a) General Consumption Tax (GCT) withheld with respect to project costs during 2018 amounting to $4.69 million was paid indirectly by the Company's Parent Ministry. This amount does not form a part of capital grants received during 2018.

(b) **Reconciliation of liabilities arising from financing activities**

The table below details changes in the Company's liabilities arising from financing activities, including cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

			Non-Cash Changes		
	April 1, 2018	Financing Cash Flows	Completed Projects	Adjustments	March 31, 2019
	$'000	$'000	$'000	$'000	$'000
Project advances	317,293	176,103	(181,799)	-	311,597
	317,293	176,103	(181,799)	-	311,597

13 PAYABLES AND ACCRUALS

	2019 $'000	2018 $'000
Trade payable	3,705	2,434
Contractor's payable	6,374	32,353
Deferred income (Note 13(a))	204	267
Employee's benefit	9,550	8,594
Other payables and accruals	9,819	12,213
	29,652	55,861

(a) This amount represents unamortised balance of furniture and equipment donated to the Company following a relocation exercise to facilitate housing of the Ministry of Transport and Works. The write-off for the year is included in 'other income'. See Note 17.

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

14 GOVERNMENT SUBVENTIONS

Government subventions include recurrent amounts received from the Ministry of Economic Growth and Job Creation for administrative support. This is based on a fixed budgeted amount for the specific financial year. Subvention is recognised in the income statement in the same year as the related expenses.

15 CONSULTANCY FEES

These comprise:	2019 $'000	2018 $'000
Income from external consultancy (Note 15 (a))	91,920	60,992

The following are entity-wide disclosures:

(a) Income from external consultancy represents engineering services provided to public and/or quasi-public entities. Income from these sources is recognised gradually when the outcome of the transaction can be reliably estimated. This is done by reference to the stage of completion of the transaction as at the reporting date.

(b) Major customers

Of the income for the year, 82% (2018: 85%) was attributable to the Company's largest customer. There were no other customers who represented 10% or more of the Company's income.

(c) Performance obligations

The performance obligation is satisfied upon completion and acceptance of different deliverables as outlined in contracts with customers. The terms of payment are determined by prior approval for a credit period of 30 days.

16 FINANCE INCOME

Finance income comprises:

	2019 $'000	2018 $'000
Interest income from bank and other short-term deposits	475	746
Interest income from staff loans	26	25
Foreign exchange conversion gain	1	(8)
	502	763

17 OTHER INCOME

	2019 $'000	2018 $'000
Loss on sale of property and equipment	(89)	-
Deferred income (Note 13)	63	63
Other	523	1,647
	497	1,710

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

18 STAFF COST

	2019	2018
	$'000	$'000
Salaries and allowances	103,652	96,971
Gratuity	16,751	20,610
Vacation expense	86	509
Statutory contributions	6,163	5,726
Staff welfare and subsidies	19,723	9,981
	146,375	133,797

19 PROFIT (LOSS)

The following are expenses included in the determination of profit (loss) for the year:

	2019	2018
	$'000	$'000
Directors emoluments - fees	896	894
Auditors' remuneration	950	880
Depreciation	911	1,807
Minimum Business Tax (See below)	60	62

Minimum Business Tax (MBT) was implemented by the Government of Jamaica in April 2014 and requires all companies incorporated or registered in Jamaica to pay an amount of $60,000 annually. Companies which are exempted from the payment of income tax, or operating under an income tax regime, companies making a loss, as well as dormant companies are liable. The tax was abolished effective April 2019.

20 RELATED PARTY TRANSACTIONS AND BALANCES

(a) The following transactions were carried out with related parties comprising directors and key management personnel:

	2019	2018
	$'000	$'000
Salaries and allowances including statutory contributions	34,472	32,517
Directors fees	896	894

The remuneration of directors and key management is determined by the Ministry of Finance and Public Service.

(b) Year end balances with related parties are as follows:

	2019	2018
	$'000	$'000
Staff loans and advances	1,869	2,620
Other payables	37	24

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

21 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT

21.1 Capital risk management

The Company manages its capital to ensure that the entity will be able to continue as a going concern. The Company is a Government owned entity and its operations are funded by the Government of Jamaica. The Board of Directors is responsible to obtain adequate funding from the Government of Jamaica for its operations to ensure that the Company meets its operational objectives and remains a viable entity. The Company's overall capital risk management strategy remains unchanged from 2018.

The capital structure of the Company consists of cash and cash equivalents and equity attributable to the Government of Jamaica.

21.2 Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instruments are disclosed in Note 3 to the financial statements.

21.3 Categories of financial instruments

	2019	2018
	$'000	$'000
Financial assets (at amortised cost)	115,672	161,883
Financial liabilities (at amortised cost)	12,370	39,831

21.4 Financial risk management objectives

The Company's financial risk management policies are directed by the Board of Directors, assisted by a committee of the Board and the senior management. The Company's activities expose it to credit related risks, liquidity risks and market risks that include foreign currency risks and interest rate risks.

The annual budgeting exercise and the continuing monitoring of the operations of the Company against the budgets allow the Board and the senior management to achieve its objectives and to manage relevant financial risks that could be faced by the entity.

21.5 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

Financial assets that potentially subject the Company to concentration of credit risk consist principally of cash, and receivables. The maximum exposure to credit risk is the amount of approximately $115.67 million (2018: $161.87 million).

Cash, bank and short-term deposits
The credit risk on liquid funds is limited because the counterparties are major banks with high credit ratings. The carrying amount of cash at bank totaling $83.29 million (2018: $86.75 million) represents the Company's maximum exposure to this class of financial assets.

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

21 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

21.5 Credit risk (Cont'd)

Receivables

Credit risk is minimised by extending credit to credit worthy parties. Receivables representing staff loans are deducted from emoluments on a monthly basis.

The credit policies and procedures include collection of advances at the start of certain sales contract.

Receivables consist of balances from a small number of public and/or quasi-public entities, and as such, the Company has significant credit risk exposure to any single counterparty. The book value of receivables is stated after allowance for likely losses estimated by the Company's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets in respect of receivables totaling $32.36 million at year end, (2018: $75.12 million) represents the Company's maximum exposure to this class of financial asset.

Set out below is the information about the credit risk exposure on the Company's trade receivables using a provision matrix.

March 31, 2019	Days Past Due				
	1 - 30	31 - 60	61 - 90	Over 90	Total
	$'000	$'000	$'000	$'000	$'000
Expected loss rate	28.90%	68.34%	1.10%	100%	
Estimated gross carrying amount at default	6,459	465	465	24,779	32,168
Allowance for expected credit loss	1,867	318	5	24,779	26,969

April 1, 2018	Days Past Due				
	1 - 30	31 - 60	61 - 90	Over 90	Total
	$'000	$'000	$'000	$'000	$'000
Expected loss rate	12.06%	15.20%	1.10%	100%	
Estimated gross carrying amount at default	2,500	6,246	4,010	44,020	56,776
Allowance for expected credit loss	302	949	44	44,020	45,315

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

21 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

21.6 Liquidity risk management

Liquidity risk, also referred to as funding risk, is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. The directors do not consider that there is a significant liquidity risk because the operations are funded by the Government of Jamaica.

The table below summarises the Company's remaining contractual maturities for the financial assets and financial liabilities.

	2019			
	Weighted Average Effective Rate	Less than 1 Month	1 to 12 Months	Total
	%	$'000	$'000	$'000
Financial assets				
Receivables	-	-	32,363	32,363
Cash and bank deposits	1.41	83,387	-	83,387
		83,387	32,363	115,750
Financial liabilities				
Payables	-	12,370	-	12,370
		71,017	32,363	103,380

	2018			
	Weighted Average Effective Rate	Less than 1 Month	1 to 12 Months	Total
	%	$'000	$'000	$'000
Financial assets				
Receivables	-	-	75,119	75,119
Cash and bank deposits	2.72	86,808	-	86,808
		86,808	75,119	161,927
Financial liabilities				
Payables	-	39,831	-	39,831
		24,808	75,119	122,096

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

21 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

21.7 Market risk

The Company's investment activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. (See Notes 21.8 and 21.9).

There has been no change to the manner in which the Company manages and measures this risk.

21.8 Foreign currency risk management

The Company undertakes certain transactions denominated in currencies other than the Jamaican dollar.

The following balances held in United States dollars are included in these financial statements:

	2019	2018
	$'000	$'000
Cash and bank deposits - United States dollars	251	250

21.8.1 Foreign currency sensitivity analysis

The Company's deposits are exposed to the United States dollar. The Company's sensitivity to a 4% revaluation or 6% devaluation (2018: 2% revaluation or 4% devaluation) in the Jamaican dollar against the United States dollar is the sensitivity rate that represents management's assessment of the reasonably possible change in foreign exchange rate in the short-term.

The sensitivity to a 4% revaluation or 6% devaluation (2018: 2% revaluation or 4% devaluation) in the Jamaican dollar against the United States dollar would be a decrease of J$0.010 million or an increase of J$0.015 million (2018: decrease of J$0.010 million or an increase of J$0.005 million) in profit or loss.

There was no significant exposure to foreign exchange risk; the foreign currency sensitivity remains the same as prior year.

21.9 *Interest rate risk management*

The Company's exposure to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note (Note 21.6).

Interest rate sensitivity analysis

Interest rate sensitivity have been determined based on the exposure to interest rates for the Company's deposits at the end of the reporting year as these are substantially the interest sensitive instrument impacting financial results. For floating rate deposits, the analysis assumes the amount of asset outstanding at year end was outstanding for the whole year. An increase/decrease of 1% (2018: 1%) on Jamaican dollar (J$) deposits and 1% (2018: 0.5% for United States dollar (US$) deposits represents management's assessment of the reasonable possible change in interest rates in the short-term.

RURAL WATER SUPPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

21 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

21.9 *Interest rate risk management (Cont'd)*

If market interest rates had been 1% higher or lower (2018: 1% higher or lower) on J$ deposits and 1% higher or lower (2018: 0.5% higher or lower) on US$ deposits and all other variables were held constant:

	2019 $'000	2018 $'000
Effect on profit or loss increase 1% (2018: 1%) (J$ deposit)	660	193
Effect on profit or loss decrease 1% (2018: 1%) (J$ deposit)	(660)	(193)
Effect on profit or loss increase 1% (2018: 0.5%) (US$ deposit)	2	1
Effect on profit or loss decrease 1% (2018: 0.5%) (US$ deposit)	(2)	(1)

The Company's sensitivity to interest rates has increased during the current year as the Company had an increase in the number of interest sensitive investments.

21.10 *Fair value of financial instruments*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability at the measurement date.

Information about how the Company determines fair value of its financial assets is detailed below.

<u>Fair value of the Company's financial assets and liabilities that are measured at fair value on a recurring basis</u>

The Company does not have any financial assets or liabilities that are measured at fair value at the end of each reporting period.

The following methods and assumptions have been used in determining fair values for instruments not carried at their fair value:

(i) The carrying amount of liquid assets and other assets maturing within one year is assumed to approximate their fair value amount. The assumption is applied to liquid assets and the short-term elements of all other financial assets and liabilities.

ADDITIONAL INFORMATION

REPORT TO THE DIRECTORS OF

RURAL WATER SUPPLY LIMITED

ON

ADDITIONAL INFORMATION

Our examination of the financial statements of the Company for the year ended March 31, 2019 was intended primarily for the purpose of formulating an opinion on those financial statements taken as a whole. The additional information presented in pages 2 to 3 has been taken primarily from accounting and other records of the Company and is not necessary to give a true and fair view of the financial position of the Company at March 31, 2019 or of its financial performance and cash flows for the year then ended. Such information has not been subjected to sufficient tests and other auditing procedures to enable us to express an opinion as to the fairness of all the details included therein and accordingly we do not express an opinion on the additional information.

CalvertGordon Associates
Chartered Accountants

Kingston, Jamaica,
August 8, 2019

RURAL WATER SUPPLY LIMITED

EXPENSES

YEAR ENDED MARCH 31, 2019

	2019 $'000	2018 $'000
OPERATING EXPENSES		
Staff cost		
Salaries and wages	103,652	96,971
Gratuity	16,751	20,610
Vacation expense	86	509
Statutory contributions	6,163	5,726
Staff welfare and subsistence	19,723	9,981
	146,375	133,797
Property expenses		
Repairs and maintenance	1,393	2,145
Motor vehicle expenses	1,506	626
Utility, rates and taxes		
Telephone	1,845	1,584
Asset tax and registration fees	101	757
	1,946	2,341
Depreciation of property and equipment	911	1,807
Bad debts	(18,346)	11
Advertising and public relation	853	1,157
Professional fees	4,725	4,634
Other expenses		
Directors fees	896	894
Board meetings	945	1,133
Printing and stationery	1,981	1,744
Donations and subscriptions	371	203
Insurance	642	517
Bank charges	202	197
Withholding tax irrecoverable	255	185
Miscellaneous expenses	2,171	818
Engineering expenses	5,341	6,501
	12,804	12,192
Minimum Business Tax	60	62
Total expenses	152,227	158,772

RURAL WATER SUPPLY LIMITED

WORK-IN-PROGRESS

YEAR ENDED MARCH 31, 2019

PROJECTS FUNDED FROM CONSTITUENCY DEVELOPMENT FUND

Project	Balance Brought Forward	Expenditure During the Year	Projects Completed During the Year	Balance Carried Forward
	$	$	$	$
Burnt Ground	-	2,355,100	-	2,355,100
Rennals	-	2,973,155	-	2,973,155
	-	5,328,255	-	5,328,255

PROJECTS FUNDED FROM SUGAR TRANSFORMATION (MOA)

Project	Balance Brought Forward	Expenditure During the Year	Projects Completed During the Year	Balance Carried Forward
	$	$	$	$
Bath Mountain	194,095	-	96,593	97,502
Springfield Housing Development	12,230,486	-	12,230,486	-
	12,424,581	-	12,327,079	97,502

PROJECTS FUNDED FROM THE NATIONAL WATER COMMISSION (NWC)

Project	Balance Brought Forward	Expenditure During the Year	Projects Completed During the Year	Balance Carried Forward
	$	$	$	$
Clydesdale Water Supply Rehabilitation	2,780,083	14,927,708	-	17,707,791
Connors/Ginger Ridge	-	3,943,809	-	3,943,809
Rosewell Water Supply System	32,004,195	-	32,004,195	-
	34,784,278	18,871,517	32,004,195	21,651,600

RURAL WATER SUPPLY LIMITED

WORK-IN-PROGRESS

YEAR ENDED MARCH 31, 2019

PROJECTS FUNDED FROM THE ENVIRONMENTAL FOUNDATION OF JAMAICA (EFJ)

Project	Balance Brought Forward	Expenditure During the Year	Projects Completed During the Year	Balance Carried Forward
	$	$	$	$
Snowden Primary	4,158,084	-	4,158,084	-
Marley Hill Primary	5,026,662	-	5,026,662	-
Gordon Hill Rainwater Harvesting	3,823,207	-	3,823,207	-
	13,007,953	-	13,007,953	-

RURAL WATER SUPPLY LIMITED

WORK-IN-PROGRESS

YEAR ENDED MARCH 31, 2019

PROJECTS FUNDED FROM CAPITAL 'A' BUDGET - COMPREHENSIVE RURAL WATER UPGRADE

Projects	Balance Brought Forward	Expenditure During the Year	Adjustments	Projects Completed During the Year	Balance Carried Forward
	$	$	$	$	$
Catchment Tank – Anchovy High School	9,078,014	369,741	-	9,447,755	-
Catchment Tank – Armadale	689,050	-	-	-	689,050
Catchment Tank – Bagdale Mountain	1,001,807	-	-	1,001,807	-
Catchment Tank – Beersheba	2,939,840	134,279		3,074,119	-
Catchment Tank – Bog	(582)	-	582	-	-
Catchment Tank – Charlton	-	2,382,016	-	2,382,016	-
Catchment Tank – Clunis	1,127,269	-	-	-	1,127,269
Catchment Tank – Crawle	-	19,241	-	-	19,241
Catchment Tank – Denham Farm	-	160,000	-	160,000	-
Catchment Tank – Derry Primary School	-	292,894	-	292,894	-
Catchment Tank – Devon	1,412,580	3,954,919	-	5,277,369	90,130
Catchment Tank – Ebenezer	585,837	-	-	-	585,837
Catchment Tank – Endeavor	423,800	-	-	423,800	-
Catchment Tank – Enid Bennett	-	2,791,165	-	-	2,791,165
Catchment Tank – Ferncourt High School	2,957,258	-	-	-	2,957,258
Catchment Tank – Foga Road	837,137	488,375	-	1,325,512	-
Catchment Tank – Garlogie Primary School	-	3,752,455	-	3,752,455	-
Catchment Tank – Gayle Primary	4,238,860	9,392	-	-	4,248,252
Catchment Tank – Ginger Hill	238,000	496,892	-	734,892	-
Catchment Tank – Heavy Tree	2,620,314	-	-	2,620,314	-
Catchment Tank – Higgins Land	(90,280)	-	90,280	-	-
Catchment Tank – Iron River	1,328,222	466,572	-	1,794,794	-
Catchment Tank – Jackson Town	-	222,100	-	-	222,100
Catchment Tank – James Hill	-	331,888	-	-	331,888
Balance c/f	29,387,126	15,871,929	90,862	32,287,727	13,062,190

RURAL WATER SUPPLY LIMITED

WORK-IN-PROGRESS

YEAR ENDED MARCH 31, 2019

PROJECTS FUNDED FROM CAPITAL 'A' BUDGET - COMPREHENSIVE RURAL WATER UPGRADE (Cont'd)

Projects	Balance Brought Forward $	Expenditure During the Year $	Adjustments $	Projects Completed During the Year $	Balance Carried Forward $
Balance b/f	29,387,126	15,871,929	90,862	32,287,727	13,062,190
Catchment Tank – Knockalva	1,803,540	2,053,596	-	-	3,857,136
Catchment Tank – Lancaster	(7,500)	-	7,500	-	-
Catchment Tank – Lime Tree	518,188	1,322,620	-	1,840,808	-
Catchment Tank – Manchester Parish Council	-	396,182	-	-	396,182
Catchment Tank – Marley Hill	-	65,000	-	65,000	-
Catchment Tank – Minard Hill Wayside	-	(100,322)	-	(100,322)	-
Catchment Tank – Monymusk	6,744	-	-	-	6,744
Catchment Tank – Mount Angus	5,621,133	82,014	-	5,703,147	-
Catchment Tank – Mount Olivet	4,420,947	105,000	-	4,525,947	-
Catchment Tank – Queen Hythe	625,871	3,171,624	-	3,797,495	-
Catchment Tank – Red Hills Skills Training Centre	-	58,706	-	-	58,706
Catchment Tank – Reid's Mountain	270,000	1,082,240	-	-	1,352,240
Catchment Tank – Rennals	994,990	1,479,833	-	2,474,823	-
Catchment Tank – Retirement Wayside Tank	-	(88,322)	-	(88,322)	-
Catchment Tank – Robins Hall	2,314,339	65,800	-	2,380,139	-
Catchment Tank – Rock Hall Primary & All Age	8,984,751	876,096	-	-	9,860,847
Catchment Tank – Rock Primary	-	122,197	-	-	122,197
Catchment Tank – Roehampton	-	141,415	-	141,415	-
Catchment Tank – Snowdon Primary School	-	25,000	-	-	25,000
Catchment Tank – St. Bay Hospital	261,421	2,002,223	-	2,263,644	-
Catchment Tank – St. Mary Infirmary	4,070,061	349,200	(50,136)	4,369,125	-
Catchment Tank – Stewarton	1,929,120	1,492,925	-	3,422,045	-
Catchment Tank – Top Hill	(876,520)	-	876,520	-	-
Catchment Tank – Wic War	1,774,529	-	-	-	1,774,529
Balance c/f	62,098,740	30,574,956	924,746	63,082,671	30,515,771

RURAL WATER SUPPLY LIMITED

WORK-IN-PROGRESS

YEAR ENDED MARCH 31, 2019

PROJECTS FUNDED FROM CAPITAL 'A' BUDGET - COMPREHENSIVE RURAL WATER UPGRADE (Cont'd)

Projects	Balance Brought Forward	Expenditure During the Year	Adjustments	Projects Completed During the Year	Balance Carried Forward
	$	$	$	$	$
Balance b/f	62,098,740	30,574,956	924,746	63,082,671	30,515,771
Catchment Tank – Woodlands	542,635	1,050,940	-	1,596,907	(3,332)
Catchment Tank – York Castle	2,723,954	121,056	-	2,845,010	-
Miscellaneous	10,939	9,874	(7,624)	-	13,189
CRWUP – Alden Spring	-	82,669	-	82,669	-
CRWUP – Bandon/Endeavor	-	374,623	-	374,623	-
CRWUP – Barnstaple	97,101	1,878	-	98,979	-
CRWUP – Brown's Hall	-	221,341	-	221,341	-
CRWUP – Burnt Ground	4,200,848	8,489,299	-	-	12,690,147
CRWUP – Camp Road	941,011	566,300	-	1,507,311	-
CRWUP – Cane River	2,446,578	-	-	2,446,578	-
CRWUP – Carron Hall	160,326	308,815	-	-	469,141
CRWUP – Charles Town	-	97,913		-	97,913
CRWUP – Comfort Valley	-	754,801		754,801	-
CRWUP – Comma/Mango Valley	-	784,972	-	-	784,972
CRWUP – Copperwood	-	95,901	-	95,901	-
CRWUP – Douglas Castle	-	612,000	-	612,000	-
CRWUP – Eden	-	141,822	-	-	141,822
CRWUP – Farmer's Heights	-	254,196	-	254,196	-
CRWUP – Georgia W/S	-	4,210	-	4,210	-
CRWUP – Gibbs Hill	9,173,835	1,315,875	-	-	10,489,710
CRWUP – Hagley Gap	-	17,500	-	17,500	-
CRWUP – Ham Walk/Redwood	-	269,868	-	-	269,868
CRWUP – Hermitage	9,418,098	5,394,380	-	14,812,478	-
CRWUP – John Daggy	-	358,100	(41,600)	316,500	-
Balance c/f	91,814,065	51,903,289	875,522	89,123,675	55,469,201

RURAL WATER SUPPLY LIMITED

WORK-IN-PROGRESS

YEAR ENDED MARCH 31, 2019

PROJECTS FUNDED FROM CAPITAL 'A' BUDGET - COMPREHENSIVE RURAL WATER UPGRADE (Cont'd)

Projects	Balance Brought Forward $	Expenditure During the Year $	Adjustments $	Projects Completed During the Year $	Balance Carried Forward $
Balance b/f	91,814,065	51,903,289	875,522	89,123,675	55,469,201
CRWUP – Jonh's Groin	(25,000)		25,000	-	-
CRWUP – Knockpatrick	-	1,933,849	-	-	1,933,849
CRWUP – Lionel Town	(154,603)	-	154,603	-	-
CRWUP – Llandewey	(393,682)	-	393,682	-	-
CRWUP – Long Hood	(6,828)	-	6,828	-	-
CRWUP – Macknie	-	522,774	-	522,774	-
CRWUP – Manchester PC	4,749,836	2,268,281	-	-	7,018,117
CRWUP – Maroon Town	-	1,220,559	-	1,220,559	-
CRWUP – Middle Quarters	-	50,969	-	-	50,969
CRWUP – Mt. Pelier Deep Well	-	888,861	-	888,861	-
CRWUP – Newland	-	281,577	-	-	281,577
CRWUP – Northern Clarendon	999,600	-	-	999,600	-
CRWUP – Pear Tree River	20,731,974	240,788	-	20,972,762	-
CRWUP – Peart Spring	1,689,554	756,648	-	-	2,446,202
CRWUP – Penn District	-	35,500	-	-	35,500
CRWUP – Platfield	4,761,937	(3,829,779)	-	-	932,158
CRWUP – Portland Cottage	9,684,355	39,065,008	-	-	48,749,363
CRWUP – Reach	-	4,116,114	-	-	4,116,114
CRWUP – Red Hills/Derry	2,250,167	-	-	2,250,167	-
CRWUP – Rejoin	66,000	184,603	-	-	250,603
CRWUP – Retirement/Gutters	590,218	-	-	590,218	-
CRWUP – Rock River	-	971,757	-	971,757	-
CRWUP – Spice Grove	2,540,946	326,223	-	2,867,169	-
CRWUP – Spring Gardens	10,268,394	7,827,995	(41,872)	-	18,054,517
CRWUP – Tangle River W/S	478,474	191,281	-	-	669,755
CRWUP – Ticky Ticky	-	1,190,328	-	-	1,190,328
CRWUP – Tinsbury	188,874	1,029,803	-	-	1,218,677
	150,234,281	111,176,428	1,413,763	120,407,542	142,416,930

RURAL WATER SUPPLY LIMITED

WORK-IN-PROGRESS

YEAR ENDED MARCH 31, 2019

PROJECTS FUNDED FROM CAPITAL 'A' BUDGET - COMPREHENSIVE RURAL WATER UPGRADE (Cont'd)

Projects	Balance Brought Forward $	Expenditure During the Year $	Adjustments $	Projects Completed During the Year $	Balance Carried Forward $
Balance b/f	150,234,281	111,176,428	1,413,763	120,407,542	142,416,930
CRWUP – Top Hill	1,191,724	1,083,190	-	2,274,914	-
CRWUP – Leinster	-	532,230	-	532,230	-
CRWUP – Top Redding W/S	1,460,186	11,111,512	(86,119)	-	12,485,579
RWDS – North Clarendon Investigations	38,500		(38,500)	-	-
Wayside Tank – Content	-	246,800	-	246,800	-
Wayside Tank – Minard Hill	-	372,927	-	372,927	-
Wayside Tank – Retirement	-	502,677	-	502,677	-
Wayside Tank – Thickets	-	123,400	-	123,400	-
	152,924,691	125,149,164	1,289,144	124,460,490	154,902,509
Total work-in-progress	213,141,503	149,348,936	1,289,144	181,799,717	181,979,866

NOTES