

NOTE SHEET
(Finance Department)

Paras

(1)

Reference

SUB: FINANCIAL STATEMENT FOR THE YEAR ENDED JUNE 30, 2008

1/ This is with reference to letter No.NZAJ-KHI/AUD/15/21 dated 8th April, 2021 on the subject captioned above, copy placed at Flag-A.

2/ Under the aforesaid letter the Auditors, M/s.Naveed Zafar Ashfaq Jaffery & Co. has submitted two (02) copies of Draft Audit Report on the draft financial statements for the year ended June 30, 2008 for perusal and signature of the MD, KW&SB. The Auditors states that they will issue their report with or without further modification after the financial statements have been approved and signed by the Managing Director, KW&SB and the Deputy Managing Director (Finance), KW&SB.

3/ Submitted for perusal and to sign at the places where the names of MD, KW&SB and the DMD (Finance), KW&SB have been written in the enclosed Financial Statement for the year ended June 30, 2008.

4/ D.M.D. (Finance)

Managing Director, KW&SB

Antar Hamid
DIRECTOR (Audit) 14/4/21

For Sign

pl

14/4/21

14/4/21
DMD(F)

14/4/21
Jr Audit

Naveed Zafar Ashfaq Jaffery & Co.

Chartered Accountants

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April 08, 2021
NZAJ-KHI/AUD/15/21

The Managing Director,
Karachi Water and Sewerage Board
Karachi

Dear Sir(s)

Financial statements for the year ended June 30, 2008

We are pleased to enclose our draft audit report on the draft financial statements for the year ended June 30, 2008 prepared by the management of the Board, duly initialed by us for identification purposes. We shall be please to sign and issue our report with or without further modification after:

- the financial statements have been approved and signed by the Managing Director and Deputy Managing Director (Finance)
- we have received confirmations in respect of Board's bank accounts maintained with the following banks:

- Allied Bank - Saima Trade Branch.
- Summit bank Limited - Gulshan-e- Iqbal Branch
- Muslim Commercial Bank - I.I Chundrigarh Road Branch
- United Bank Limited -Shaheed e Millat Road Branch
- Askari Bank Limited - Shaheed e Millat Road Branch

- We have received the Board of Directors resolution specifically approving the following:

Sr.#	Particulars	"Rupees"
1.	Addition of property, plant and equipment- at cost	441,204
2.	Disposal of property, plant and equipment	Nil
3.	Depreciation for the year	753,396109
4.	Amortization of Grant for the year	14,945,600
5.	Addition in capital work in progress	1,574,593,445
6.	Investment made during the year.	Nil

- We have received representation letter duly signed by the Managing Director and Deputy Managing Director (Finance) as per draft provided by us.
- We have received system generated adjusted pre closing and post- closing trial balances.

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Other Offices

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RESPONSIBILITIES OF THE AUDITORS AND THE MANAGEMENT IN RELATION TO THE FINANCIAL STATEMENTS

The responsibilities of the independent auditors, in an audit of financial statements, are explained in International Standard on auditing 200 "Overall objectives of the independent auditor and the conduct of an audit in accordance with international standards on auditing. 'While the auditors are responsible for forming and expressing their opinion on the financial statements, the responsibility for preparation of the financial statements is primarily that of the management in accordance with applicable financial reporting framework, which includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of financial statements that are free from material misstatement whether due to fraud or error. The management's responsibilities include providing the auditor with;

- (i) all information, such as records and documentation, and other matters that are relevant to the preparation and presentation of the financial statements;
- (ii) any additional information that the auditor may request from the Institution and, where appropriate, those charged with governance; and
- (iii) Unrestricted access to those within the entity from whom the auditor determines it necessary to obtain audit evidence. The audit of the financial statement does not relieve the management of its responsibilities. Accordingly, our Examination of the books of accounts and records should not be relied upon to disclose all the errors or irregularities in relation to the financial statements

We would like to draw your attention toward the following important matters:

1. Trade Debtors

It was observed during the course of audit, the management has not been able to properly fulfil their responsibility by not taking effective measures to recover outstanding dues from defaulters. Thus the Board is deprived of its major source of revenue, which constitutes weak financial management and lack of interest of the concerned department. Therefore, we suggest that necessary steps are required to enforce the prescribed procedures for recovery of arrears and achievement of targeted revenue.

2. Capital Work in Progress

I. TAMEER E KARACHI PROGRAM:

Capital expenditure amounting to Rs.1,960,336,500/- on account of Tameer e Karachi Program includes part payment by City District Government Karachi. However, the basis of payment on behalf of CDGK ranging from 25% to 50% could not be substantiated by the supporting bills.

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II. THE GREATER 100 MGD WATER SUPPLY (K-III):

Management of the Board is unable to provide us with the supporting vouchers of the expenditure incurred on account of development work on 100 MGD water supply (K-III).

3. Cash and Bank Balances

The Trial balance does not reflect the opening balances and for the year activity of the individual bank accounts, thus creating an overall difference of closing bank balances.

4. Consumer Security Deposit

The accounting system does not generate consumer wise report showing the deposits made during the year in lieu of water connection.

5. Execution of Contracts

The Board does not maintain Project Completion Reports (PC-I to PC-V) of schemes/projects executed through contractors.

6. Award of Contract

Management does not invite open tenders which results in award of contracts in a non-transparent manner. Therefore, in the absence of open tenders the Board failed to achieve competitive rates consequently, affecting the revenue and expenditure of the department.

7. Payment to Contractors

We observed that management releases part payment to contractors without any supporting documents purely at their discretion. There is no formal policy or basis adopted by the Board for making on account payments to the contractors.

8. Expenditure

In order to exercise proper control over payment, every payment voucher must be supported by a third party invoice / bill. All financial transactions should be duly authorized and recorded promptly, clearly, accurately, logically and coherently. However, in a number of cases the details were not attached with the payment vouchers.

I. PAYROLL:

List of employees joined and resigned during the year does not match with the employees monthly payroll sheets.

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II. MEDICAL FACILITIES:

In case of expenditure on account of medical and laboratory facilities to the employees, supporting bills are not attached with the vouchers.

III. LEGAL AND PROFESSIONAL CHARGES:

We have not been provided the agreements of the legal advisors during the course of audit and we could not ascertain what services have been rendered by them and the payments made to them against those services.

IV. SERVICE CHARGES AGAINST COST OF RAW WATER:

We have not been provided with the agreements with the Government of Sindh and Water & Power Development Authority (WAPDA) in lieu of irrigation services for making the raw water available to the Bulk Transmission and Distribution.

V. CHEMICALS CONSUMED

We have not been provided the supporting third party evidences for the expenditure incurred on account of process of chlorination of raw water amounting to Rs. 62,957,318/- during the year.

VI. REPAIR AND MAINTENANCE OF VEHICLES:

We have not been provided any Log books, history sheets, vehicle maintenance record against vehicle maintenance expenditure amounting to Rs.71,133,045/-

9. Revenue

Resource and Revenue Generation Department does not maintain separate billing summary reports for Bulk and Retail consumers. Further no reconciliation are prepared for collections/receipts which resulted into non-authentication of receipts. It is suggested that the collection should be reconciled from Finance & Accounts Department on monthly basis.

10. Internal audit functions

It has been noted that internal audit function, apart from pre-audit of payments and post-audit of transactions, may be extended to, for compliance and monitoring required under its operating manual. Further, we have not been provided any internal audit reports. There should be a separate section in finance department instead of audit department which should pre review all large payments as the basic responsibility is that of Finance and not of audit.

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11. Financial and Accounting Policies.

We have noted that certain departments do not have documented accounting and financial policies and procedures, Further the Key personnel should be made aware of the accounting policies and standard operating procedures that must be adopted by the Board. In order to avoid in consistencies and to make uniform application of policies.

12. Accounting Software:

We noticed that the Cathode Ray Tube (CRT), computerized accounting software has been employed by the Board. However, we are of the view that the software has not been updated for a long time and has therefore, been outdated, particularly with the modernization in the field of finance and accounts.

13. General:

We have been advised by the management that as of the date of financial statements:

- (i) All events subsequent to the date of financial statements have been adjusted and disclosed.
- (ii) There are no contingencies and commitments other than those disclosed in the enclosed draft financial statements.

We wish to place on records the courtesy and co-operation extended to us by your staff during the course of our audit.

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Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants.

KARACHI WATER AND SEWERAGE BOARD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2008

KARACHI WATER AND SEWERAGE BOARD

Auditors' Report

Report on the Financial Statements

We have audited the annexed balance sheet of Karachi Water and Sewerage Board (the Board) as at June 30, 2008 and the related income and expenditure account and the cash flow statement together with the notes forming part thereof (hereinafter referred to as the "financial statements") for the year then ended.

Management's Responsibility for the Financial Statements

It is the responsibility of the Board's management to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on the audit conducted in accordance with International Standards on Auditing. Because of the matters described in the 'Basis for Disclaimer' of Opinion paragraph, we were unable to obtain sufficient appropriate audit evidences to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

1. As disclosed in note 6.1 to the financial statements, long term loan from international lending agencies represent proceeds of the credit available to the Provincial Government through Federal Government. This is further subsidized, under a subsidiary loan agreement, to Karachi Metropolitan Corporation in order to make such proceeds available to Karachi Water and Sewerage Board for the execution of the projects. However, the provision of financial charges has not been made in these financial statements.
2. As disclosed in note 6.2 to the financial statements, an amount of Rs. 98,026,647/- represents loan credited to Karachi Development Authority in 1987 by the Provincial Government. However in the absence of relevant documentation, no provision of financial charges has been made in these financial statements.
3. As disclosed in note 6.3 to the financial statements, an amount of Rs. 57,977,000/- represents loan from Government of Sindh for the execution of various development schemes. We have not been provided any documentation regarding such loan, consequently no provision of financial charges has been accounted for in these financial statements.
4. An amount of Rs. 266,286,115/- disclosed in note 7 to the financial statements represents Rs. 22,368,175/- as non-refundable water connection security deposit retained by the Board until the connections are no longer required. The reconciliation of active bulk and retail consumers is not maintained by the concerned Resource and Revenue Generation Department. Therefore, in the absence of such record we have been unable to verify the accuracy of the amount so retained.

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5. As disclosed in note 8 to the financial statements, an amount of Rs. 139,495,335/- represents payable to the contractors on account of civil work executed on development projects and schemes. However, we have not been provided the list of contractors to verify the accuracy of the outstanding balances. Consequently, the balances remain unconfirmed.
6. Accrued expenses, as disclosed in note 9.1 to the financial statements, include an amount of Rs. 54,261,450/- which represents interest on loan provided by Provincial Government to Karachi Development Authority in 1987. However, no provision for interest subsequent to June 30, 1993 has been made in these financial statements.
7. As disclosed in note 9.1 to the financial statements, an amount of Rs. 4,167,846,972/- represents dues outstanding to Karachi Electric Supply Corporation on account of electricity expense. However, no balance confirmation has been received by us.
8. As disclosed in note 9.1.1 to the financial statements, an amount of Rs. 119,490,930/- represents payable on account of staff retirement benefits. It includes amount outstanding in lieu of general provident fund of the employees. The information and amount in respect of opening balances and contribution made to the fund differs from the information provided by the Fund department. As per the Sindh General Provident Fund Rules 1938, Government shall pay interest to the credit of the account of an employee subscribed at such rate, as may be prescribed by the Government of Sindh annually. Further, no provision of interest has been accounted for in these financial statements.
9. As disclosed in note 9.1.2 to the financial statements, a sum of Rs. 381,617,034/- represents share of fire and conservancy charges collected on behalf of City District Government Karachi. In the absence of proper record of the recovery against such charges has not been maintained by the concerned department, we have been unable to reconcile the amount outstanding.
10. As disclosed in note 13 to the financial statements, an amount of Rs. 441,204/- represents additions made in office equipment and furniture. Consolidated division wise fixed assets register have not been maintained to reconcile the amount of additions appearing in these financial statements. Therefore, we have been unable to verify the physical existence of the items appearing in Property, Plant and Equipment.
11. With respect to Foreign and Government aided projects, as disclosed in note 14 to the financial statement, the Planning Commission Performa (PC-IV) is required to be submitted at the time when the project is adjudged to be completed. A number of projects that have been completed physically have still been classified under capital work in progress. Consequently, the projects have not been classified to the proper head of accounts. Further, no impact of depreciation has been accounted for in these financial statements.
12. As disclosed in note. 15 to the financial statements, trade debtors amounting to Rs. 8,215,361,873/- represents outstanding balances from the consumers against water and sewerage charges. The detailed breakup of bulk and retail consumers of water and sewerage could not be ascertained in the absence of any record. Accordingly, the balance so stated is not directly confirmed by the consumers.

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13. The Board has created provision for doubtful debts amounting to Rs. 3,586,983,947/- (2007: Rs. 3,405,571,836/-) as at the year end. However, we have not been provided the computation of such provision recognized during the year nor any breakup of such provision has been made available to us. Furthermore, there is no documentation available to evidence that the Board took any legal action to recover these past overdue balances. As disclosed in note 3.10 to the financial statements, the Board's policy is to maintain a provision for doubtful debts at varying rates depending upon the outstanding periods thereof. However, in the absence of age analysis of trade debts, we have not been able to determine the adequacy of provision for doubtful debts.
14. As disclosed in note 17 to the financial statements, the amount of Rs. 304,793,307/- represents dues from Karachi Development Authority and Karachi Metropolitan Corporation appearing in the books since the time of separation and forming a body corporate under Government of Sindh. The nature of such receivable could not be ascertained and the management could not provide proper documentation in this regard. The management is of the view that the balance will remain constant subsequently.
15. As disclosed in note 21 to the financial statements, cost of revenue includes expenditure on account of repair and maintenance on the projects and schemes. The project performance (PC-V) is required to be furnished on an annual basis for a period of five years by the agencies responsible for the operation and maintenance of the projects. However in the absence of such information, we couldn't authenticate the actual amount of capital and revenue expenditure incurred on the projects during the year.
16. Confirmations from legal advisors dealing with significant cases have not been received, due to which we have not been able to verify the existence of any legal disputes which may require disclosures of contingencies or which may have a material impact on the financial statements at the reporting date.

Disclaimer of Opinion

Because of the significance of the matters described above in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

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Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants

Karachi:

Dated: 22nd Dec 2014


KARACHI WATER AND SEWERAGE BOARD
BALANCE SHEET
AS AT JUNE 30, 2008

	Note	2008	2007
		Rupees	
RESERVES			
Capital Reserves	4	3,770,914,242	3,770,914,242
Accumulated Deficit		(16,878,677,264)	(14,474,351,276)
FUND ACCOUNT	5	15,912,339,708	15,696,048,905
NON CURRENT LIABILITIES			
Long term loans	6	25,603,319,686	25,822,591,199
Long term deposits	7	266,286,115	243,917,940
		<u>25,869,605,801</u>	<u>26,066,509,139</u>
CURRENT LIABILITIES			
Trade creditors	8	139,495,335	19,496,896
Accrued and other liabilities	9	4,735,160,768	2,926,875,176
Short term deposits	10	918,151,614	824,416,197
Current maturity of long term loans	11	6,766,161,724	6,011,366,047
		<u>12,558,969,441</u>	<u>9,782,154,316</u>
		<u>41,233,151,928</u>	<u>40,841,275,326</u>
CONTINGENCIES AND COMMITMENTS	12		
NON CURRENT ASSETS			
Property, plant and equipments	13	16,391,561,969	17,144,516,874
Capital work in progress	14	15,910,582,524	14,335,989,079
		<u>32,302,144,493</u>	<u>31,480,505,953</u>
CURRENT ASSETS			
Trade debtors	15	8,215,361,873	8,150,309,335
Loans and advances	16	5,081,842	4,888,560
Other receivables	17	304,793,307	304,793,307
Short term investment	18	-	100,000,000
Cash and bank balances	19	405,770,413	800,778,171
		<u>8,931,007,435</u>	<u>9,360,769,373</u>
		<u>41,233,151,928</u>	<u>40,841,275,326</u>

The annexed notes form an integral part of these financial statements.

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MANAGING DIRECTOR


DEPUTY MANAGING DIRECTOR
(FINANCE)

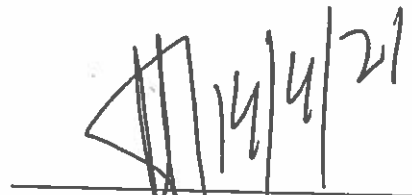
**KARACHI WATER AND SEWERAGE BOARD
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2008**

	Note	2008 Rupees	2007
Revenue from water and sewerage	20	3,628,242,229	3,737,860,264
Cost of revenue	21	(3,475,316,209)	(3,316,068,743)
Gross profit		152,926,020	421,791,521
Administrative expenses	22	(601,475,156)	(299,350,572)
Operating loss / profit		(448,549,136)	122,440,949
Other income	24	108,965,768	260,870,723
Other expenses	23	(921,142,620)	(965,685,061)
Financial charges	25	(1,143,600,000)	(1,180,480,000)
Deficit for the year		(2,404,325,988)	(1,762,853,389)
Accumulated deficit brought forward		(14,474,351,276)	(12,711,497,887)
Accumulated deficit carried forward		(16,878,677,264)	(14,474,351,276)

The annexed notes form an integral part of these financial statements.

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MANAGING DIRECTOR


DEPUTY MANAGING DIRECTOR
(FINANCE)

KARACHI WATER AND SEWERAGE BOARD
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2008

	2008	2007
	Rupees	
CASH FLOW FROM OPERATING ACTIVITIES		
Deficit for the year	(2,404,325,988)	(1,762,853,389)
Adjustment for :		
Depreciation	738,450,509	777,512,048
Operating deficit before working capital changes	(1,665,875,479)	(985,341,341)
Working capital changes:		
(Increase) / decrease in current assets		
Trade debtors	(65,052,538)	(1,378,780,101)
Loans and advances	(193,282)	1,586,601
	(65,245,820)	(1,377,193,500)
Increase / (decrease) in current liabilities		
Trade creditors	119,998,439	14,449,199
Accrued and other liabilities	1,808,285,592	1,412,723,936
Short term deposits	93,735,417	138,943,548
Current maturity of long term loans	754,795,677	1,043,724,696
	2,776,815,125	2,609,841,379
Net cash generated from operation	1,045,693,826	247,306,538
CASH FLOW FROM INVESTING ACTIVITIES		
Addition in property, plant and equipment	(441,204)	(2,602,705)
Capital work in progress	(1,574,593,445)	(1,003,091,559)
Net cash outflow from investing activities	(1,575,034,649)	(1,005,694,264)
CASH FLOW FROM FINANCING ACTIVITIES		
Grants	231,236,403	873,253,010
Long term loans	(219,271,513)	(132,398,980)
Long term deposits	22,368,175	15,794,429
Net cash inflow from financing activities	34,333,065	756,648,459
Net (decrease) in cash and cash equivalents	(495,007,759)	(1,739,267)
Cash and cash equivalents at the beginning of the year	900,778,171	902,517,438
Cash and cash equivalents at the end of the year	405,770,413	900,778,171

The annexed notes form an integral part of these financial statements.


MANAGING DIRECTOR


DEPUTY MANAGING DIRECTOR
(FINANCE)

**KARACHI WATER AND SEWERAGE BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

1 LEGAL STATUS AND NATURE OF BUSINESS

Karachi Water & Sewerage Board (KW&SB) is a body corporate, established on 21st February 1983 as a Board within the Karachi Metropolitan Corporation (KMC) under Chapter XVI Section 121 of the Sindh Local Government (Amendment) Ordinance, 1983 (the Ordinance).

From that date it took over the water distribution system from Karachi Water Management Board (KWMB), Bulk Water Transmission from Karachi Development Authority (KDA) and sewerage system from Karachi Metropolitan Corporation, in all the districts of Karachi. The KW&SB has been separated from KMC and formed as a body corporate under the direct control of the Government of Sindh (GOS) vide Karachi Water and Sewerage Board Act, 1996 assented, by the Provincial Assembly of Sindh on 15th April, 1996.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the Sindh Local Government (Amendment) Ordinance, 1983 (the Ordinance), the Sindh Council (Budget) Rules 1985, the Karachi Water and Sewerage Board Act, 1996 and the generally accepted accounting principles as applicable in Pakistan.

2.2 Basis of measurement

These financial statements have been prepared under historical cost convention except, for sewerage assets transferred from Karachi Metropolitan Corporation in 1983 and accounted for in the books of accounts in the year 1995-96, on the basis of valuation done by the Board's consultant at the replacement and current market values.

Accrual concepts

These accounts have been prepared on accrual basis, except certain employees benefits expenditure, which are recognized on payment basis. This practice is in accordance with the provision of section 74 sub section (1) and (2) of the Sindh Council (Budget) Rules 1985.

Presentation of Financial Statements

The form of presentation of these financial statements accord generally with the need of major International Lending Agencies.

2.3 Functional and presentation currency

These financial statements have been presented in Pakistan Rupees, which is the functional currency of the Company and rounded off to the nearest rupee.

3 Significant Accounting Policies

The principal accounting policies adopted are set out below:

3.1 Government grants

Assets-related to grant received from government are initially recognized in grant as deferred credit and carried to balance sheet and upon completion of the project, are appropriated as income by setting off against the charge of depreciation as given in note 13.1 on a systematic basis over the useful life of the related assets.

3.2 Creditors, accrued and other liabilities

Trade and other payables are recognised initially at fair value plus directly attributable cost, if any, and subsequently measured at amortised cost.

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3.3 Short-term deposits

These represent work executed on the authorization / approval of GOS and, other agencies through contractors and excess of work done over payments to contractors on account of specific work is classified as short-term deposits

3.4 Staff retirement benefits

According to the Ordinance, the Pension, Gratuity and other service benefits admissible to employees of Karachi Development Authority, Karachi Metropolitan Corporation and Karachi Water Management Board, who retired or died while serving in Water Supply and Sewerage Services before the commencement of the Ordinance shall be the responsibility of the Board. Payment in respect of all staff retirement benefits whenever due are being made by the Board and duly accounted for in the books of accounts, annual provisions are made to meet the obligation of pension and other employees benefits.

3.5 Property, Plant and equipment

Fixed assets are stated at cost less accumulated depreciation. Depreciation on fixed assets except land is charged to income applying the reducing balance method at the rate specified in the Income Tax Ordinance, 1979 except in the case of motor vehicles which are depreciated @ 10% per annum.

In respect of additions, depreciation is charged for the full year and no depreciation is charged on deletions in the year of disposal. Gains and losses, if any, on disposal of assets during the year are taken to income and expenditure account.

The assets shown under 'schemes' represents capital expenditure incurred on the specific Schemes and Projects. These include cost of pipelines, civil works, equipments, furniture and establishment expenditure. Expenses on minor repairs, improvement and development of pipelines etc., are charged to income and expenditure account as and when incurred.

Assets taken over from KMC in 1983 were incorporated in these accounts as fixed assets during the year 1995-96 on the basis of a valuation placed by Board's consultants. The related credit has been accounted for as capital reserve. Depreciation is being charged from the date of incorporation of these assets in the books of accounts of the Board.

Sewerage assets generally include mains, sewers, impounding and pumped raw water storage reservoirs and sludge pipelines and plants and machinery

Expenditure relating to increase in capacity or enhancement of the network is treated as additions to the sewerage assets. Expenditure on maintaining the operating capabilities of network is charged as operating costs.

Sewerage assets are depreciated over their estimated operational economic lives. Assets in the course of construction are not depreciated until commissioned.

3.6 Capital work in progress

Capital work-in-progress is stated at cost less accumulated impairment, if any, and consists of expenditure incurred and advances made in respect of property, plant and equipment in the course of the acquisition, erection, construction and installation, including salaries and wages and any other costs directly attributable to capital work-in-progress. The assets are transferred to relevant category of operating fixed assets when those are available for use. Spare parts, standby equipment and servicing equipment are recognised as property plant and equipment when these meet the conditions to be classified as such.

3.7 Stores and spares

Stores and spares are valued on average cost. Stores and spares purchased for projects are charged off to relevant projects irrespective of their physical consumption/usage. Other direct purchases of stores and spares are charged to relevant budget grants. The applicability of the provision of Para 115 (b) Section II of Sindh Financial Rules relating to the valuation of the inventories in hand at the end of the year are not considered due to their insignificant value at the close of the year.

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3.8 Trade debts

Trade and other receivables are recognized at fair value and subsequently measured at amortised cost less impairment losses, if any. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

3.9 Cash and cash equivalents

Cash and cash equivalents for cash flow purposes include current and deposit accounts held with banks. A Treasury Single Account (TSA) is a unified structure of government bank accounts that gives a consolidated view of government cash resources. Based on the principle of unity of cash and the unity of treasury, a TSA is a bank account or a set of linked accounts through which the government transacts all its receipts and payments.

3.10 Provision for doubtful debts

The Board's policy for provision for doubtful debts is made as per the following estimates.
Debtors outstanding for the period:

1-2 Years	5%
2-3 Years	10%
3-4 Years	15%
4-5 Years	50%
5 Years and above	100%

3.11 Revenue recognition

Income on account of water and sewerage charges is recognized on accrual basis.

Interest income from banks is accounted for on the basis of actual receipts net of withholding tax.

3.12 Expenses

All expenses are recognized in the profit and loss account on an accrual basis.

3.13 Provisions

A provision is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

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Excess of assets over liabilities transferred from KDA
 Excess of liabilities over assets transferred from KWMB
 Bulk water cost payable to KDA by KMC on behalf of KWMB

Assets transferred from KMC
 Debtors balances

4.1	950,718,551	950,718,551
	(110,298,456)	(110,298,456)
	144,229,751	144,229,751
	33,931,295	33,931,295
4.2	2,763,163,938	2,763,163,938
4.3	23,100,458	23,100,458
	<u>3,770,914,242</u>	<u>3,770,914,242</u>

4.1 These represents:

Debentures treated as grant to be settled under terms of memorandum of understanding
 Purchase creditors
 Deposits and other liabilities
 Employees contribution funds net of investments
 Long term loans due for repayment
 Debit balance of reserves
 Water charges receivable - net
 Other receivables and dues

4.1.1	1,109,787,500	1,109,787,500
	1,214,866	1,214,866
	35,081,135	35,081,135
	32,202,632	32,202,632
	105,369,074	105,369,074
	(259,932,201)	(259,932,201)
	(63,962,051)	(63,962,051)
	(9,042,404)	(9,042,404)
	<u>(332,936,656)</u>	<u>(332,936,656)</u>
	<u>950,718,551</u>	<u>950,718,551</u>

These are incorporated in the books of account of the Board on the basis of consultant's reports. Such reports were approved by the Board in its meeting held on April 17, 1986.

- 4.1.1 These debentures were issued by the KDA and at the time of taking over of assets and liabilities these were incorporated as capital reserves and hence no interest has been charged in accounts since 1983.
- 4.2 This represents assets transferred from KMC in 1983. Due to non-availability of proper record, these were not taken into account in earlier years upon the transfer. A consultant was appointed to carry out the valuation of these assets. The consultant's report was considered by the Board and value assigned to these assets by the consultant were incorporated in these financial statements.
- 4.3 This represents the net effect of restatement of consumers receivable on account of balance outstanding against water bills abstained from input into the computer system.

5 FUND ACCOUNT

Funds released by Federal and Provincial Government for:

The Greater 100 MGD Water Supply (K-III) Project

Tameer-e-Karachi Programme

Foreign aided projects

Grant from Government of Sindh

5.2	6,587,298,940	6,525,376,857
5.3	482,195,774	317,651,673
5.1	3,991,728,491	3,991,728,491
	11,061,223,205	10,834,757,021
5.4	4,851,116,503	4,861,291,884
	<u>15,912,339,708</u>	<u>15,696,048,905</u>

5.1 Foreign aided projects

Counter part funding by international lending agencies

Counter part funding by Overseas Development Association

	3,664,377,664	3,664,377,664
	327,350,827	327,350,827
	<u>3,991,728,491</u>	<u>3,991,728,491</u>

- 5.2 This represents fund released by the Federal Government as Grant in Aid, for the execution of the Greater 100 MGD Water Supply (K-III) Project. The Board undertakes its execution through local contractors for all civil, electrical and mechanical works.

- 5.3 This represents release of fund from Provincial Government and City District Government Karachi (CDGK), as the program is envisaged to be carried out through their concerted efforts. It is to facilitate the construction and rehabilitation of roads, bridges and flyovers, rehabilitation of rivers and nullahs, removal of transport bottlenecks, expansion and improvement of water supply, drainage and sewerage services.

NZM

5.4 This represents the amount adjusted by the Federal Adjuster Government of Pakistan (G.O.P) out of monthly releases of Government of Sindh (G.O.S) on account of Karachi Electric Supply Corporation (K.E.S.C), dues payable by the Board vide Government of Sindh (G.O.S) letter No. FD (W&M -I) 14(16)/95, dated April 23,1996 and further confirmation by Chief Controller Billing (K.E.S.C). Previously, this amount was treated as liability, now the management of the board is of the view that this amount will not be demanded by the Government of Sindh (G.O.S) thus it is no longer considered as liability.

6 LONG TERM LOANS

Loan from International lending agencies
Provincial government loan transferred from KDA
Loan from Government of Sindh

	2008	2007
	Rupees	
6.1	25,447,316,039	25,664,707,552
6.2	98,026,647	99,906,647
6.3	57,977,000	57,977,000
	<u>25,603,319,686</u>	<u>25,822,591,199</u>

6.1 International Lending Agencies

International Development Association (IDA)

-1374 PAK

Principal

Financial charges

285,580,000	314,423,000
121,980,430	155,797,730
<u>407,560,430</u>	<u>470,220,730</u>

-1652 PAK

Principal

Financial charges

536,023,256	569,536,089
320,865,078	382,611,911
<u>856,888,334</u>	<u>952,148,000</u>

-1987 PAK

Principal

Financial charges

6,537,191,250	6,722,619,121
6,974,233,008	6,574,386,016
<u>13,511,424,258</u>	<u>13,297,005,137</u>
<u>14,775,873,022</u>	<u>14,719,373,867</u>

Asian Development Bank (ADB)

-SF-793 PAK

Principal

Financial charges

751,745,566	751,689,072
320,499,434	372,401,928
<u>1,072,245,000</u>	<u>1,124,091,000</u>

-SF-1001 PAK / 1002 PAK

Principal

Financial charges

2,481,667,422	2,481,686,851
2,437,951,578	2,610,916,149
<u>4,919,619,000</u>	<u>5,092,603,000</u>
<u>5,991,864,000</u>	<u>6,216,694,000</u>

Commonwealth Development Corporation (CDC)

-L-2747-01

Principal

Financial charges

889,114,306	871,911,290
492,251,694	586,728,710
<u>1,381,366,000</u>	<u>1,458,640,000</u>

Overseas Economic Co-operation Fund (OECF)

-PK-P40

Principal

Financial charges

3,056,172,312	3,003,964,764
242,040,705	266,034,921
<u>3,298,213,017</u>	<u>3,269,999,685</u>
<u>25,447,316,039</u>	<u>25,664,707,552</u>

Represent loans and related financial charges made available to Karachi Water and Sewerage Board by Federal Government through Government of Sindh and Karachi Metropolitan Corporation. The loan-wise summary of covenants is as follows:

Loan Number	1374-Pak	1652-Pak	1987-Pak	SF-793 Pak	SF-1001 Pak	SF-1002 Pak	L-2747-01	PK-P40
Date of main agreement	30-06-83	24-02-86	19-05-93	-	19-03-90	19-03-90	25-02-90	-
Lending Agency	IDA	IDA	IDA	ADB	ADB	ADB	CDC	OECF
Agreed amount of loan (in SDR million)	23.00	19.45	163.50	17.89	39.91	26.61	25.00	V10.300M
Financial charges annually (%)	11.00	11.00	11.00	7.00	7.00	7.00	11.00	3.00
Other charges								
Commitment Charges annually (%)	0.50	0.50	0.50	-	0.75	0.75	0.75	0.10
Service Charges annually (%)	0.75	0.75	0.75	-	0.10	0.10	-	0.10
Repayment period in Years	25	25	25	25	35	25	13	21
Grace period in years	5	6	6	5	10	10	5	5
No of biannual installments	40	38	40	40	50	40	26	41
Prepayment date each year	01-Mar & 01 Sept	15 May & 15 Nov	15 Mar & 01 Sept	15 Mar & 15 Nov	15 June & 15 Dec	15 June & 15 Dec	15 Apr & 15 Oct	20 May & 20 Nov
Repayment starting date	9-Jan-96	15-May-00	1-Sep-04	15-May-01	15-Dec-07	15-Dec-07	15-Oct-02	6-Aug-06
Representing share of agency % against major works	75	78	80	78	80	80	100	92
Date of financial closure	31-Oct-91	30-Dec-93	30-Jun-98	31-Dec-95	30-Sep-97	30-Sep-97	-	30-Sep-99

N21

6.1.2 Other charges represent commitment and service charges payable semi annually to the Provincial Government by the Karachi Metropolitan Corporation on behalf of the Board.

6.2 This represent loans transferred from Karachi Development Authority in 1986-87 and accordingly accounted for in these accounts at the principal amount thereof. No provision for interest subsequent to June 30, 1993 has been made in these accounts as the management of the Board considers that such provision is not required.

6.3 It includes loan of Rs.10,000,000/- transferred from Karachi Water and Management Board at the time of taken over its assets and liabilities. This loan was provided for installation of community tap system at Orangi. The balance represents funds released by Government of Sindh for the execution of various development schemes.

		2008	2007
		Rupees	
7 Long term Deposits			
Consumers security deposits	7.1	<u>266,286,115</u>	<u>243,917,940</u>
7.1 Movement in deposits			
Balance as at July 01, 2006		243,917,940	228,123,511
Add: Deposits made during the year	7.1.1	<u>22,368,175</u>	<u>15,794,429</u>
Balance as at June 30, 2007		<u>266,286,115</u>	<u>243,917,940</u>
7.1.1 These represents deposits from consumers which are repayable at the time when meter connection of consumer is permanently disconnected after adjustment thereof against any amount receivable.			
8 Trade Creditors			
Payable to contractors for work executed		<u>139,495,335</u>	<u>19,496,896</u>
9 Accrued and other liabilities			
Accrued expenses	9.1	4,730,301,576	2,922,583,625
Other liabilities	9.3	<u>4,859,192</u>	<u>4,291,551</u>
		<u>4,735,160,768</u>	<u>2,926,875,176</u>
9.1 Accrued expenses			
Payable to Karachi Electric Supply Corporation		4,167,846,972	2,641,712,052
Payable to employees	9.1.1	119,490,930	157,613,358
Payable against share of fire and conservancy	9.1.2	381,617,034	63,248,045
Payable against gas charges		2,235,190	2,178,720
Interest payable on loans transferred from KDA and KWMB	9.1.3	54,261,450	54,261,450
Audit Remuneration		4,850,000	3,570,000
		<u>4,730,301,576</u>	<u>2,922,583,625</u>
9.1.1 The Board makes an aggregate provision of 18 percent per annum on account of staff retirement benefits. The Board considers this provision adequate enough to pay off its employees at the time of their completion of service period.			
9.1.2 This represent share of fire and conservancy charges payable to City District Government Karachi in conjunction with the water and sewerage bill, an invoice is rendered by the Board on behalf of CDGK to recover 25% of water bill in lieu of conservancy charges inorder to meet the cost of solid waste services and 10% of water bill against meeting the cost of fire fighting department.			
9.1.3 This represents interest payable against loan incorporated in 1986-87 from Karachi Development Authority and Karachi Water & Manangement Board . However no provison of interest has been made in these financial statements.			
9.3 Other liabilities			
Unpaid wages	9.3.1	4,587,801	3,350,734
Withholding tax payable		-	669,426
Zakat payable	9.3.2	<u>271,391</u>	<u>271,391</u>
		<u>4,859,192</u>	<u>4,291,551</u>
9.3.1 This represents the amount on account of wages, to labour staff allotted to the projects or schemes,that remains unclaimed at the time of payment.			
9.3.2 This represents zakat deducted from employees at the time of final settlement of their dues.			

N2M

		2008	2007
		Rupees	
10 SHORT TERM DEPOSITS			
Security deposit from contractor	10.1	918,151,614	824,416,197
10.1 This represents refundable earnest money received from contractors in connection with award of contracts for the execution of work on projects or schemes by the Board.			
11 Current maturity of long term loans			
International Lending Agencies	11.1	6,733,838,324	4,937,007,951
Loan by Provincial Government transferred from KDA		32,323,400	30,633,400
		6,766,161,724	4,967,641,351
11.1 International Lending Agencies			
International Development Association (IDA)			
-1374 PAK			
Principal		176,706,979	187,878,999
Financial charges		627,651,163	594,039,443
		804,358,142	781,918,442
-1652 PAK			
Principal		177,741,452	184,034,285
Financial charges		736,809,547	675,062,714
		914,550,999	859,096,999
		1,718,909,141	1,641,015,441
Payment made against loan:			
Year 1999-2000		(40,000,000)	(40,000,000)
Year 2000-2001		(40,000,000)	(40,000,000)
		(80,000,000)	(80,000,000)
		1,638,909,141	1,561,015,441
-1987 PAK			
Principal		646,518,331	479,346,202
Financial charges		2,322,571,851	2,203,996,003
		2,969,090,182	2,683,342,205
Asian Development Bank (ADB)			
-SF-793 PAK			
Principal		310,100,158	268,486,652
Financial charges		531,540,843	479,638,349
		841,641,001	748,125,001
-SF-1001 PAK / 1002 PAK			
Principal		104,116,000	60,306,571
Financial charges		437,822,000	264,857,429
		541,938,000	325,164,000
		1,383,579,001	1,073,289,001
Commonwealth Development Corporation (CDC)			
-L-2747-01			
Principal		202,983,698	216,596,714
Financial charges		604,276,302	509,799,286
		807,260,000	726,396,000
Payment made against loan:			
Year 2001-2002		(65,000,000)	(65,000,000)
		742,260,000	661,396,000
		6,733,838,324	5,979,042,647

12 CONTINGENCIES AND COMMITMENTS

- 12.1 As referred in note 4.1 to these financial statements, the matter is in litigation in High Court and Lower Court. However, the management and legal advisor are hopeful that the matter will be decided in favor of the Board and the Board will not be required to make payment in respect of principal amount of debenture and related interest thereon.

NA

2008

2007

Rupees

13 PROPERTY, PLANT AND EQUIPMENT**13.1** *The property, plant and equipment scheduled is attached*

13.1	16,391,561,969	17,144,516,874
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14 CAPITAL WORK IN PROGRESS

Movement for capital work in progress is as follows

Opening balance

Additions during the year

Transfers during the year

Closing balance

14,335,989,079	13,332,897,520
1,574,593,445	1,003,091,559

15,910,582,524	14,335,989,079
----------------	----------------

Foreign Aided Projects

Karachi Water Supply and Sanitation Project under Commonwealth Development Corporation (CDC)

Improvement Project under Overseas Economic Co-operation Fund (OECE)- PK-P40 Japan

3,349,239,116	3,349,239,116
3,789,911,125	3,789,911,125

Bank balances with Foreign aided projects

14.1	7,139,150,241	7,139,150,241
------	---------------	---------------

Government Aided Projects

Pumping Conveyance Improvement System

The Greater 100 MGD water supply (K-III)

Tameer-e-Karachi programme

14.2	8,479,429	8,479,430
	7,147,629,670	7,147,629,671

14.3	639,328,761	639,328,761
------	-------------	-------------

14.4	5,850,077,121	6,235,820,175
------	---------------	---------------

14.5	2,273,546,972	313,210,472
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8,762,952,854	7,188,359,408
---------------	---------------

15,910,582,524	14,335,989,079
----------------	----------------

14.1 This represents projects executed by KW&SB funded by Federal and Provincial Governments as counter part funding by the international lending agencies. The proceeds of loan under Commonwealth Development Corporation (CDC) and Overseas Co-operation Fund (OECE) PK-P40 Japan are channelled through the Government of Sindh (GOS) which, in turn, lend it to the Karachi Metropolitan Corporation (KMC) at an annual interest rate of 11%. However it further lend the proceeds to the executing agency, Karachi Water and Sewerage Board (KW&SB) on the same terms. The projects aim to increase the quality, reliability, and coverage of water supply, waste water and solid waste management services in participating towns.

14.2 This represents balances in the banks associated with projects which are still outstanding.

14.3 The Board undertakes various schemes from the allocation of fund by the Government of Sindh (G.O.S) and other agencies. The Board is benefited from the ultimate use of such assets and the revenue generated there from. A review of such schemes was carried out based on the book value.

14.4 This represents capital expenditure on Greater 100 MGD water supply (K-III) to increase potable bulk water supply and further augment water availability by introducing water loss reduction measures. It is financed through Government of Pakistan (GOP) as Grant in Aid for water supply sector. The Project is the part and parcel of K-III Scheme to provide an additional 100MGD water to the city of Karachi

14.5 This represents capital expenditure on the Tameer-e-Karachi Programme (TKP), geared specifically towards rebuilding Karachi (and to some extent, Sindh) by providing vital physical infrastructure and other civic amenities in key target locations, particularly in the industrial areas through the concerted efforts of the CDGK, and the Provincial government.

15 Trade debtors

Consumers receivable against

- Water charges

- Sewerage services

7,817,870,655	7,741,984,658
---------------	---------------

3,984,475,165	3,813,896,513
---------------	---------------

11,802,345,820	11,555,881,171
----------------	----------------

(3,586,983,947)	(3,405,571,836)
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8,215,361,873	8,150,309,335
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Less: Provision for doubtful debts

16 Loans and advances

Advances to employees - unsecured

House Building

Motor Cycle

Marriage

16.1	4,931,248	4,518,553
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80,678	93,858
--------	--------

69,916	276,149
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5,081,842	4,888,560
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N2M

16.1 This represents advance to employees in order to facilitate in the construction of their house. The amount shall be granted to employees who have completed their probationary period and are subscribed to General Provident Fund of KW&SB. Furthermore the amount so granted is interest free for the employees below the BPS 16. However the interest on house building loan of officers BPS 16 and above, is payable at such rates as may be fixed by the Government of Sindh.

	2008	2007
	Rupees	
17 Other Receivables		
Receivable against subsidy from:		
- Karachi Development Authority (KDA)	98,306,126	98,306,126
- Karachi Metropolitan Corporation (KMC)	206,487,181	206,487,181
17.1	<u>304,793,307</u>	<u>304,793,307</u>

17.1 Receivable from Karachi Metropolitan Corporation (KMC)

Balance as at July 01 2006

Share of fire and conservancy payable

Subsidy receivable from Karachi Metropolitan Corporation-KMC

408,199,380	408,199,380
(201,712,199)	(201,712,199)
<u>206,487,181</u>	<u>206,487,181</u>

17.1 The balance remain static and reported accordingly during the year.

18 Short term investment

Investment in TDR

Citi Bank limited

18.1	<u>-</u>	<u>100,000,000</u>
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18.1 This represents an amount of Rs. 100 million drawn from United Bank Limited and invested in Citi Bank Limited for a period of 6 months commencing from November 01, 2006 @ rate of profit 11%.

19 Cash and bank balances

Cash at banks

- Current accounts

- Deposit accounts

19.1	<u>363,246,276</u>	<u>579,883,584</u>
	<u>42,524,137</u>	<u>220,894,587</u>
	<u>405,770,413</u>	<u>800,778,171</u>

19.1 It carries profit ranging from 0.5% to 2 % (2007: 0.5% to 2%) per annum.

20 Revenue from Water & Sewerage

Income from water

Bulk consumers

Retail consumers

2,252,783,188	2,363,395,038
838,895,004	295,704,856
<u>3,091,678,192</u>	<u>2,659,099,894</u>

Income from Sewerage

Bulk consumers

Retail consumers

277,799,133	254,593,086
258,764,904	824,167,284
<u>536,564,037</u>	<u>1,078,760,370</u>

The KW&SB revenue is generated by the supply of water and sewerage services to all the consumers in Karachi. The consumers are divided into two broad categories - Bulk and Retail. Bulk consumers mainly comprises of large customers such as organisations and departments, they are billed according to the meter readings on a monthly basis. However, retail consumers are classified into residential, commercial, industrial, religious and educational sectors and are billed on annual basis at the Tariff rates as applicable.

21 Cost of Revenue

Salaries and other benefits

Service charges against cost of raw water

Chemicals consumed

Fuel for pumping stations

Electricity and gas charges

Repair and maintenance

1,059,462,858	959,035,995
6,511,656	18,860,185
43,363,410	62,957,318
85,418,793	54,256,880
2,072,501,144	1,851,241,624
<u>208,058,348</u>	<u>369,716,741</u>
<u>3,475,316,209</u>	<u>3,316,068,743</u>

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	2008	2007
	Rupees	
22 Administrative expenses		
Salaries and other benefits	343,187,403	171,555,511
Repair and maintenance	73,694,967	3,977,975
Utilities	5,008,170	4,635,786
Vehicle running expense	71,133,045	67,329,835
Automation of Billing	52,714,605	31,078,952
Legal and professional charges	1,100,948	2,124,352
Entertainment	361,613	334,418
Printing and stationery	4,442,883	3,643,181
Advertisement	16,963,219	2,599,380
Books and periodicals	171,266	226,088
Miscellaneous	32,697,037	11,845,094
	601,475,156	299,350,572

23 OTHER EXPENSES		
Audit Remuneration	1,280,000	1,280,000
Depreciation	23.1 738,450,509	777,512,048
Bad debts expense	181,412,111	186,893,013
	921,142,620	965,685,061

23.1 Depreciation		
Expense for the year	753,396,109	793,352,429
less: Amortization of grant	23.1.1 (14,945,600)	(15,840,381)
	738,450,509	777,512,048

23.1.1 This represents such portion of the grant as is recognized in income upon capitalization of related assets.

24 OTHER INCOME		
Profit from bank	24.1 34,612,214	32,003,862
Receipts against water surcharge	24.2 74,353,554	228,866,861
	108,965,768	260,870,723

24.1 This represents profit / mark up net of withholding tax earned on PLS bank accounts.

24.2 This represents receipts against water supply allowed to the contractors for the work carried out on the projects or schemes. These charges are deducted against the bill at the rate of 0.5% of the total cost of work for drinking purposes and 1% of total cost of work for construction purposes.

25 FINANCIAL CHARGES

International Development Association (IDA)

-1374 PAK
-1652 PAK
-1987 PAK

33,760,000	36,690,000
61,840,000	65,250,000
725,890,000	743,790,000
821,490,000	845,730,000

Asian Development Bank (ADB)

-SF-793 PAK
-SF-1001 PAK / 1002 PAK

51,840,000	54,610,000
172,990,000	175,900,000
224,830,000	230,510,000

Commonwealth Development Corporation (CDC)

-L-2747-01

97,280,000	104,240,000
1,143,600,000	1,180,480,000

25.1 Financial charges are inclusive of exchange risks charges on the principal amount of the loan withdrawn by the Karachi Metropolitan

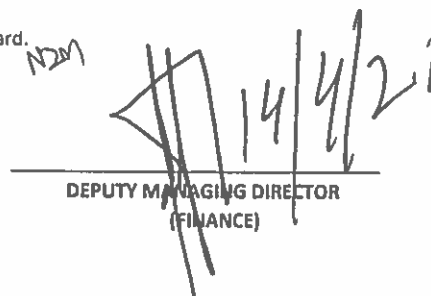
26 General

The figures have been rounded off to the nearest rupees. Corresponding figures have been rearranged/ reclassified for comparison, there is no material impact of such reclassifications.

27 Date of issue

These financial statements have been authorized for issue on _____ by the Board.


MANAGING DIRECTOR


DEPUTY MANAGING DIRECTOR
(FINANCE)

Particulars	COST				DEPRECIATION				Book value as at 30 June 2008	Rate %
	As on 01 July 2007	Addition	(Deletion)	As at 30 June 2008	As on 01 July 2007	On Disposal	Charge For The Year	As at 30 June 2008		
	Amount in Rupees									
SCHEMES										
Renovation of sewerage in P.E.C.H.S	61,675,178	-	-	61,675,178	41,104,044	-	1,028,557	42,132,601	19,542,577	5%
Lyari Sewerage Scheme	149,622,108	-	-	149,622,108	97,769,957	-	2,592,608	100,362,564	49,259,544	5%
Renovation of Water Supply NN and FB area	72,005,309	-	-	72,005,309	46,363,640	-	1,282,083	47,645,723	24,359,586	5%
Foreign & Govt aided Projects	737,449,268	-	-	737,449,268	227,840,487	-	25,480,439	253,320,926	484,138,342	5%
KCH water supply projects 1374 PAK	824,770,622	-	-	824,770,622	341,781,100	-	24,149,476	365,930,576	458,840,046	5%
KSDP-IDA 1652 PAK	1,185,262,942	-	-	1,185,262,942	575,754,569	-	30,475,419	606,229,988	579,032,954	5%
KSDP - ADB 793 PAK	1,377,733,977	-	-	1,377,733,977	594,078,739	-	39,182,762	633,261,500	744,472,477	5%
KSDP - ADB 1001/1002 PAK (SF)	3,464,437,398	-	-	3,464,437,398	1,165,503,368	-	114,946,702	1,280,450,069	2,183,987,329	5%
KCH water supply project IDA 1987 - PAK	13,658,633,237	-	-	13,658,633,237	4,120,300,237	-	476,916,650	4,597,216,887	9,061,416,350	5%
TRANSFERRED / SCHEMES ASSETS	21,531,590,039	-	-	21,531,590,039	7,210,496,140	-	716,054,695	7,926,550,835	13,605,039,204	
Schemes from KWM/B	4,680,897	-	-	4,680,897	3,241,277	-	71,981	3,313,258	1,367,639	5%
Schemes from KDA	1,170,475,891	-	-	1,170,475,891	857,624,672	-	15,642,561	873,267,233	297,208,658	5%
SEWERAGE ASSETS TRANSFERRED FROM KMC	1,175,156,788	-	-	1,175,156,788	860,865,948	-	15,714,542	876,580,490	298,576,298	
Land	2,137,384,485	-	-	2,137,384,485	-	-	-	-	2,137,384,485	
Building	192,635,209	-	-	192,635,209	88,542,831	-	5,204,619	93,747,450	98,887,759	5%
Plant & Machinery	49,452,017	-	-	49,452,017	35,485,308	-	1,396,671	36,881,979	12,570,038	10%
Underground Pipelines	383,692,227	-	-	383,692,227	176,360,262	-	10,366,598	186,726,860	196,965,367	5%
OTHER ASSETS	2,763,163,938	-	-	2,763,163,938	300,388,401	-	16,967,888	317,356,289	2,445,807,649	
Office building	945,000	-	-	945,000	529,080	-	20,796	549,876	395,124	5%
Vehicles	46,816,570	-	-	46,816,570	38,871,106	-	794,546	39,665,653	7,150,917	10%
Office equipment and furniture	27,375,825	441,204	-	27,817,029	16,822,739	-	1,099,429	17,922,168	9,894,861	10%
Machinery and equipments	131,132,453	-	-	131,132,453	114,419,290	-	1,671,316	116,090,606	15,041,847	10%
Sewerage cleaning machines	35,439,740	-	-	35,439,740	24,714,925	-	1,072,481	25,787,407	9,652,333	10%
Other minor fixed assets	5,019,129	-	-	5,019,129	5,014,979	-	415	5,015,394	3,735	10%
	246,728,717	441,204	-	247,169,921	200,372,119	-	4,658,984	205,031,103	42,138,818	
TOTAL as at 30 June, 2008	25,716,639,482	441,204	-	25,717,080,686	8,572,122,608	-	753,396,109	9,325,518,717	16,391,561,969	
TOTAL as at 30 June, 2007	25,714,036,777	2,602,705	-	25,716,639,482	7,778,770,179	-	793,352,429	8,572,172,608	17,144,856,074	