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PJT'S ANNUAL REPORT

ANNUAL REPORT

1995

PERUM JASA TIRTA

I. INTRODUCTION

A. General

1. This Financial Report of Perum Jasa Tirta (Jasa Tirta Public Corporation) for 1995 is an annual report in the implementation of RKAP (Budgetary Schedule) for the period from January to December 1995 and approved under Letter of Decision of Minister of Public Works No. 9/KEP/RUPS/1995 dated 18 January 1995.
2. As follow up of preparation for establishment of profit center unit which was initialized since September 1995, a management pattern for profit center unit has been successfully formulated for the development of Selorejo tourist resort either for organization or finance/accounting. Establishment of profit center unit has the aim to entrust the bigger authority delegation within reasonable control. If this organization is considered to be quite successful, it is expected that the number of profit center unit will increase in the coming years.
3. Besides, the new organization framework was also successfully formulated and approval being requested from the Supervision Committee to meet the development era which was planned to start in 1996. Also a Manpower Planning has been completed up to 2005.
4. Company progress in 1995 is as seen in the brief feature on target achievement in 1995 under Chapter II Section C.

Target achievement in details and explanation on reasons of the occurred deviation are explained in the following chapters.

B. Important Matters in 1995

1. Based on the conducted activities and progress result, river management pattern by Jasa Tirta Public Corporation (Perum Jasa Tirta) has attracted the interest of the management of other region. This was identified by the requests for explanation/presentation from Directorate of PPSDA, Bappenas, LIPI, Regional Authority of Central Java, Jratun Seluna, Bengawan Solo, Serayu, Bogowonto and other river regions on management pattern of Kali Brantas River by Perum Jasa Tirta.
2. In 1995 consecutively East Java Province was visited by important guests, Deputy President of Republic of Indonesia, Minister of Public Works, Commission X of DPR (Legislative) of Republic of Indonesia, Minister of Living Environment, Queen Beatrix from Holland, who were showing the special interest on the environmental condition of rivers. Besides, Bappenas, BPPT, Bapedal and LIPI separately requested Perum Jasa Tirta to give presentation (exposition) on the activity related with the management of River Basin. At the same time, INBO (International Basin Organization) also requested the written exposition to be installed in its bulletin. These confirmed the existence of Perum Jasa in both national and international level that Perum Jasa Tirta never put aside the main duty of the organization as a BUMN (State Owned Corporation) has a very high commitment to environment conservation.
3. The agreement of water service tariff adjustment for PLN from R.7.70/kWh to R.10.20/kWh was started from January 1995. This might increase the income of the company, but on the other side PJT should improve the service to PLN among others by giving priority to the maintenance in form of dredging of Sengguruh reservoir to increase the production of PLTA Sengguruh.
4. At the end of 1995 Perum Jasa Tirta was visited by Pemda (Regional Authority) of DKI Jakarta for comparative study on flood control system. In the conception to establish an agency especially related with flood by State Minister for Living Environment, Perum Jasa Tirta was used as a reference/example.

C. Problems Faced by the Corporation

1. Sedimentation in Sengguruh reservoir (reservoir at the upper most of Kali Brantas) may affect the electricity production. Although routine dredging has been conducted, but a long term comprehensive settlement still under consideration.
2. Illegal sand quarry at middle reach of Kali Brantas has caused the river bank sliding. As this concerned with social problem, coordination with the local authority is being made on the possibility to transfer the quarry to the slope of Mt. Kelud and Mt. Semeru.
3. Related with inadequate city drainage, during the hard rain local inundation still occurred in Surabaya although the Surabaya River and Mas River still able to flow the flood, the flood control system in Surabaya being coordinated with the local authority.
4. The water quality of Kali Surabaya has not reached the acceptable standard BOD = 6 PPM and COD = 10 PPM, the efforts to reduce the waste flow into the river (domestic waste and industrial waste) is continuously conducted together with local authority and other organizations also be PROKASIH (clean water project). The fund from Perum Jasa Tirta is included in the post for guidance cost.
5. Pollution control at the river still remain as issue of 1995 as it has not been completely settled. The efforts which have been conducted beside the activation of PROKASIH also the introduction of discharge fee concept which has been discussed in the Pemda (local authority) and Bapedal (Environment Impact Control Agency) level. Letter of decision of Governor of East Java on the permit for waste discharge was issued in which Perum Jasa Tirta as provider of technical recommendation, another Letter of Decision of Governor was also issued for the establishment of Team for Preparation of Discharge Fee with Perum Jasa Tirta as Deputy Chairman.
6. Tariff adjustment for financing O and M of water resources infrastructures of PLN.
 - a. Until now agreement has not been reached with PLN on methodology of tariff calculation. This has given difficulties to Perum Jasa Tirta in the discussion of new tariff adjustment with PLN. Study result on Water Resources Infrastructure and Management Fee motivated by Ministry of Public Works was expected to be used as base for tariff calculation in the future.
 - b. Although decision for basic tariff adjustment to finance O and M of water resources infrastructure of PLN for 1995 has been issued based on Decision of Minister of Public Works Number 430/KPTS/1995 dated 156 November 1995, but the payment of cost difference of Rp.2.50/kWH or Rp.2.37 billion for 1995 has not been realized yet. This due to the change of Corporation of PLN starting from 3 October 1995, which was previously under the responsibility of PLN-KJT (organization in PLN structure) now PLN-PJB II (subsidiary of PLN).

II. SUMMARY OF ANNUAL REPORT

A. Explanation on the Difference between Assumption and Realization

Several assumptions which were adopted for the preparation of RKAP (budgetary schedule?) for 1995 was given better realization than the assumption, among others as follows:

1. Water tariff for electricity generation in the RKAP was estimated at Rp.8/kWh, the realization was better at Rp.10.20/kWh effective from January to December 1995.
2. In 1995 the climate condition was assumed to be normal but it was above normal which caused the electricity production 8.38% above the target.

B. Policy of Corporation

As public corporation with intention to participate in the implementation of government program in national economic development, the management given direction to every organ of corporation to continuously making efforts for the following:

1. The auditor opinion on financial report should be "Reasonable Without Exception" and for health condition should be at least "healthy".
2. Management of the corporation should always based on healthy corporation management and economic principles.
3. Improve the capability/expertise/skill of human resources in various management fields/function by workshop, courses, seminar, S1 (baccalaureate) and S2 (master) degree educational program.
4. Increase work productivity and motivation of the employee where the company will give salary on merit system based on quarterly evaluation.
5. Resources optimum utilization by integral management for every parts of the company based on economical, efficient and effective management.

C. Summary of Target Achievement

The achievement of main target of 1995 to RKAP 1995 and comparison with realization of 1994 is as shown in the following table:

Description	Realization 1994	RKAP 1995	Realization 1995	% Real of 1995 To	
				REAL 94	RAKP 95
1. Production					
- PLTA (kWH)	828,794	875,000	948,300	114.42	108.38
- Raw Water:					
- City Water (m ³)	128,991	163,000	144,287	111.86	88.52
- Industry (m ³)	127,662	140,000	135,542	106.17	96.82
	256,653	303,000	279,829	109.03	92.35
2. Business Income (Rp.)	14,638,918	18,196,000	18,785,075	128.19	103.13
3. Business Cost (Rp.)	12,914,520	15,647,700	16,388,642	126.91	104.74
4. Business Profit (Rp.)	1,725,398	2,548,300	2,376,433	137.73	93.26
5. Non Business Profit (Rp.)	1,523,650	955,000	1,622,710	106.50	169.92
6. Pre-Tax Profit (Rp.)	3,249,047	3,503,300	3,999,143	123.09	114.15
7. Investment (Rp.)	952,646	4,558,600	4,291,850	450.52	94.15
8. Personnel	448	446	440	98.21	98.65
9. Debit (Rp.)	4,911,773	5,856,357	5,836,687	118.83	99.86
10. Credit (Rp.)	2,924,895	2,711,143	3,038,448	103.88	112.07
11. PUKK Development (Rp.)	93,000	142,151	142,120	152.82	99.98
12. Company Performance					
- Weight	103.21	--	110.59	--	107.15
- Category	Healthy		Very Healthy		

III. FINANCIAL REPORT AND EXPLANATION

A. Financial Report of 1995

1. Balance

Posts under Balance of 31 December 1995 compared to Balance of 31 December 1994 in broad lines is as follows:

(1,000)		
Description	Balance of 1995	Balance of 1995
Assets		
- Current Assets	14,737,729	14,897,751
- Fixed Assets	8,386,583	10,330,428
- Progress Assets	285,440	86,601
- Others Assets	2,144,823	2,403,141
Total Assets	25,556,530	27,717,741
Liabilities		
- Short Term debt	4,911,773	5,836,687
- Long Term Debt	--	--
- Own Capital	20,644,757	21,881,054
Total Liabilities	25,556,530	27,717,741

The balance as of 31 December 1995 in details is as shown in Table: A.

2. Calculation of Profit/Loss

Profit/loss posts in 1995 compared to 1994 is as follows:

Description	Realization 1994	RKAP 1995	Realization 1995	% Real of 1995 To	
				REAL 94	RAKP 95
Business Income	14,638,918	18,196,000	18,765,075	128.19	103.13
Business Cost	12,913,520	15,647,700	16,388,642	126.91	104.74
Business Profit	1,725,398	2,548,300	2,376,433	137.73	93.26
Non Business Income	1,565,886	955,000	1,627,082	103.91	170.38
Non Business Expenditure	42,236	--	4,372	10.35	--
Non Business Profit	1,523,650	955,000	1,622,710	106.50	169.92
Pre Tax Profit	3,249,047	3,503,300	3,999,143	123.09	114.15
Corporate Income Tax	1,443,772	1,321,100	1,409,047	97.59	106.66
Profit after Tax	1,805,275	2,182,200	2,590,096	143.47	118.59

Calculation of profit/loss up to 31 December 1995 in details can be seen in Table: B.

3. Change in Financial Position

Change of Financial Position up to 31 December 1995 is as follows:

(1,000)

DESCRIPTION	REALIZATION 1994	RKAP 1995	REALIZATION 1995
Fund Source	4,528,974	5,512,197	5,330,053
Fund Disbursement	6,227,000	6,232,200	6,097,125
Surplus (Deficit)	(1,698,026)	(720,003)	(767,072)
Work Capital as of 1 Jan	11,525,982	12,680,909	9,827,956
Work Capital as of 31 Dec	9,827,956	11,969,906	9,060,884

Change of financial position up to 31 December 1995 in details is as seen in Table C.

The said fund increase/decrease was reflected in the calculation of increase/decrease of current assets and current debt components as follows:

(1,000)

DESCRIPTION	REALIZATION 1994	RKAP 1995	REALIZATION 1995
Increase/Decrease of Current Assets	(134,412)	(495,129)	157,842
Increase/Decrease of Short Term Debt	1,563,613	224,874	924,914
	(1,698,026)	(720,003)	(767,072)
Work Capital as of 1 Jan	11,525,982	12,680,909	9,827,956
Work Capital as of 31 Dec	9,827,956	11,969,906	9,060,884

Increase/decrease of fund up to 31 December 1995 in details is as seen in Table C-1.

4. Cash Flow

Cash flow up to 31 December 1995 is as follows:

(1,000)

DESCRIPTION	REALIZATION 1994	RKAP 1995	REALIZATION 1995
Business Transaction			
- Acceptance	14,941,817	17,727,474	16,675,173
- Expenditure	11,127,877	13,295,503	12,801,687
Balance (-)	3,813,940	4,431,971	3,873,486
Financial Transaction			
- Acceptance	1,662,657	3,064,689	2,301,291
Balance (-)	5,476,597	7,496,660	6,174,776
- Expenditure	6,457,933	6,378,337	7,728,838
Balance (-)	(981,336)	1,118,323	(1,554,062)
Initial Capital	3,611,820	3,594,805	2,630,484
Final Balance	2,630,484	4,713,128	1,076,422

5. Undivided Profit

The undivided profit up to 31 December 1995 is as follows:

(1,000)

DESCRIPTION	REALIZATION 1994	RKAP 1995	REALIZATION 1995
Profit/Loss after Tax	1,805,275	2,182,200	2,590,096
Undivided Profit Balance as of 1 January	3,305,025	1,673,600	1,805,275
	5,110,299	3,855,800	4,395,371
Profit Distribution	3,305,024	1,673,600	1,805,275
Undivided Profit Balance as of 31 December	1,805,275	2,182,200	2,590,096

B. Explanation on Financial Report

I. Accounting Policy

Items in accounting policy to be used as basic preparation of financial report for 1995 is as follows:

a. Cost

Cost will be based on the prevailing payment (actual basis).

b. Income

1) Acceptance of OP payment will be regarded as income if:

- a) After the total electricity kWh generated in PLTA is made under minutes of production mutually agreed and signed by the appointed PLN staff and Perum Jasa Tirta staff and or after the preparation of the invoice.
- b) After the utilization/collection of raw water has been decided by the appointed employee and or after the issuance of letter of appointment.
- c) Especially for the income of December, will be according to the decision by the appointed staff without waiting the completion of invoice notice/minutes of production. Will be recorded as income to be accepted.

2) For tourism will be according to the total sold tickets. Room rental will be according to the issuance of bill after the checking out.

3) For other incomes after the realization and or the issuance of the bill.

c. Account Receivable

Account receivable will be certified after the transaction or the transfer between the company and other party upon the selling or transfer of goods and service and the sending of bill/invoice or evidence stating that the company has the account receivable and or based on letter of decision and regulation.

d. Setting Apart of Account Receivable

Determination of setting apart of the account receivable will be based on the Official Memo from Director of Administration and Finance Number: KP.059/MD/UM/DA/93 dated 17 December 1993 regarding percentage of setting apart of the account receivable according to the period as follows:

Period	% of Setting Apart of Account Receivable
1. > 3 to 6 months	10
2. > 6 to 12 months	30
3. > 12 months	50

While account receivable to PLN, PDAM and Government Project the setting apart will not be made.

e. Income Receivable

At the end of December confirmation will be received on total production to be invoiced by the company (LHO used of equipment, water supply to consumer, etc.) but the invoice has not been prepared due to insufficiency of supporting document.

f. Supply

The supply will be based on total demand and supply rate according to the First In First Out (FIFO) method. For the unusable supply (damage) will be separately presented as part of other assets which reasonably evaluated according to the economical benefit.

g. Fixed Assets

Fixed assets will be evaluated based on the supply rate. Depreciation will be calculated by using the straight line method with quarterly depreciation/amortization.

Annual fixed assets depreciation tariff is as follows:

	PMP (%)	Newly Procured (%)
1. Building	6.67	5
2. Tennis Court and Road	5	5
3. Networks, Installation and Other Structures	20	20
4. Inland Heavy Equipment	20	20
5. Floating Heavy Equipment	10	10
6. Motorized Transportation	25	20
7. Laboratory Equipment	20	20
8. Workshop Equipment I	25	20
9. Auxiliary Equipment I	50	33.33
10. Auxiliary Equipment II	25	25
11. Boat Equipment/Pile	10	10
12. Office Furniture & Equipment	20	20

h. Debt

Debt will be approved after the evidence of goods/service transfer is accepted by the goods/service acceptor committee or the submission of work progress (physical progress) mutually signed by Perum Jasa Tirta and the second party.

Other debts will be approved according to the evidence stating that the company has a debt or based on the letter of decision/regulation.

i. Pending Cost

The pending cost will be charged for the period of 10 years or amortization on the postponed cost will be 10% per year.

2. Explanation on Balance Posts

Balance of Jasa Tirta Public Corporation as of 31 December 1995 was closed with the accumulation of Debit and Credit respectively at Rp.27,717,741,241 (see Table: A).

Explanation of Balance posts as of 31 December 1995 is as follows:

a. Current Assets

Total current assets at the end of 1995 was Rp.14,897,570,630 or increased by Rp.157,842,345 million or 1.07% of the current assets at the beginning of 1995 at Rp.14,739,728,608.

Composition of the said current assets posts are as follows:

- 1) Cash on Hand Rp.15,682,455.00
Such total was the remaining cash (cash on hand) as of 31 December 1995 consisting of:

- Cash on Hand	Rp.15,682,455.00
- Small Cash	--
	Rp.15,682,455.00

- 2) Bank Rp.1,060,739,456.00

The said total was remaining cash at the Bank on 31 December 1995 consisting of:

Bank Account at:

- BNI 46	Rp.232,088,809.00
- BRI	Rp.408,894,317.00
- BPD	Rp.410,338,596.00

Rp.1,051,321,722.00

Simpeda (saving) Rp.9,417,734.00

Rp.1,060,739,456.00

- 3) Short Term Deposit Rp.7,153,110,206.00

Such amount was long term deposit of the company as of 31 December 1995 consisting of:

Bank Account at:

- BRI Deposit	Rp.5,500,000,000.00
- BPD Deposit	Rp.1,500,000,000.00
- Lippo Bankg	Rp.153,110,206.00
	Rp.7,153,110,206.00

- 4) Business Account Receivable Rp.3,038,448,366.00

The said amount was the remaining unpaid invoices from the water and non water service consumers and the payment has not been realized up to 31 December 1995, consisting of:

- PLN	Rp.2,079,985,650.00
- Industry	Rp.56,517,832.00
- Construction	Rp.258,007,215.00
- Equipment	Rp.412,187,550.00
- Consultancy	Rp.190,247,879.00
- Land etc.	Rp.322,545,828.00
- Loan to Employee	Rp.6,231,412.00
- Loan to 3rd Party	Rp.2,725,000.00
	Rp.3,038,448,366.00

Account receivable from PLN of Rp.2,079 billion related with the decision on new tariff increase on 26 September 1995 which made the said amount was recorded as account receivable as of 31 December 1995.

- 5) Setting Apart of Account Receivable Loss Rp.122,206,129.00

Based on Official Memo of Director of Administration and Finance Number: KP.059/MD/UM/DA/93 dated 17 December 1993 total setting apart of account receivable loss is as follows:

Period of Account Receivable	Total	%	Setting Apart Rp.
1. < 3 months	429,616,827	0	--
2. 3 to 6 months	155,662,000	10	15,566,300
3. 6 to 12 months	78,302,471	30	23,490,741
4. > 12 months	166,406,175	50	83,203,088
5. Government Agency:			
-	2,079,985,650	--	--
-	--	--	--
-	56,517,832	--	--
	3,029,491,955		122,260,129

- 6) Work Advance Payment Rp.12,945,873.00

The above amount was the remaining work advance payment as of 31 December 1995 consisting of:

- General Affairs	Rp.4,786,630.00
- Non Water Service Division	Rp.8,159,243.00
	Rp.12,945,873.00

- 7) Tax Advance Payment Rp.817,375,404.00

This amount was the remaining tax advance payment as of 31 December 1995 consisting of:

- PPh Article 23	Rp.39,869,394.00
- PPh Article 25	Rp.777,506,010.00
	Rp.817,375,404.00

- 8) Income Receivable Rp.2,752,801,268.00

Income of the company to be invoiced as of December 31, 1995 consisting of:

- PLN	Rp.1,186,321,302.00
- City Water (PDAM)	Rp.426,792,722.00
- Industry	Rp.895,809,868.00
- Equipment	Rp.13,012,727.00
- Construction	Rp.185,011,968.00
- Consultancy	Rp.35,534,638.00
- Other Service	Rp.10,318,043.00
	Rp.2,752,801,268.00

- 9) Cash on Hand Rp.168,728,054.00

The above amount was the balance as of 31 December 1995 consisting of:

Cash on Hand as of 1 January 1995 Rp.378,137,497.00

Increase (Decrease)

- Material	Rp.(223,502,769.00)
- Fuel	Rp.(3,236,150.00)
- Ticket	Rp.17,329,476.00
	<u>Rp.(209,409,443.00)</u>

Balance as of 31 December 1995 Rp.168,728,054.00

b. Fixed Assets and other Assets

Total fixed assets and other assets at the end of 1995 was Rp.12,733,569,288.00 (Rp.10,330,428,004.00 + Rp.2,403,141,284.00) increased by Rp.2,202,207,483.00 or 20.91% from the total of fixed assets and other assets at the beginning of 1995 at Rp.10,531,361,805.00.

1) Fixed Assets Rp.18,515,436,150.00

The above total was derived from the fixed assets stating from the company establishment and from the purchase and rehabilitation up to 31 December 1995 consisting of:

Balance as of 1 January 1995 Rp.15,302,741,626.00

Increase up to 31 December 1995:

- Land	Rp.134,607,200.00
- Construction/Building	Rp.2,420,764,095.00
- Machine Equipment	Rp.1,227,988,391.00
- Office Equipment	Rp.171,809,671.00
	<u>Rp.3,955,169,357.00</u>

Rp.19,257,910,983.00

Decrease:

- Selling of Fixed Assets (completed the auction process by State Auction Office on 17 April 1995)	<u>Rp.742,474,833.00</u>
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Balance as of 31 December 1995 Rp.18,515,436,150.00

* The said assets value excluding the under progress assets amounting Rp.86,601,000.00.

2) Other Assets Rp.2,562,924,409.00

The said total obtained from other assets up to 31 December 1995 consisting of:

Balance as of 1 January 1995 Rp.2,226,243,609.00

Increase up to 31 January 1995:

- Pending Costs	<u>Rp.336,680,800.00</u>
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Rp.2,562,924,409.00

c. Depreciation and Amortization

1) Depreciation in Fixed Assets Rp.8,185,008,146.00

The above total was the accumulation up to 31 December 1995 consisting of:

Balance as of 1 January 1995 Rp.6,916,203,177.00

Increase up to 31 December 1995:

- Construction/Building	Rp.515,377,143.00
- Equipment	Rp.1,269,441,135.00
- Office Equipment	Rp.156,668,337.00

Rp.1,941,486,615.00

Rp.8,857,689,792.00

Decrease:

- Selling of Assets	Rp.672,681,646.00
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Rp.8,185,008,146.00

2) Amortization of Other Assets Rp.159,783,125.00

The above total was the amortization value up to 31 December 1995 consisting of:

Balance as of 1 January 1995 Rp.81,420,253.00

Increase up to 31 December 1995:

- Pending Costs	Rp.78,362,872.00
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Rp.159,783,125.00

d. Short Term Debt

Remaining balance of short term debt at the end of 1995 was Rp.5,836,687,335.00 increased by Rp.924,914,567.00 or 18.83% from the short term debt at the beginning of 1995 which was Rp.4,911,772,768.00.

Such increase was due to the increase of debt for business activities of Rp.1,524,026,846.00.

The short term debt as of 31 December 1995 consisting of :

1) Debts:

Debts for Business Activities

- O&M Cost	Rp.2,132,464,526.00
- General Costs	Rp.63,896,477.00
- Service Cost	Rp.61,200,630.00
- Investment	Rp.386,759,630.00
- KPN Bhakti Adiguna	Rp.217,222,550.00

Rp.2,861,543,813.00

Tax Debts	
- VAT	Rp.97,425,253.00
- Income Tax (Pph) 21	Rp.18,338,356.00
- PPh for Body	Rp.1,409,046,811.00
	Rp.1,524,810,920.00
Debt for Semesta Development Fund	Rp.1,117,686,039.00
Debt for Production Service	Rp.87,499.00
Other Short Term Debts	Rp.72,951,779.00
2) Advance Acceptance	
- Equipment Rental Cost	Rp.13,750,906.00
- Land Rental Cost	Rp.244,316,579.00
- Official House Rental	Rp.1,539,800.00
	Rp.259,607,285.00
	Rp.5,836,687,335.00

e. Capital

Total capital at the end of 1995 was Rp.21,881,053,906.00 increased by Rp.1,236,296,184.00 or 5.99% from the capital at the beginning of 1995 of Rp.20,644,757,722.00. Such increase was due to the profit acceptance during the prevailing year.

Company capital as of 31 December 1995 consisting of:

- 1) Government Co Capital Rp.17,500,000,000.00
 - a) First Capital Rp.15,000,000,000.00

Such total was the first capital in form of cash on hand, fixed assets and other assets which value as instructed by Minister of Public Works has been audited by BPKP.
 - b) Cash Transfer Rp.2,500,000,000.00

This amount was cash transfer in conformity with Letter of Decision of Authorization form Minister of Finance and Letter from Director General for Monetary dated 7 March 1991 No.S-1405/M/1991 as co-capital for the first capital of the company.
- 2) General Reserve Fund Rp.1,790,957,722.00

From the said total, an amount of Rp.504,762,776.00 was general reserve fund which was formed at the same time with decision of the first PMN accumulated with company benefit which was decided as reserve fund from a part of the result of profit allotment of 1991, 1992, 1993 and 1994.

3) Detained Profit Rp.0.00

Total detained profit balance as of 31 December 1995 was zero, because it was distributed according to the following breakdown:

- Semesta Development Fund	Rp.938,600,000.00
- PUKK Fund	Rp.54,200,000.00
- General Fund Reserve	Rp.361,225,369.00
- Fund Reserve with Purposes	Rp.90,250,000.00
- <u>Production Service</u>	<u>Rp.361,000,000.00</u>

Rp.1,805,275,369.00

4) Profit for the Prevailing Year Rp.2,590,096,184.00

Such amount was the profit after tax deduction which was obtained from company operation in 1995 for the period up to 31 December 1995.

3. Explanation on Calculation of Profit/Lost Posts

Calculation of Profit/Loss as of 31 December 1995 in details is as seen in Table: B.

Explanation on each Profit/Loss Calculation posts is as follows:

a. Business Income Rp.18,765,075,421.00

This amount was the result of business activities obtained until 31 December 1995. Compared to the estimated under RKAP for 1995 the realization given 3.13% higher than RKAP.

Realization of such business income consisting of:

1) Water Service Income:

- PLN	Rp.9,672,662,754.00
- PDAM	Rp.2,597,167,404.00
- Industry	Rp.4,066,255,715.00
- Clean Water	Rp.8,523,900.00
- <u>Water Quality Lab.</u>	<u>Rp.10,523,300.00</u>

Rp.16,355,133,075.00

2) Non-Water Service Income:

- Tourism	Rp.388,684,034.00
- Equipment Service	Rp.798,034,331.00
- Construction Service	Rp.690,967,526.00
- <u>Consultancy Service</u>	<u>Rp.260,954,189.00</u>

Rp.2,138,640,082.00

3) Other Service Income:

- Land	Rp.113,762,924.00
- Others (sand)	Rp.145,081,299.00
- Pressed Roof	Rp.12,458,043.00

Rp.271,302,266.00

Rp.18,765,075,421.00

b. Business Cost Rp.16,388,642,406.00

The above was the cost expended to finance the O and M activities of water resources infrastructures and business activities up to December 31, 1995. Compared to RKAP for 1995, the cost realization was 104.74% of RKAP.

Business cost composition expended for business operation up to 31 December 1995 was:

- O and M Cost	Rp.7,832,551,808.00
- Personnel Cost	Rp.3,863,515,559.00
- General Cost	Rp.939,709,189.00
- cost for Business Trip	Rp.424,836,368.00
- Marketing Cost	Rp.149,729,464.00
- Depreciation Cost	Rp.2,003,766,299.00
- Service Cost	Rp.755,721,385.00
- Supervision Committee Cost	Rp.168,860,120.00
- Guidance Cost	Rp.199,967,886.00
- Upgrading Cost	Rp.49,984,328.00

Rp.16,386,642,406.00

Service cost of Rp.755,721,385.00 consisting of :

- Consulting Service	Rp.117,046,369.00
- Tourisms (ticket tax)	Rp.76,332,024.00
- Wlingi Dredging	Rp.344,492,138.00
- Rental of Transportation	Rp.67,500,000.00
- Others	Rp.150,350,854.00

Rp.755,721,385.00

c. Income and Expenditure for Non-Business

1) Non-Business Income Rp.1,627,082,480.00

The above total was the income obtained outside the business activities up to 31 December 1995. Realization of non-business income was 170.38% than the RKAP estimate consisting of:

- PGPS	Rp.552,897,241.00
- Deposit Interest and Bank Service	Rp.1,033,486,173.00
- Others	Rp.40,699,066.00
	<hr/>
	Rp.1,627,082,480.00

Other income amounting to Rp.40,699,066.00 consisting of:

- Penalty	Rp.9,374,438.00
- Tabanas (Bank Saving) Prize	Rp.76,000.00
- Selling of RKS	Rp.125,000.00
- Profit from Selling Fixed Asset	Rp.31,123,628.00
	<hr/>
	Rp.40,699,066.00

2) Non Business Expenditure Rp.4,372,500.00

Such amount was bank transfer cost expenditure of business income/expenditure and tax imposition of 1994 which was expended in 1995, consisting of:

- Transfer Cost	Rp.862,500.00
- Auction Cost	Rp.3,510,000.00
	<hr/>
	Rp.4,372,500.00

d. Pre PPh (Income Tax) Profit Rp.3,999,142,995.00

the said amount was discrepancy between the income and cost up to 31 December 1995 which include the non business income and expenditure. Profit realization was 114.15% of the RKAP estimate.

e. After Tax Profit Rp.2,590,096,184.00

The above was net profit during 1995 after deducted by income tax of the body.

4. Explanation on Financial Position Change Posts

a. Fund Source

Fund which can be collected until the end of 1995 was Rp.5,330,053,304.00 or 96.69% of the RKAP of 1995 from:

Business Fund:

- Profit after tax	Rp.2,590,096,184.00
- Depreciation	Rp.2,003,766,299.00
	<hr/>

Rp.4,593,862,483.00

Non Business Fund:

- Selling of Fixed Assets Rp.85,876,375.00
- Reduction of Assets in Progress Rp.198,839,077.00
- Reserve Addition Rp.451,475,369.00

Rp.736,190,821.00

Total Fund Obtained

Rp.5,330,053,304.00

b. Fund Disbursement

From the total collected fund during 1995 of Rp.5,330,053,304, a total of Rp.6,097,125,526.00 was disbursed with the following breakdown:

- Investment on Fixed Assets Rp.3,955,169,357.00
- Investment on Other Assets Rp.336,680,800.00
- Profit Distribution Rp.1,805,275,369.00

Rp.6,097,125,526.00

c. Fund shortage (a - b) (Rp.767,072,222.00)

d. Initial Work Capital (1 January 1995) Rp.9,827,955,850.00

e. Final Work Capital (31 Dec. 1995) Rp.9,060,883,618.00

5. Explanation of Cash Flow

Total cash on hand and bank account at the end of 1995 was Rp.1,075,421,911.00.

a. Business Transaction**Business Acceptance**

- Cash Selling Rp.1,090,504,768.00
- Bus. Account Receivable Rp.15,584,668,494.00

Rp.16,675,173,262.00

Business Expenditure

- O&M Cost	Rp.6,274,334,931.00
- O&M Supporting Cost	<u>Rp.6,527,352,688.00</u>
	Rp.12,801,687,619.00
	Rp.3,873,485,643.00

b. Financial Transaction

- Acceptance	Rp.2,301,290,638.00
- Expenditure	<u>Rp.7,728,838,664.00</u>
	(Rp.5,427,548,026.00)
	(Rp.1,554,062,383.00)

Initial cash on hand Rp.2,630,484,294.00

Final cash on hand Rp.1,076,421,911.00

6. Explanation on Undivided Profit

a. Total retained profit and profit during the prevailing year as of December 1995 at the amount of Rp.5,794,100,321.000 consisting of:

- Retained Profit as of 1 January 1995	Rp.1,805,275,399.00
- Profit of the Prevailing Year	<u>Rp.2,590,096,184.00</u>
	Rp.4,395,371,553.00

b. Profit distribution from the partly retained profit of 1995 was according to result of RPB audit on company financial report in 1994 as follows:

- Semesta Development Fund	Rp.938,600,000
- PUKK Fund	Rp.54,200,000
- General Fund	Rp.361,225,369
- Fund with Purpose	Rp.90,250,000
- Production Service	<u>Rp.361,000,000</u>
	Rp.1,805,275,369

7. Company Performance

Calculation of company performance in 1995 was applying the main indicator and additional indicator in accordance with Decision of Minister of Finance Number 826/KMK.013/1992 concluded that company condition is classified as "Very Healthy" with weight value of 110.59 according to the following breakdown:

Main indicator:

- Rental	:	61.79
- Liquidity	:	8.56
- Solvability	:	8.90

79.24

Additional indicator:

- Profit Margin	:	11.07
- Operation Ratio	:	9.85
- Productivity Ratio	:	10.43

31.35

Total Weight

110.59

Detailed performance calculation are as shown in attachment I and I-A.

IV. SUPPORTING INFORMATION

As supplement to the Financial Report 1995 additional information were presented as follows:

A. WATER RESOURCES INFRASTRUCTURE SERVICE

The water resources infrastructures along the Kali Brantas which were managed by Perum Jasa Tirta given the benefit to the people of East Java, they are:

1. Irrigation Service

Irrigation area which directly within the water supply from water structure under management of Perum Jasa Tirta covering an area of 78,811 ha. Such irrigation area were Lodoyo, Turi Tungurono, Jatinlerek, Brantas Kiri Mojokerto, Delta Brantas, Selorejo and Widas.

2. Raw Water Supply

Total raw water for PDAM and Industry during 1995 is as follows:

a. PDAM	144.29 million m ³
b. Industry along Kali Brantas	135.54 million m ³

3. Electric Power Generation

Hydro power electricity managed by PJT during 1995 was 945.30 million kWh.

4. Flood Control

With the availability of flood control structure such as dam, weir and embankment and the operation of flood control equipment (FFWS) there are quite a number of flood prone area along the Kali Brantas is free from annual flood disturbance.

B. Water Service Tariff

1. PLN Tariff

In accordance with Letter of Decision of Minister of Public Works Number: 430/KPTS/1995 dated 15 November 1995 regarding the adjustment of basic tariff for operation and maintenance of water resources infrastructure of Jasa Tirta Public Corporation to generate electric power for PT. State Electricity Corporation (PLN) Persero (Holder), several matters are to be pointed out, among others:

- Tariff adjustment from Rp.7.7/kWh to Rp.10.20/kWh starting from January to December 1995.
- With the above tariff increase, the company should carry out the sand dredging work of Sengguruh reservoir to increase the product electric power generation of PLTA Sengguruh.

C. Investment and Source of Fund

Investment for 1995 was Rp.4,291,850,157.00 (78.00% of RKAP estimate and 412.07% of the realization for 1994) with the following Breakdown:

Fixed Assets Investment:

- Land	Rp.134,607,200.00
- Construction and Building	Rp.2,399,356,719.00
- Machien Equipment	Rp.1,309,117,736.00
- Office Equipment	Rp.112,087,712.00

Rp.3,955,169,357.00

Development Investment:

- Studies	Rp.336,680,800.00
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Rp.4,291,850,157.00

Source of fund obtained from the accumulation of depreciation starting from 1991 to 1995 has not been entirely expended.

Details of investment and source of fund are stated in attachment: 5 and 5-A.

D. The Obligation/Acceptance of Company to/from the Government

1. Acceptance of the Company from the Government

Realization of company acceptance from the Government in form of salary (PGPS), up to 31 December 1995 at the amount of Rp.552,897,541 (133.23% of RKAP and 118.26% of the realization in 1994).

2. Obligation of the Company to the Government

The obligation of the company to the Government as of 31 December 1995 amounting to Rp.3,835,214,218 is broken down as follows:

Semesta Development Fund	Rp.1,300,000,000
Direct Tax	Rp.1,712,127,828
Indirect Tax	Rp.714,276,266
Regional Tax Collection	Rp.76,332,024,000
Tax For Vehicle	Rp.32,478,100
Total	Rp.3,385,312,218

The detailed company's obligation to the Government can be seen in attachment 11.

E. Supervisory Committee

Composition of Supervisory Committee of Jasa Tirta in 1995 is as follows:

- **Chairman** : **Ir. Joelianto Hendro Moeljono**
(Presidential Decree No.36/M year 1995 dated 25 January 1995)
- **Member** : **Mayjen TNI (Purn) H. Moch. Basofi Soedirman**
(Presidential Decree No.36/M year 1995 dated 25 January 1995)
- **Member** : **Margana Irawadi**
(Presidential Decree No.36/M year 1995 dated 25 January 1995)
- **Member** : **Ir. Suharto Satibi, SE**
(Presidential Decree No.44/M year 1994 dated 2 February 1995)

F. Human Resources

Total employee in 1995 increased by 8 persons and decreased by 13 persons. The addition was to anticipate the business activities development. While the decrease of 13 persons was related with resign, retirement and passing away.

Considering the importance of human resources for the continuity and development of the company, in 1995 priority was given to the human resources development by conducting the in house training besides the assignment of employee to participate training in various institutions.

G. Internal Control Unit

1. Financial and Operational Inspection

Up to the end of 1995, the Internal Control Unit has inspected 9 organization units (100%) with target:

- Maintaining WTP opinion from BPKP auditor
- Achieving company performance to at least "healthy" condition
- Improvement of management control system
- Improvement the Close Monitoring (WASKAT) culture

And, the Audit Report (LHP) has already been issued for:

- a. Finance Bureau
- b. Bureau for General Affairs
- c. Bureau for Planning and Programming
- d. Non Water Service Division
- e. Marketing Division
- f. Bureau for Research and Development
- g. Logistic and Implementation Control Bureau
- h. Division for Upper Reach Water Service Management
- i. Division for Lower Reach Water Service Management

2. Education and Training

The education and training program has been participated by SPI staff in 1995 among others:

- ABC System - PPA STAN upgrading course
- FK-SPI of national level, East Java Region and Ministry of Public Works Commissariat
- Guidance on Legal and Law Affairs - Ministry of Public Works
- Upgrading Course for Waskat in LAN and Ministry of Agriculture
- Strategic Alliance
- Core competence - Re-Engineering

H. Small Business and Cooperative Development

1995 was the third year in fund provision from company profit for small business and cooperative development program. Up to 1995, total fund allocated was Rp.288,151,845.00 and Rp.288,120,555.00 has been consumed under the following breakdown:

Fixed Source:

- 1991	Rp.13,000,000.00
- 1992	Rp.88,945,012.00
- 1993	Rp.77,892,333.00
- 1994	Rp.54,158,261.00

- Acceptance of Settlement Rp.54,156,239.00

Rp.288,151,845.00

Fund Expenditure:

- 1993 Rp.53,000,000.00
 - 1994 Rp.93,000,000.00
 - 1995 Rp.142,120,555.00

Rp.288,120,555.00

Rp.31,290.00

The small business and cooperative development program for 1995 was allocated by grant and work capital loan to:

1. 37 home industry business in Southern Malang and Southern Blitar.
2. 10 people farm business association/Water Users' Association in Kabupaten Nganjuk.
3. Cooperative/Village Unit Cooperative receiving assistance from Perum Jasa Tirta.

Realization of small business and cooperative development program for 1995 is as follows:

Development	RKAP 1995	Realization 1995	%
1. Work Capital Assistance			
- Individual Business	68,791,105	68,760,000	99.95
- People's Farming	27,500,000	27,500,000	100.00
- Cooperative	34,395,555	34,395,555	100.00
	130,686,660	130,655,555	99.98
2. Production/Managerial Skill Improvement			
- Individual Business Cooperative/KUD	11,465,185	11,465,000	99.99
TOTAL	142,151,845	142,120,555	99.98

I. Research and Development

In 1995 research and development were emphasized on the study for development, monitoring, evaluation and follow up with formulation as the result of activity in 1994 as follows:

1. Improve the public consciousness and participation in the quality monitoring and control and distribute the pollution fee idea.

2. Involve all parties concerned related with water management problem to improve the water utilization efficiency for agriculture, industry and domestic.
3. Increase the participation of Perum Jasa Tirta in giving contribution to Level I Penda (Provincial Authority) or Central Government in establishment of water resources development policy.
4. Realize the idea in business development to business diversification related with the main activity to increase the income.
5. Evaluate the implementation of merit system.

J. Marketing

Marketing activity in 1995 some was still same with the previous year. Such activity covering the water service and non water service sectors among others:

1. Water Service

- a. Monitoring activity and establish coordination with involved agencies to collect information of company who has not given the permit to use water or the permit is no longer valid.
- b. Preparation of new contract or contract extension to industry/ water utilization at the working area of Perum Jasa Tirta.
- c. Data preparation on industry/water user who has not install to immediately install the water meter by rental. The data preparation until 31 December 1995 were:

Water meter installation

- Installation	:	50 units
- Damage	:	16 units
- Repair	:	4 units

Settlement of rental of water meter

- Settlement	:	16 units
- Under Process	:	34 units

- d. Land use activity which can be leased either for agriculture or for other business and at the same time prepare the contract concerned.

2. Non Water Service

- a. Review and conclusion of new contract with PT. Tanah Mas Nusantara for sand quarry management at the mouth of Kali Porong river.
- b. Increase the promotion in various publications to attract the visitor of Selorejo or Selorejo tourist park.
- c. Approach to seek the work opportunity to be carried out by the company from private/government institutions.

Marketing target achievement (based on contract) up to 31 December 1995 is as follows:

DESCRIPTION	RKAP	REALIZATION	ACHIEVEMENT
Equipment Service	700,000,000	937,422,000	133.92%
Construction Service	1,600,000,000	807,366,000	50.46%
Consulting Service	300,000,000	305,067,190	101.69%
Tourist Service	350,000,000	382,975,160	109.42%

Table A

Balance Sheet as of 31 December 1994 and 1995

Description	Balance 1995	Balance 1995
Assets		
1. Current Assets		
- Cash on Hand	14,98,567	15,682,455
- Bank	2,615,503,727	1,060,739,456
- Short Term Bank Deposit	7,635,308,816	7,153,110,206
- Account Receivable	2,924,895,125	3,038,448,366
- set Apart of Account Receivable Est.	(91,436,570)	(122,260,129)
- Work Advance Payment	65,097,190	12,945,873
- Pre Tax Payment	657,392,200	817,375,404
- Income Receivable	539,850,056	2,752,801,268
- Reserve fund	378,137,497	168,728,054
	14,739,728,608	14,897,570,953
2. Fixed Assets		
- land	799,072,007	933,679,207
- Construction and Buildings	5,411,995,543	7,832,759,638
- Machien Equipment	8,4880,142,910	8,965,656,468
- Furniture and Office Equipment	611,531,166	783,340,837
- Depreciation Cost	(6,916,203,177)	(8,185,008,146)
	8,386,538,449	10,330,428,004
3. Work in Progress	285,440,077	86,601,000
4. Other Assets		
- Other Assets/Non-Materialized	2,226,243,609	2,562,924,409
- Depreciation/Amortization Accum.	(81,420,253)	(159,783,125)
	2,144,823,356	1,403,141,284
Total Assets	25,556,530,490	27,717,741,241
Liabilities		
1. Short Term Debt		
- Business Debt	1,337,516,967	2,861,543,813
- Tax Debt	1,743,793,189	1,524,810,920
- Semesta Development Fund Debt	1,479,086,039	1,117,686,039
- Production Service Debt	4,729,867	87,499
- Other Short Term Debts	54,443,882	72,951,779
- PUKK Fund	33,837,345	--
- Advance Acceptance	258,366,479	259,607,285
	4,911,772,768	5,836,687,335
2. Long Term Debt		
- Retirement Fund Debt	--	--
3. Capital		
- Government Co-Capital	17,500,000,000	17,500,000,000
- General Fund Reserve	1,339,482,353	1,790,957,722
- Detained Profit	--	--
- Profit of the Prevailing Year	1,805,275,369	2,590,096,184
	20,644,757,722	21,881,053,906
Total Liabilities	25,556,530,490	27,717,741,241

Table B

Calculation of Profit/Loss in 1994 and 1995

Description	Realization 1994	Budget 1995	Realization 1995	% Real 95 To	
				REAL 94	RKAP 95
Business Income	14,638,917,720	18,196,000,000	18,765,075,421	128.19	103.13
1. Water Resources Income	11,545,515,353	14,152,000,000	16,355,133,073	141.66	115.57
- PLN	6,131,344,884	7,000,000,000	9,672,662,754	157.76	138.18
- PDAM (City Water)	2,201,253,898	2,934,000,000	2,597,167,404	117.99	88.52
- Industry	3,189,404,301	4,200,000,000	4,066,255,715	127.49	96.82
- Clean Water and Waste Treatm.	23,512,270	18,000,000	19,047,200	81.01	105.82
2. Non Water Service Income	3,093,402,367	4,044,000,000	2,409,942,348	77.91	59.59
- Tourism	320,481,814	350,000,000	388,684,036	121.28	111.05
- Equipment Service	559,374,567	900,000,000	798,034,331	142.67	88.67
- Construction Service	1,369,155,368	1,600,000,000	690,967,526	50.47	43.19
- Consulting Service	348,176,113	300,000,000	260,954,189	74.95	86.98
- Other Service					
- Pressed Roof Product	37,667,000	150,000,000	12,458,043	--	--
- Land Utilization	350,023,322	660,000,000	114,081,299	41.45	21.98
Business Cost	12,913,519,923	15,647,700,000	16,388,642,406	126.91	104.74
- Operation and Maintenance	4,837,794,820	6,455,700,000	7,832,551,808	161.90	121.33
- Personnel Cost	3,443,642,831	4,000,000,000	3,863,515,559	112.19	96.59
- general Cost	777,463,035	940,000,000	939,709,189	120.87	99.97
- Business Trip	345,988,353	425,000,000	424,836,368	122.79	99.96
- Depreciation Cost	1,954,053,025	2,000,000,000	2,003,766,299	102.54	100.19
- Service Cost	1,169,182,607	1,277,000,000	755,721,385	64.64	59.18
- Marketing Cost	1,169,182,607	1,277,000,000	755,721,385	64.64	59.18
- Deras Cost	84,497,400	150,000,000	149,729,464	177.20	99.82
- Guidance Cost	119,688,852	150,000,000	168,860,120	141.08	112.57
- Upgrading Cost		50,000,000	49,984,328	--	99.97
Business Profit/Loss	1,725,397,797	2,548,300,000	2,376,433,015	137.73	93.26
Non Business Income	1,565,886,009	955,000,000	1,627,082,480	103.91	170.38
Non Business Expenditure	42,236,337	--	4,372,500	10.35	--
Non Business Profit/Loss	1,523,649,672	955,000,000	1,622,709,980	106.50	169.92
Pre Tax Profit/Loss	3,249,047,469	3,503,300,000	3,999,142,995	123.09	114.15
Income Tax	1,443,772,100	1,321,100,000	1,409,046,811	97.59	106.66
After Tax Profit/Loss	1,805,275,369	2,182,200,000	2,590,096,184	143.47	118.69

Table C.

FINANCIAL STATEMENT OF 1994 AND 1994

DESCRIPTION	Realization of 1994	RKAP of 1995	Realization of 1995
FUND SOURCE			
1. BUSINESS FUND			
- Net Profit after Tax	1,805,275,309	2,182,200,000	2,590,096,184
- Depreciation	1,954,053,025	2,000,000,000	2,003,766,299
TOTAL BUSINESS FUND	3,759,328,334	4,182,200,000	4,593,862,483
2. FUND OUTSIDE BUSINESS			
- Selling Fixed Asset	D	32,957,000	85,876,375
- Reduction of Fixed Asset in Progress	D	D	198,839,077
- Change of General/Aim Reserve	769,645,620	418,400,000	451,475,369
- Increase of Net Sharing	D	878,640,000	
TOTAL FUND OUTSIDE BUSINESS	769,645,620	1,329,997,000	736,190,821
TOTAL FUND ACHIEVEMENT	4,528,973,954	5,512,197,000	5,330,053,304
FUND USING			
- Fixed Asset Investment	805,811,252	2,967,600,000	3,955,169,357
- Other Asset Investment	1,749,669,188	1,591,000,000	336,690,800
- Increase of Fixed Asset in Progress	258,975,327	D	D
- Reduction of Pension Fund	107,519,771	D	D
- Net Sharing	3,305,024,401	1,673,600,000	1,805,275,369
TOTAL FUND USING	6,226,999,939	6,232,200,000	6,097,135,526
FUND SURPLUS/SHORTAGE	(1,698,025,925)	(720,003,000)	(767,072,222)
STARTING WORKING CAPITAL PER 1 JAN	11,525,981,765	12,680,909,000	9,827,955,840
FINAL WORKING CAPITAL PER 31 DEC.	9,827,955,840	11,960,906,000	9,060,883,618

Table C-1

The increasing/reduction of fund reflected in calculation of increasing/reduction of other current asset and short-term liabilities as follows:

(x 1,000)			
DESCRIPTION	Realization of 1994	RKAP of 1995	Realization of 1995
INCREASING/REDUCTION OF CURRENT ASSET			
- Cash	(7,086,758)	0	701,988
- Bank	(974,249,148)	1,118,323,000	(1,554,764,271)
- Commercial Paper	2,539,428,816	(2,000,000,000)	(428,198,610)
- Business Account Receivable	531,633,925	266,682,000	113,553,241
- Saving Account Receivable	45,500,093	0	(30,823,559)
- Working Advance Payment	(193,523,608)	2,860,000	(52,151,317)
- Payment before Tax	267,430,616	96,000,000	159,983,204
- Account Receivable	539,850,056	184,436,000	2,212,951,212
- Reserve	(1,820,128,629)	(164,430,000)	(209,409,443)
Fluctuation of Current Asset	(134,412,487)	495,129,000	157,842,345
INCREASING/REDUCTION OF CURRENT LIABILITIES			
- Business Liability	356,549,917	403,500,000	1,524,026,846
- Tax Liability	(121,299,260)	(200,376,000)	(218,986,269)
- Development Fund Liability	1,348,923,334	D	(361,400,000)
- Production Service Liability	4,725,702		(4,341,369)
- Other Short-term Liability	33,837,345	9,750,000	18,507,997
- PUKK Fund	(183,564,262)	D	(33,837,345)
- Advance Revenue	124,440,662	12,000,000	1,240,806
Fluctuation of Current Liabilities	1,562,613,438	224,874,000	924,914,567
Increasing/Reduction of Working Capital	(1,698,025,925)	(720,003,000)	(767,072,222)
STARTING WORKING CAPITAL PER 1 JAN.	11,525,981,765	12,680,909,000	9,827,955,840
FINAL WORKING CAPITAL PER 31 DEC.	9,827,955,840	11,960,908,000	9,060,883,618

Table D.

CASH FLOW OF 1994 AND 1995

DESCRIPTION	Realization of 1994	RKAP of 1995	Realization of 1995
BUSINESS TRANSACTION			
INCOME			
- Cash Selling	844,755,264	602,000,000	1,090,504,768
- Business Debt	14,097,062,046	17,125,474,000	15,584,668,494
	14,941,817,310	17,727,474,000	16,675,173,262
COST EXPENSES			
- Operational Expenses	4,824,792,802	6,184,689,000	6,274,334,931
- Employee Expenses	3,687,007,241	3,997,000,000	3,858,563,364
- General Expenses	800,644,786	940,000,000	904,622,369
- Duty Trip Expenses	348,979,934	418,250,000	438,100,561
- Marketing Expenses	84,497,400	150,000,000	152,169,464
- Services Expenses	1,042,574,245	1,205,564,000	765,712,802
- Supervisory Expenses	158,172,252	150,000,000	168,860,120
- Advisory Expenses	181,209,000	200,000,000	190,405,143
- Management Expenses	D	50,000,000	48,918,865
	11,127,877,660	13,295,503,000	12,801,687,619
SURPLUS (LESS)	3,813,939,650	4,431,971,000	3,873,485,643
FINANCIAL TRANSACTION			
INCOME			
PGPS Salary	431,664,550	415,000,000	520,167,271
Bank Services	869,521,774	540,000,000	1,036,293,096
Others Income	361,470,644	2,109,689,000	744,830,271
	1,662,656,968	3,064,689,000	2,301,290,638
SURPLUS (LESS)	5,476,596,618	7,496,660,000	6,174,776,281
COST EXPENSES			
New Investment/Development	936,022,861	4,333,117,000	3,518,524,184
Other Payment	5,521,909,663	2,045,220,000	4,210,314,480
	6,457,932,524	6,378,337,000	7,728,838,664
SURPLUS (LESS)	(981,335,906)	1,118,323,000	(1,554,062,383)
OPENING BALANCE PER 1 JAN. 1995	3,611,820,200	3,594,805,000	2,630,484,294
CLOSING BALANCE PER 31 DEC. 1995	2,630,484,294	4,713,128,000	1,076,421,911

Table E.

UN-APPROPRIATE EARNING OF 1994 AND 1995

DESCRIPTION	Realization of 1994	RKAP of 1995	Realization of 1995
1. PROFIT AFTER TAX	1,805,275,369	2,182,200,000	2,590,096,184
2. UN-APPROPRIATE EARNING BALANCE PER 1 JANUARY	3,305,024,401	1,673,600,000	1,805,275,369
3. CORRECTION OF OPENING BALANCE	D	D	D
TOTAL	5,110,299,770	3,855,800,000	4,395,371,553
4. PROFIT SHARING			
- Development Fund	1,678,923,334	878,640,000	938,600,000
- Small Enterprise and Cooperative Management	166,834,345	41,840,000	54,200,000
- General Reserve	620,281,595	418,400,000	361,225,369
- Aim Reserve	167,796,425	D	90,250,000
- Production Service	651,569,334	334,720,000	361,000,000
- Social and Education Fund	19,616,368	D	D
TOTAL	3,305,021,401	1,673,600,000	1,805,275,369
UN-APPROPRIATE EARNING BALANCE PER 31 DECEMBER	1,805,278,369	2,182,200,000	2,590,096,184

COMPANY PERFORMANCE OF 1995

EVALUATION CRITERIA	QUALITY (1)	TARGET (2)	REALIZATION (3)	GRADE (4=(3/2)100)	QUALITY GRADE (1x4)/100
BASIC INDICATOR	70.00				
Rentability	52.50 %	13.95 %	16.41 %	117.69	61.79
Liquidity	8.75 %	261.00 %	255.24 %	97.79	8.56
Solvability	8.75 %	467.07 %	474.89 %	101.67	8.90
SUB-TOTAL					79.24
ADDED INDICATOR					
Margin Profit	10.00 %	19.25 %	21.31 %	110.69	11.07
Operational Ratio	10.00 %	116.29 %	114.50 %	98.47	9.85
Man-power Productivity	10.00 %	40,889.89 Rp. (Mil)	42,647.90 Rp. (Mil)	104.30	10.43
SUB-TOTAL					31.35
TOTAL					110.59
HEALTH GRADE					VERY HEALTH

CALCULATION OF COMPANY'S HEALTH GRADE OF 1995

DESCRIPTION	DATA/FORMULA	REMARK CONDITION	NO. DATA/ FORMULA	TARGET	REALIZATION
Current Asset Opening	Data (Rp. Mil.)		1	15,780,294.00	14,739,728.61
Closing	Data (Rp. Mil.)		2	15,285,165.00	14,897,570.95
Fixed Asset Opening	Data (Rp. Mil.)		3	9,047,032.00	8,386,536.45
Closing	Data (Rp. Mil.)		4	10,130,855.00	10,330,426.00
Participation Opening	Data (Rp. Mil.)		5	D	D
Closing	Data (Rp. Mil.)		6	D	D
Used Equity	(total (1) - (6) / 2		7	25,121,673.00	24,177,133.01
Profit before Tax	Data (Rp. Mil.)		8	3,503,300.00	3,999,143.00
Selling of Fixed Asset	Data (Rp. Mil.)		9	D	31,123.63
Profit before Tax (excl. selling fixed asset)	(8) - (9)		10	3,503,300.00	3,968,019.37
Rentability (Rt)	$\{(10)/(7)\} \times 100\%$		11	13.95	16.41
RL VALUE	REAL/TRGT (11)		12	D	117.69
RL QUALITY VALUE	52.5 % X (12)		13	D	61.79
Current Liabilities	Data (Rp. Mil.)		14	5,856,357.00	5,836,687.34
Liquidity (L)	$\{(2)/(14)\} \times 100\%$		15	261.00	255.21
L Value	REAL/TRGT (15)		16	D	97.79
L QUALITY VALUE	8.75 % x (16)		17	D	8.56
Total Liabilities	Data (Rp. Mil.)		18	5,856,357.00	5,836,687.34
Total Asset	Data (Rp. Mil.)		19	27,353,045.00	27,717,741.24
Solvabilities (S)	$\{(19)/(18)\} \times 100\%$		20	467.07	474.89
S Value	REAL/TRGT (20)		21	D	101.67
S QUALITY VALUE	8.75 % x (21)		22	D	8.90
Total RLS Quality Value	(13) + (17) + (22)		23	D	79.24
Profit before Tax	Data (Rp. Mil.)		24	3,503,300.00	3,998,143.00
Selling	Data		25	18,196,000.00	18,765,075.42
Profit Margin (PM)			26	D	D
			27	19.25	21.31
PM VALUE	REAL/TRGT (27)	80 > PMV > 120	28	D	110.69
PM QUALITY VALUE	10% x (28)		29	D	11.07
Total Expenses	Data (Rp. Mil.)		30	15,647,700.00	16,388,642.41
Ratio Operational (RO)	$\{(25)/(30)\} \times 100\%$		31	116.29	114.50
RO Value	REAL/TRGT (31)	80 < ROQV < 120	32	D	98.47
RO QUALITY VALUE	10% x (32)		33	D	9.85
Man-power (TK)	Man-power Data	Man-power	34	445.00	440.00
Man-power Productivity	(25)/(34)	Rp. Mil/M-p	35	40,839.89	42,647.90
TK Productivity Value	REAL/TRGT (35)	80 < NIK < 120	36		104.30
TK PRODUCTIVITY QUALITY VALUE	10% x (36)		37		10.43
TOTAL ADDED INDEX QUALITY VALUE	(29) + (33) + (37)		38		31.35
TOTAL QUALITY VALUE	(23) + (38)		39		110.59
HEALTH GRADE					VERY HEALTH

PRODUCTIVITY OF 1994 AND 1995

DESCRIPTION	Realization of 1994	RKAP of 1995	Realization of 1995	% Real 95	
				Real 94	RKAP 95
1. PLN	828,793,530	875,000,000	948,300,270	114.42	109.38
2. RAW WATER					
- PDAM	129,990,574	163,000,000	144,278,075	111.86	89.52
- Industry	127,661,741	140,000,000	135,541,857	106.17	96.82
	257,652,315	303,000,000	279,819,932	109.03	92.35

INCOME OF 1994 AND 1995

DESCRIPTION	Realization of 1994	RKAP of 1995	Realization of 1995	% Real 95	
				Real 94	RKAP 95
BUSINESS INCOME	14,638,917,720	18,196,000,000	18,765,076,421	128.19	103.13
WATER SERVICE	11,545,515,353	14,152,000,000	16,355,133,073	141.66	115.57
OP CONTRIBUTION	11,522,003,083	14,134,000,000	16,336,085,873	141.78	115.58
- PLN	6,131,344,884	7,000,000,000	9,672,662,754	157.76	138.18
- PDAM	2,201,253,898	2,934,000,000	2,597,167,404	117.99	88.52
- INDUSTRY	3,189,404,301	4,200,000,000	4,066,255,715	127.49	98.82
QUALITY/CLEAN WATER LAB.	23,512,270	18,000,000	19,047,200	81.01	105.82
- Quality Lab.	13,718,000	10,000,000	10,523,300	76.71	105.23
- Clean Water	9,794,270	8,000,000	8,523,900	87.03	106.55
NON-WATER SERVICE	2,597,187,862	3,150,000,000	2,138,640,082	82.34	67.89
Equipment	559,374,567	900,000,000	798,034,331	142.67	88.67
Construction	1,369,155,368	1,600,000,000	690,967,526	50.47	43.19
Consultancy	348,176,113	300,000,000	260,954,189	74.95	86.98
Tourism	320,481,814	350,000,000	388,684,036	121.28	111.05
OTHERS SERVICE	496,214,505	894,000,000	271,303,266	54.67	30.35
Land Use	108,524,183	84,000,000	113,762,924	104.83	135.43
Wlingi Sand	1,581,400	150,000,000	D	D	D
Tlocor Sand	386,108,922	400,000,000	145,081,299	37.58	36.27
Kali Konto Sand	D	110,000,000	D		
Compacted Roof-tile Industry	D	150,000,000	12,459,043	D	8.31
INCOME OUTSIDE BUSINESS	1,565,886,009	955,000,000	1,627,082,480	103.91	170.38
PGPS Salary	467,544,850	415,000,000	552,897,241	118.26	133.23
Bank Service	951,170,000	540,000,000	1,033,486,173	108.65	191.39
Others	147,171,159	D	40,699,066	27.65	D
	16,204,803,729	19,151,000,000	20,392,158,901	125.84	106.48

EXPENSES OF 1994 AND 1995

DESCRIPTION	Realization of 1994	RKAP of 1995	Realization of 1995	% Real 95	
				Real 94	RKAP 95
BUSINESS EXPENSES	12,906,937,923	15,647,700,000	16,388,642,406	126.98	104.74
Operational Expenses	4,843,662,975	6,455,700,000	7,832,551,808	161.71	121.33
Employee Expenses	3,443,642,831	4,000,000,000	3,863,515,559	112.19	96.59
General Expenses	782,075,035	940,000,000	939,709,189	120.16	99.97
Duty Trip Expenses	345,988,353	425,000,000	424,836,368	122.79	99.96
Services Expenses	1,140,905,492	1,277,000,000	755,721,385	66.24	59.18
Marketing Expenses	104,599,880	150,000,000	149,729,464	143.14	99.82
Supervisory Expenses	119,688,852	150,000,000	168,860,120	141.08	112.57
Depreciation Expenses	1,945,165,505	2,000,000,000	2,003,766,299	103.01	100.19
Advisory Expenses	181,209,000	200,000,000	199,967,886	110.35	99.98
Management Expenses	D	50,000,000	49,984,328	D	99.97
EXPENSES OUTSIDE BUSINESS	42,236,337	D	4,372,500	10.35	D
	12,949,174,260	15,647,700,000	16,393,014,906	126.60	104.76

**INVESTMENT AND FINANCING SOURCE
1994 AND 1995**

DESCRIPTION	Realization of 1994	RKAP of 1995	Realization of 1995
INVESTMENT ON FUNCTION RETURN/ REPLACEMENT			
- Land, Construction/Building	81,059,000	1,372,200,000	2,533,963,909
- Machine Equipment	443,886,129	988,500,000	1,012,263,360
- General Equipment	20,239,989	141,900,000	233,216,416
- Office Equipment	112,878,000	170,000,000	112,067,712
INVESTMENT ON DEVELOPMENT			
- Studies	235,717,200	716,000,000	336,680,800
- Water Treatment Plant, Mojokerto	D	800,000,000	D
- General Equipment	58,865,950	370,000,000	63,637,960
TOTAL INVESTMENT	952,646,268	4,558,600,000	4,291,830,157
FINANCING SOURCE			
- Depreciation	952,646,268	4,558,600,000	4,291,850,157
- Selling Fixed Asset	D	D	D
- Additional Capital Income	D	D	D
TOTAL FINANCING SOURCE	952,646,268	4,558,600,000	4,291,850,157

**INVESTMENT AND FINANCING SOURCE
1994 AND 1995**

DESCRIPTION	Realization of 1994		RKAP of 1995		Realization of 1995	
	Unit	Value	Unit	Value	Unit	Value
GENERAL INVESTMENT		658,063,128		2,672,600,000		3,891,531,417
1. LAND, CONSTRUCTION AND BUILDING		81,059,000		1,372,200,000		2,533,963,909
- Malang Office Rehab. Stage I	Is	81,059,000	D	D	D	D
- Malang Office Rehab. Stage II	D	D	Is	84,000,000	Is	246,044,000
- Malang Office Rehab. Stage III	D	D	Is	100,000,000	Is	54,936,000
- Selorejo Tourism Facility	D	D	Is	1,173,200,000	Is	2,197,880,709
- Land Acquisition of Sumber Brantas	D	D	1 ha	15,000,000	1 ha	35,103,200
2. MACHINE EQUIPMENT		443,886,139		988,500,000		1,012,263,380
- Land Heavy Equip. Rehabilitation	Is	126,898,843	Is	135,000,000	Is	124,624,380
- Float Heavy Equip. Rehabilitation	Is	49,007,696	Is	205,000,000	Is	220,848,000
- Operational Vehicles/Phanter	2 units	73,600,000	4 units	162,000,000	4 units	210,747,800
- Pick-up	D	D	2 units	60,000,000	2 units	50,372,000
- Mini Bus	D	D	D	D	D	D
- Motorcycle	5 units	16,205,000	5 units	18,500,000	5 units	18,100,000
- Laboratory Vehicles	1 unit	14,788,000	1 unit	30,000,000	1 unit	30,300,000
- Sedan	1 unit	77,950,000	D	D	D	D
- Inspection Vehicles	1 unit	85,526,600	D	D	D	D
- Motor Boat			1 unit	25,000,000	1 unit	19,607,500
- Motor Boat Engine	D	D	2 units	13,000,000	2 units	11,440,000
- Hydraulic Excavator	D	D	1 unit	285,000,000	1 unit	282,559,200
- Tools Workshop	D	D	Is	10,000,000	Is	9,977,000
- Rescue Equipment	D	D	2 units	45,000,000	2 units	33,687,500
3. GENERAL EQUIPMENT		20,239,989		141,900,000		233,216,416
- Water Pump	D	20,239,989	6 units	15,000,000	6 units	112,537,946
- Voltage Regulator	D	D	D	D	D	D
- Telephone	D	D	1 set	75,000,000	1 set	81,129,345
- HT + Battery charge	D	D	8 units	4,000,000	D	D
- Grass-cut Machine	D	D	10 units	32,400,000	10 units	38,476,625
- Chain Saw	D	D	1 unit	1,500,000	1 unit	1,072,500
- Current Meter	D	D	1 unit	14,000,000	D	D
4. OFFICE EQUIPMENT		112,878,000		170,000,000		112,087,712
DEVELOPMENT INVESTMENT		294,583,150		1,886,000,000		400,318,760
5. STUDIES		235,717,200		716,000,000		336,680,800
- Tourism Study		57,450,000	Is	D		D
- Water Quality Study		137,317,200	Is	100,000,000	Is	68,915,000
- Development Planning		D	Is	70,000,000	Is	49,247,500
- Study on Land use along left-right bank of Surabaya River, Wonokromo River, & Kedurus River		40,920,000		D		D
- Study on Flood plan use :						
- Upper Brantas		D	Is	40,000,000	Is	49,051,750
- Kali Porong		D	Is	40,000,000	Is	49,841,550
- Man-power Planning Training		D	Is	81,000,000	Is	73,150,000
- GIS DAS Brantas Development		D	Is	40,000,000	Is	46,475,000
- System Informasi Management Dev.		D	Is	80,000,000	D	D
- Study on Land use along left-right bank of Middle Brantas River		D	Is	150,000,000	D	D
- T'Agung HIEPP Water Supply Study		D	Is	100,000,000	D	D
- Jambu Selorejo Island Garden Study		D	Is	15,000,000	D	D
6. TREATMENT PLANT MOJOKERTO STUDY		D	Is	800,000,000	D	D
General Equipment		58,865,950		370,000,000		63,637,960
- Water Meter		58,865,950	9 units	270,000,000	D	63,637,960
- Water Quality Control Equipment		D	12 units	100,000,000	D	D
TOTAL 1 ~ 6		952,646,278		4,558,600,000		4,291,850,177

PERSONNEL CHANGE OF 1994 AND 1995

STATUS/DEGREE OF EDUCATION	Realization of 1994				RKAP of 1995				Realization of 1995			
	Existing Number	Increase	Decrease	Total	Existing Number	Increase	Decrease	Total	Existing Number	Increase	Decrease	Total
ORGANIC	175	0	1	174	205	15	0	220	174	5	1	178
TECHNIQUE	121	0	1	120	137	10	0	147	120	2	1	121
- S3,2	21	D	D	21	21	D	D	21	21	D	D	21
- S1, D4	22	D	D	22	23	10	D	33	22	2	1	23
- D3, 2, 1	28	D	D	28	28	D	D	28	28	D	D	28
- SLTA	44	D	D	43	60	D	D	60	43	D	D	43
- SLTP	6	D	1	6	5	D	D	5	6	D	D	6
- Others	D	D	D	D	D	D	D	D	D	D	D	D
NON-TECHNIQUE	54	0	0	54	68	5	0	73	54	3	0	57
- S3,2	1	D	D	1	1	D	D	1	1	D	D	1
- S1, D4	25	D	D	25	25	5	D	30	25	1	D	26
- D3, 2, 1	8	D	D	8	9	D	D	9	8	2	D	10
- SLTA	7	D	D	7	22	D	D	22	7	D	D	7
- SLTP	5	D	D	5	5	D	D	5	5	D	D	5
- Others	8	D	D	8	6	D	D	6	8	D	D	8
NON ORGANIC	265	10	2	273	243	0	15	218	273	0	11	262
TECHNIQUE	101	6	0	107	83	0	0	83	107	0	3	104
- S3,2	D	D	D	D	D	D	D	D	D	D	D	D
- S1, D4	D	1	D	1	D	D	D	D	1	D	1	0
- D3, 2, 1	D	D	D	D	D	D	D	D	D	D	D	D
- SLTA	85	5	D	90	67	D	D	67	90	D	2	88
- SLTP	16	D	D	16	16	D	D	16	16	D	D	16
- Others	D	D	D	D	D	D	D	D	D	D	D	D
NON-TECHNIQUE	164	4	2	166	160	0	15	135	166	0	8	158
- S3,2	D	D	D	D	D	D	D	D	D	D	D	D
- S1, D4	D	2	D	2	D	D	D	D	2	D	1	1
- D3, 2, 1	D	D	D	D	D	D	D	D	D	D	D	D
- SLTA	48	2	2	48	46	D	D	46	48	D	2	46
- SLTP	60	D	D	60	59	D	15	34	60	D	2	58
- Others	56	D	D	56	55	D	D	55	56	D	3	53
TOTAL	440	10	3	447	448	15	15	438	447	5	12	440

EDUCATION AND TRAINING OF 1994 AND 1995

Type of Education and Training	Realization of 1994		RKAP of 1995		Realization of 1995	
	Trainee (person)	Cost (Rp.)	Trainee (person)	Cost (Rp.)	Trainee (person)	Cost (Rp.)
TITLE ACADEMIC	4	0	4	10,000,000		17,930,600
1. SARJANA S-1						
- Technique Major	4	D	4	10,000,000	4	6,000,600
- Non-technique Major	D	D	D	D	D	D
2. PASCA SARJANA						
- Technique Major	D	D	D	D	3	8,947,500
- Non-technique Major	D	D	D	D	1	2,982,500
NON-TITLE ACADEMIC	326	75,045,000	69	75,000,000	0	34,520,000
1. SEMINAR						
- Technique Major	7	475,000	D	D	D	1,360,000
- Non-technique Major	19	3,400,000	D	D	D	19,210,000
2. COURSES						
- Technique Major	11	950,000	43	50,142,000	D	2,650,000
- Non-technique Major	289	70,220,000	24	23,358,000	D	11,300,000
3. OTHERS	D	D	2	1,500,000	D	D
	330	75,045,000	73	85,000,000	0	52,450,600

ACCOUNT RECEIVABLE ACCORDING TO AGE OF 1994 AND 1995

(in Million)

DESCRIPTION	Realization of 1994				RKAP of 1995				Realization of 1995			
	Account Receivable Age (Month)				Account Receivable Age (Month)				Account Receivable Age (Month)			
	~ 6	6 ~ 12	> 12	Total	~ 6	6 ~ 12	> 12	Total	~ 6	6 ~ 12	> 12	Total
1. BUSINESS ACCOUNT RECEIVABLE												
Water Services Account Receivable												
- PLN	221,963	D	D	221,963	1,053,072	D	D	1,053,072	2,079,986	D	D	2,079,986
- PDAM	3,824	D	D	3,824	488,988	D	D	488,988	=	D	D	0
- Industry	11,462	D	D	11,462	541,020	D	D	541,020	56,518	D	D	56,518
Tourism												
Rental Equipment	159,425	3,352	164,216	326,993	D	D	D	D	200,276	50,015	161,897	412,188
Construction Service	225,070			225,070	320,000	D	D	320,000	229,720	28,287	D	258,007
Consultancy Service	138,955	D	6,856	145,811	50,000	D	D	50,000	189,409	D	839	190,248
Staff Account Receivable	17,116	D	D	17,116	D	D	D	0	D	D	D	D
Other Account Receivable	379,679	D	D	379,679	110,000	D	D	110,000	37,832	D	3,670	41,502
	1,157,494	3,352	171,072	1,331,918	2,673,080	80,000	95,000	2,848,080	2,793,741	78,302	166,406	3,038,449

RESEARCH AND DEVELOPMENT OF 1994 AND 1995

Major of Research and Development	Realization of 1994	RKAP of 1995	Realization of 1995	Period		Accumulated up to 1995
				Starting	Ending	
1. Tourism Study	57,480,000	D	D	D	D	57,480,000
2. Water Quality Study	137,317,200	100,000,000	68,915,000	D	D	206,232,200
3. Development Planning	D	100,000,000	49,247,500	D	D	D
4. Land Use Study	40,920,000	D	D	D	D	40,920,000
5. Flood Plain Use						
- Upper Brantas	D	40,000,000	49,051,750	D	D	49,051,750
- Kali Porong	D	40,000,000	49,841,550	D	D	49,841,550
6. Man Power Planning	D	81,000,000	73,150,000	D	D	73,150,000
7. GIS DAS Brantas Development	D	40,000,000	46,475,000	D	D	46,475,000
8. SIM Development	D	80,000,000	D	D	D	D
9. Study on Land use along left-right bank Middle Brantas	D	150,000,000	D	D	D	D
10. T.Agung HEPP Water Supply Stu	D	15,000,000	D	D	D	D
11. Water Treatment Plan, Mojokerto	D	800,000,000	D	D	D	D
	235,717,200	1,446,000,000	336,680,800	0	0	523,150,500

COMPANY DEBT TO STATE OF 1994 AND 1995

DESCRIPTION	Realization of 1994	RKAP of 1995	Realization of 1995
1. DIRECT TAX	1,742,137,216	1,613,139,000	1,712,127,828
- Company Income Tax	1,492,618,718	1,321,100,000	1,405,296,700
- Personal Income Tax	245,221,349	282,039,000	264,230,473
- No. 23 Income Tax	D	D	39,869,394
- Land & Building Tax	4,297,149	10,000,000	2,731,261
2. INDIRECT TAX			
- Value Added Tax	522,070,841	620,000,000	714,276,266
3. DEVELOPMENT FUND	D	878,640,000	1,300,000,000
4. REGIONAL TAX			
- Ticket Tax	78,868,150	94,500,000	76,332,024
5. OTHERS	43,897,703	68,000,000	32,478,100
- Vehicle BBN Tax	D	D	D
- Vehicle Tax	43,897,703	68,000,000	32,478,100
- Others (Festivity Tax)	D	D	D
	2,386,973,910	2,395,639,000	3,835,214,218

INCOME COMPANY FROM STATE OF 1994 AND 1995

DESCRIPTION	Realization of 1994	RKAP of 1995	Realization of 1995
1. PGPS SALARY ALLOCATION	467,544,850	415,000,000	552,897,241
	467,544,850	415,000,000	552,897,241

ANNUAL REPORT

1996

PERUM JASA TIRTA



CHAPTER -I INTRODUCTION

Company development during 1996 was affected by external and internal factors. Several conditions which occurred and affected the development and operation of the company among others:

A. INTERNAL CONDITION

1. Change of Organization Structure

In 1996 the change was made on organization structure to support the development plan of the Company for the year of 1996 - 2000. In such organization change, a new unit was instituted, namely the Management Representative with the aim to improve the system and the management procedure of reservoir according to ISO-9000 standard.

2. Change of Board of Directors Composition

With the completion of the assignment of Board of Directors of Perum Jasa Tirta for the period of 1991 - 1995, a new Board of Directors was decided for the assignment period of 1996 - 2000 according to the Decree of President of Republic of Indonesia No. 170/VI/1996 dated 18 July 1996 and was appointed on 7 October 1996.

3. Progress of Business Diversification

Business diversification which has been carried out since 1993 was KSO with PT. Jawa Beton in the establishment of pressed roof-tile factory by utilization of sand dredging from Wlingi Reservoir.

Formation of Selorejo Tourist Park as Mandiri Unit was expected to immediately form a business association in the development of the unused potential of Selorejo tourist park.

The ISO 9001 which was programmed in 1996-1997, besides for the stabilization of reservoir management system in Brantas DAS (river basin), was also expected to support the realization of DAS management plan in other region.

4. Finance

The opinion of BPKP of East Java based on The Audit Report of the Company for book year 1996 was considered to be Acceptable without Any Exception.

Financial condition of the Company in 1996 showed an improvement compared with the year before.

Assets and Liabilities of the company decreased by 0.57% from the Assets and Liabilities at the beginning of 1996 related with the settlement of debt of Dana Pembangunan Semesta (Global Development Fund) of 1995 at the amount of Rp.1.12 billion which has decreased the Current Asset. The profit after tax amounting Rp.3.48 billion or 32.59% higher than RKAP (Work Plan and Budgetary Schedule) 1996 or 19.96% from the realization of 1995.

With the above financial condition, the Performance of the Company was classified into very healthy with weight of 111.28.

5. Problems and Solution

In the effort of tourist business development in Selorejo tourist park, the problem was the fund and human resources limitation of the Company, for which an investor was sought as business associate.

B. EXTERNAL CONDITION

1. People Understanding

With PROKASIH (clean river project) which continuously in every year has involved the people and government institutions or the privates, and has given a higher people understanding on the necessity of clean river environment, and better pollution burdens.

2. Industrial and Human Settlement Development Surrounding DAS Brantas

In parallel with the fast industrial and human settlement growth in Surabaya and surrounding area (Gresik, Sidoarjo and Madura), the clean water requirement was also increasing.

With such development, the Company has made a study and approach to the local Provincial Authority (Pemda) to conduct a survey of clean water requirement volume for PDAM (City Water) and Industry to receive water supply from Brantas river.

3. Tariff

a. Water Tariff for Electric Power Generation

Adjustment of water fee tariff for PLN from Rp.10.20/kWh to Rp.11.20/kWh has been decided by Minister of Public Works on December under Letter of Decision Number 510/KPTS/1996 dated 19 December 1996, with validity for January - December 1997.

b. Tariff of Clean Water for PDAM and Industry

Water fee tariff for PDAM of Rp.30/m³ and Industry Rp.51/m³ was approved by Minister of Public Works under Letter of Decision Number 303/KPTS/96 dated 11 July 1996 which was followed up by Governor Head of Level I Region of East Java as follows:

- 1) Stipulation of water tariff for PDAM by Letter of Decision Number 610/13860/022/1996 dated 18 October 1996 with validity from July 1996 - December 1997.
- 2) Determination of progressive water tariff for Industry by Letter of Decision Number 136 Year 1996 dated 1 December 1996 with validity from December 1996 to December 1997 with the following calculation.

Consumption (m ³)		Tariff per m ³
- Less than	10,000	Rp.51.00
- 10,001 to	100,000	Rp.52.00
- 100,001 to	500,000	Rp.53.00
- 500,001 to	1,000,000	Rp.54.00
- More than	1,000,000	Rp.55.00

4. Problems and Solution

There were problems in the collection of water fee, among others for the small scale industry, the tariff of Rp.30/m³ was considered too expensive, they were only willing to pay by the old tariff (Rp.18/m³). The both has caused delays in payment.

With the progressive increase of water tariff for industry with basic tariff of Rp.51/m³ in future the Company will conduct a socialization and improve the service to make the tariff collection especially from small scale industry would be better than the year before.

CHAPTER - II SUMMARY OF REPORT OF 1996

A. DIFFERENCE BETWEEN ASSUMPTION AND REALIZATION

The assumption employed in the preparation of RKAP (Work Plan and Budgetary Schedule) in reality was not entirely the same.

In the realization of determination of water tariff for PDAM (City Water) and Industry was different from the assumption.

Such difference can be explained as follows:

Description	Assumption		Realization in 1996	
	Tariff (Rp)	Period	Tariff (Rp)	Period
1. PDAM	18.00	Jan - Jun 96	18.00	Jan - Jun 96
	20.00	Jul - Dec 96	30.00	Jul - Dec. 97
2. Industry	30.00	Jan - Jun 96	30.00	Jan - Nov 96
	34.00	Jul - Dec 96	51.00	Dec 96 - Dec 97

From the above table the followings are explained:

1. Realization of water tariff for PDAM was Rp.10/m³ higher than the assumption.
2. Water tariff for Industry was realized at Rp.17/m³ higher than the assumption, but with 5 months retroactive (July - November) than the assumption.

B. POLICY OF THE COMPANY

To reach the target determined in RKAP 1996, the undermentioned policies were applied:

1. Develop and extend the joint works with parties concerned to guarantee the satisfaction of all parties.
2. Take necessary measure to increase the income by business diversification/development through KSO with privates.
3. Study the existing and the profitable business opportunity according to the company financial capability.
4. Develop the human resources capability in various sector and increase the number of potential employee according to the company requirement.
5. Develop the MIS in accountancy sector for the requirement of financial accountancy, management accountancy and company development.
6. Review and modify the procedural system/decisional management/water tariff collection for Industry.

C. TARGET ACHIEVEMENT AND COMPANY FEATURES

Realization of target (RKAP) achievement up to 31 December 1996 in broad lines are as follows:

(× 1,000,000)						
Description	Unit	Realization of 1995	RKAP of 1996	Realization of 1996	% Real 96 against 95	% Real 96 against RKAP
1	2	3	4	5	5:3	5:4
1. Production						
- PLN	kWh	948	825	883	93.14	107.03
- PDAM	m3	144	145	152	105.56	104.83
- Industry	m3	136	140	134	98.53	95.71
2. Profit/Loss						
- Business income	Rp	18,765	18,996	21,049	112.17	110.81
- Business cost	Rp	16,389	16,151	18,062	110.12	111.75
- Business profit	Rp	2,376	2,845	2,987	125.70	105.00
- Non business profit	Rp	1,623	1,100	1,607	99.05	146.12
- Profit before tax	Rp	3,999	3,945	4,594	114.89	116.46
3. Total Asset/Liabilities	Rp	27,717	27,489	27,559	99.43	100.25
4. Investment	Rp	4,292	2,535	2,722	63.42	107.38
5. Personnel	Person	440	444	435	98.36	97.97
6. PUK & K	Rp	142	154	154	108.45	100.00
7. Performance		Very Healthy	Healthy	Very Healthy	=	=

a. Production

- 1) The exceeding production target of electric power generation was related with a quite high rainfall at the year end.
- 2) The exceeding production of raw water for PDAM was related with the increase of water production of PDAM in parallel with the growth of human settlement/PDAM consumers in Surabaya and surrounding area.
- 3) The unachievement of raw water production target for Industry was due to saving of water consumption by consumers especially the sugar factories with shorter milling period.

b. Profit/Loss

1) Business Income

Realization of business income was 10.81% higher than RKAP 1996 target, related with:

- The exceeding water service income from the target (6.87% above RKAP) related with the achievement of water production target and adjustment of water tariff was realized.
- The exceeding non water service income (38.08% above RKAP) related with the increase of income of Equipment Service at 266.43% of the target.

- The exceeding income of other services (32.69% above RKAP) related with the increase of income from land utilization at 159.58% of the target.

2) Business Cost

Realization of total business cost was 11.83% above the RKAP especially due to the increase of O&M cost by 34.33% above the budget related with the increase of total number of water structures managed by Perum Jasa Tirta, which consisted of Menturus Rubber Dam, Mrican Barrage, Wonokromo Water Gate, Gubeng Rubber Dam, Parit Agung and Intake of PLTA Tulungagung handed over by Brantas Project on 30 April 1996.

c. Investment

Realization of investment up to 31 December 1996 reached 77.01% of the budget, this was related with the development of drinking water industry (AMDK) which was still seeking an associate, ISO-9000 has not been 100% completed, swimming pool for children in Selorejo was still under the construction stage.

d. Personnel

Compared to the realization in 1995, total personnel was decreased by 6 employees who were entering the retirement age and passing away, and was increased by 1 newly added employee.

In this connection, total personnel was 435 persons, the plan (RKAP) stated a total employee of 438 persons.

CHAPTER-III ACCOUNTING REPORT AND EXPLANATION

A. ACCOUNTING REPORT 1996

1. Balance

Balance as of 31 December was as follows:

(× 1,000)			
Description	31 Dec. 1995	31 Dec. 1996	Plus (Minus)
ASSET			
1. Current Asset	14,897,571	13,911,763	(985,808)
2. Shares	--	230,000	230,000
3. Fixed Asset	10,330,428	10,513,640	183,212
4. Asset in Progress	86,601	517,233	430,632
5. Other Assets	2,403,141	2,386,581	(16,560)
Total Asset	27,717,741	27,559,217	(158,524)
LIABILITIES			
1. Short Term Obligation	5,836,687	4,064,009	(1,462,632)
2. Equity	21,881,054	23,495,208	1,304,108
Total Liabilities	27,717,741	27,559,217	(158,524)

The balance in details is as shown in Table A.

2. Profit/Loss Calculation

Profit/loss up to 31 December 1996 was as follows:

(× 1,000)					
Description	Realization 1995	RKAP 1996	Realization 1996	%	%
(1)	(2)	(3)	(4)	(4:2)	(4:3)
Business Income	18,765,075	18,996,000	21,049,554	112.17	110.81
Business Cost	16,388,642	16,151,000	18,062,317	110.21	111.83
Business Profit	2,376,433	2,845,000	2,987,237	125.70	105.00
Non Business Profit	1,622,710	1,100,000	1,607,266	99.05	146.12
Profit Before Tax	3,999,143	3,945,000	4,594,503	114.89	116.46

The calculation of profit/loss in details is as shown in Table B.

B. EXPLANATION ON ACCOUNTING REPORT

1. Explanation on Balance Posts

The balance of Jasa Tirta Public Corporation as of 31 December 1996 was closed with accumulation of Asset and Liabilities of Rp.27,559,217,664 decreased by Rp.158,523,577 (0.57%) below the asset/liabilities at the beginning of 1996.

Explanation on the above Balance posts is as follows:

a. Current Asset

Composition of current asset posts:

- 1) Cash on hand Rp.10,718,648

This total was the remaining money in cash (Cash on hand) as of 31 December 1996.

- 2) Bank Rp.2,001,369,609

The said amount was the remaining Bank account consisting of:

Clearing account:

- BNI 46	Rp.165,917,877
- BRI	Rp.855,494,294
- Bank Jatim	Rp.970,772,553
- BAPINDO	<u>Rp.9,186,885</u>
	<u>Rp.2,001,369,609</u>

- 3) Short Term Time Deposit Rp.7,423,813,649

The said amount was the remaining amount of the short term time deposit consisting of:

- BRI	Rp.2,751,000,000
- Bank Jatim	Rp.2,500,000,000
- Lippo Bank	Rp.173,813,649
- BBD	Rp.1,000,000,000
- BAPINDO	<u>Rp.1,000,000,000</u>
	<u>Rp.7,423,813,649</u>

- 4) Business A/C Receivable Rp.1,656,811,927

The said amount was the remaining A/C receivable to water and non water service consumers consisting of:

- A/C receivable from PLN	Rp.806,641,490
- A/C receivable from Industry	Rp.144,959,243
- Other A/C receivable	Rp.40,941,258
- A/C receivable from Equipment	Rp.546,198,450
- A/C receivable from Consultancy	Rp.255,750,848
- A/C receivable from Construction	<u>Rp.43,927,336</u>
	<u>Rp.1,838,418,625</u>

- Reserved for A/C Receivable	Rp.181,606,698
	<u>Rp.1,656,811,927</u>

5) Advance Payment Rp.216,408,750

The said total was the remaining advance payment consisting of:

S/P for business

- S/P for business trip	Rp.251,350
- S/P for H/R development	<u>Rp.1,550,000</u>
	Rp.1,801,350
Advance Payment	<u>Rp.214,607,400</u>
	<u>Rp.216,408,750</u>

6) Income Receivable Rp.2,535,884,365

The said total was the Company income which request for payment/determination will be made on the following month, consisting of:

- Water service	Rp.2,434,417,002
- Equipment	<u>Rp.60,291,138</u>
- Consultancy	<u>Rp.41,176,225</u>
	<u>Rp.2,535,884,365</u>

7) Supplies Rp.66,756,337

The said total was the remaining supplies as of 31 December 1996 consisting of:

- Materials/spareparts	Rp.38,050,224
- Fuel/lubricant	<u>Rp.631,100</u>
- Tickets	<u>Rp.28,075,013</u>
	<u>Rp.66,756,337</u>

b. Shares Rp.230,000,000

The said amount was the Company ownership on 100 shares of PT. Dua Satu Tiga Puluh stipulated under Decision of Board of Directors Number KP.045/KPTS/DA/96 dated 3 April 1996.

c. Fixed Asset Rp.10,513,640,385

The said amount was the book value of fixed asset as of 31 December 1996, increased by Rp.183,212,381 or 1.77% of the book value of fixed asset at the beginning of the year.

Details of addition/deduction of the said fixed asset is as follows:

Remaining balance as of 1 January 1996	Rp.10,330,428,004
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Addition:

- Land	Rp.341,780,760
- Structure/Building	Rp.180,131,609
- Machinery	Rp.784,292,256
- Office Equipment	Rp.437,804,171
	<u>Rp.1,744,008,796</u>
	Rp.12,074,436,800

Deduction:

- Steel Sheet Pile	Rp.1,400,000
- Office Equipment	Rp.18,079,479
- Depreciation	<u>Rp.1,541,316,936</u>
	<u>Rp.1,560,796,415</u>
Balance as of 31 December 1996	<u>Rp.10,513,640,385</u>

d. Asset in Progress Rp.517,232,961

The said amount was the balance as of 31 December 1996 in form of the studies and construction under implementation stage according to the following details:

- Study on determination of rooi line	Rp.13,766,536
- Study on MIS development	Rp.62,074,800
- Study on ground water supply	Rp.79,052,625
- Application of ISO-9001	Rp.155,383,800
- Selorejo swimming pool	<u>Rp.206,955,200</u>
	<u>Rp.517,232,961</u>

e. Other Assets Rp.2,386,581,033

The said amount was the book value of other assets as of 31 December 1996 according to the following details:

Remaining balance as of 1 January 1996	Rp.2,403,141,284
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Addition:

Study/Development:

- Study on land use	Rp.103,095,000
- Development of MIS-I	Rp.18,975,000
- Development of MIS-II	Rp.24,657,600
- Study of regional development	<u>Rp.49,280,000</u>
	Rp.196,007,600

Study on AMDK	Rp.8,250,000
Electricity consumers guarantee	<u>Rp.2,310,000</u>
	<u>Rp.206,567,600</u>
	Rp.2,609,708,884

Deduction:

Used materials	Rp.124,339,217
Amortization	Rp.98,788,634
	<u>Rp.223,127,851</u>
Balance as of 31 December 1996	Rp.2,386,581,033

f. Short Term Obligation Rp.4,064,009,786

The said amount was the balance of short term debt as of 31 December 1996 which was decreased of Rp.1,462,631,638 or 26.47% of the total short term debt at the beginning of 1996 related with the paid indebted tax and DPS of 1995.

The short term obligation was consisted of:

- Business debt	Rp.3,164,776,938
- Tax debt	Rp.370,459,426
- Production service tax	Rp.4,463,049
- Other short term debts	Rp.215,973,575
- <u>Advance payment</u>	<u>Rp.308,336,798</u>
	<u>Rp.4,064,009,786</u>

g. Equity Rp.23,495,207,878

Total capital at the end of 1996 was increased by Rp.1,304,108,061 or 5.88% of total capital at the beginning of 1996 related with the increase of general supplies, prospective supplies and profit of 1996.

Company equity as of 31 December 1996 was consisted of:

1) State Sub-Capital Rp.17,500,000,000

The said amount was the State Sub-Capital based on the Letter of Decision of Minister of Finance No.0359/KM.3-42/SKOP/0391 year 1991 and Number S-70/MK.016/1993 dated 12 January 1993.

2) General/Prospective Supplies Rp.2,516,101,817

The said amount was the balance of General/Prospective Supplies which increased by Rp.725,144,095 (40.49%) from the General/Prospective Supplies at the beginning of 1996, related with the increase of profit distribution after tax in book year 1995 according to the following details:

Balance as of 1 January 1996	Rp.1,790,957,722
Addition:	
- General Supplies	Rp.580,144,095
- <u>Prospective Supplies</u>	<u>Rp.145,000,000</u>
	<u>Rp.725,144,095</u>
	<u>Rp.2,516,101,817</u>

3) Retained Profit Rp.0

Total profit after tax of year book 1995 was Rp.2,900,142,095 and distributed according to the Minutes of RPB Result of Accounting Report of 1995 Number 11/KEP/RPB-NRI/96 dated 18 July 1996 according to the following details:

Global development fund	Rp.1,450,000,000
PUKK fund	Rp.86,998,000
Pra-Sejahtera fund	Rp.58,000,000
General supplies	Rp.580,144,095
Prospective supplies	Rp.145,000,000
Production service	<u>Rp.580,000,000</u>
	<u>Rp.2,900,142,095</u>

Notes:

- The global development fund was completely settled, the latest was on December 1996.
- The pra-sejahtera mandiri fund was completely settled, the latest was on June 1996.

4) Profit of the Existing Year Rp.3,479,106,061

The said total was the net profit after tax for 1996 by putting into account the tax of corporate income.

Profit before tax	Rp.4,594,503,161
Income tax	<u>Rp.1,115,397,100</u>
Profit after tax	<u>Rp.3,479,106,061</u>

2. Explanation of Posts on Calculation of Profit/Loss

a. Business Income Rp.21,049,554,231

The said amount was the business result up to 31 December 1996. Compared with RKAP and the realization of 1995 was 110.81% of RKAP and 112.17% of realization in 1995.

The said realization of business income was obtained from:

1) Water Service Income:

- PLN	Rp.9,897,729,774
- PDAM	Rp.3,683,188,956
- Industry	<u>Rp.4,133,655,104</u>
	<u>Rp.17,714,573,804</u>

2) Non Water Service Income

- Tourism	Rp.479,335,786
- Equipment Service	Rp.1,332,168,876
- Construction Service	Rp.1,048,597,834
- Consulting Service	<u>Rp.315,653,966</u>
	<u>Rp.3,175,756,462</u>

3) Other Services Income

- Land use	Rp.103,729,905
- Sand use	Rp.32,713,900
- Clean water/laboratory quality	<u>Rp.22,780,160</u>
	<u>Rp.159,223,965</u>
	<u>Rp.21,049,554,231</u>

The said income includes the receivable income at the amount of Rp.2,535,884,365 (as described in page 9 point 6).

b. Business Cost Rp.18,062,316,665

Business cost which was expended up to 31 December 1996 was 111.83% of RKAP and 110.21% of realization in 1995.

Composition of the said business cost is as follows:

- O&M cost	Rp.8,880,818,165
- Personnel cost	Rp.3,995,634,891
- General cost	Rp.939,730,039
- Business trip cost	Rp.424,403,475
- Service cost	
- Equipment service	Rp.328,347,897
- Consulting service	Rp.174,779,211
- Construction service	Rp.576,376,106
- Tourism	Rp.225,195,185
- Others	<u>Rp.100,156,832</u>
	Rp.1,404,855,231
- Marketing cost	Rp.148,941,895
- Depreciation cost	Rp.1,644,491,466
- Training cost	Rp.199,830,218
- Cost for supervisory committee	Rp.199,441,850
- Guidance cost	Rp.74,271,958
- <u>HRD cost</u>	<u>Rp.149,897,467</u>
	<u>Rp.18,062,316,665</u>

c. Non Business Income/Expenditure

1) Non Business Income Rp.1,783,566,622

Such amount was the income obtained from non business activities as follows:

- Bank service	Rp.1,150,487,484
- PGPS	Rp.584,897,957
- <u>Others</u>	<u>Rp.48,181,181</u>
	Rp.1,783,566,622

2) Non Business Expenditure Rp.176,301,027

The said amount was total expenditure in form of:

- Allotted A/C receivable	Rp.59,346,569
- Transfer cost	Rp.1,687,793
- Tax penalty	Rp.3,000,000
- <u>Depreciation cost of non productive supply</u>	<u>Rp.112,266,665</u>
	Rp.176,301,027

d. Profit After Tax Rp.3,479,106,061

The said amount was the discrepancy between total income and total cost. Realization of profit after tax was 132.59% of RKAP and 114.89% of realization in 1995.

- Profit before tax	Rp.4,594,503,161
- <u>Income tax</u>	<u>Rp.1,115,397,100</u>
- Profit after tax	Rp.3,479,106,061

CHAPTER - IV SUPPORTING INFORMATION

A. DESCRIPTION OF BUSINESS WORLD

In parallel with the Government policy to strengthen and stabilize the business world structure, every sector which includes the water and water resources management sector requires public and individual involvement and participation.

Perum (Public Corporation) Jasa Tirta which was established by the Government as water and water resources management agency, the 1996 was the first year of the Long Term Plan Stage II (1996 - 2000), where the Company is obliged to grow and develop to anticipate the future changes.

The anticipated target is development of new competency to strengthen the existing main competency by the optimum management of water resources to maintain the current position. The development of new competency may be realized by business diversification/development and regional development.

B. MANAGEMENT AND ORGANIZATION

1. Board of Directors

New composition of Board of Directors of Perum Jasa Tirta according to the Decision of President of Republic of Indonesia Number 176/M/1996 dated 18 July 1996 installed on 7 October 1996 in Jakarta to replace the former Board of Directors who has completed the assignment are as follows:

Position	Former Staff	New Staff
1. President Director	Ir. Roedjito DM, Dipl. HE.	Ir. A. Rusfandi Usman, M.Eng.
2. Director for Engineering	Ir. Trie M. Sunaryo, M. Eng.	Ir. Trie M. Sunaryo, M. Eng.
3. Director for Management	Ir. A. Rusfandi Usman, M. Eng.	Ir. Mochamad Effendi
4. Director for Adm. & Finance	Aniruddin, SE	Hanief Zamzam, SE

2. Organization Structure

In 1996 the structure organization was modified according to the Decision of Board of Directors Number KP.059/DA/96 dated 15 May 1996.

Modification of organization structure was made to support the achievement of the aim of the Company, namely the business and regional development.

The modification in the organization structure among others:

- a. All the operation activities (Water and Non Water Services) are combined under one Directorate, the Directorate of Management.

- b. The Non Water Service replaced by General Service Division.
- c. The Main Workshop changed into Equipment and Maintenance Service Sub Division
- d. Marketing of Water and Non Water Service combined into the operational of the Division concerned.
- e. Selorejo Tourist Park Unit is a new unit under the General Service Division with the aim to delegate a bigger authority to the Head of Unit.
- f. New unit (MR and Regional Development Team) is established in the non structural position, operationally under the Director of Engineering.
- g. The name of Bureau of General Affairs changed into Bureau of Human Resources and General Affairs.

3. HR Planning

Program for Man Power Planning has been prepared up to 2005 to create the qualified human resources

C. HEALTH LEVEL

Company performance in 1996 according to the Letter of Decision of Minister of Finance of Republic of Indonesia Number 826/KMK.013/ 1992 dated 24 July 1992 showed the condition of very healthy with weight value of 111.28.

The main condition was related with the business income which reached 110.28% of the budget, and the non business profit reached 146.12% of the budget. While the performance or health level in 1995 was considered to be very healthy with weight value of 110.57.

D. MARKETING

Marketing activity for 1996 has been combined with operational activity of the Division concerned.

Marketing activity of 1996 among others:

1. Marketing of Water Service

- a. Conducting monitoring activity and coordination with related institution in obtaining information on companies which have not obtained the permit or the permit validity has expired for water use.
- b. Concluding a new contract or extension of contract for water utilization within the work region of the Company.
- c. Conducting data collection on un-installed water meter for water utilization to immediately be installed under rental system.

2. Marketing of Non Water Service

- a. Conducting publication to increase the total visitor of Selorejo and Karangates tourist park.
- b. Marketing of rentable equipment and also the steel sheet pile by conducting a direct contact with the interested candidate.
- c. Conducting an approach to seek the opportunity in obtaining the sub-contracting work (contractor and consultant), considering the Company has no sufficient qualification for the job.

E. PRODUCTION/SELLING

Operational activity of Perum Jasa Tirta as shown in the main duties of the Company (operation and maintenance) is the supporting activity to the Company income, especially the income from water service for PLN, PDAM (City Water) and Industry which up to 1996 was still the dominant income. Such activity covering:

1. Operational Activity

Result of operational activity of 1996 among others:

a. Water Production/Allocation for Electric Power Generation

Realization of production/allocation for electric power generation in 1996 was in 6 (six) PLTAs with total 884 million kWh or 107% of RKAP 1996 and decreased by 6.81% of the production realization for 1995.

Details of the realization and production/allocation target of water for electric energy generation for 1996 and realization in 1995 is as follows:

(in million rupiah)

PLTA	RKAP 1996	Realization 1996	Realization 1995
1. Sengguruh	68.50	75.78	73.80
2. Sutami/Lahor	452.90	461.83	484.63
3. Wlingi	138.90	154.90	160.24
4. Lodoyo	36.80	38.75	37.58
5. Selorejo	25.30	22.55	24.75
6. Tulungagung	102.60	129.92	167.30
Total	825.00	883.73	948.30

b. Water Production/Allocation for PDAM

Realization of water production/allocation for PDAM (City Water) in 1996 was 152 million m3 or 104.98% of RKAP 1996 and increased by 5.49% against realization of 1995.

Water allocation for PDAM covering raw water supply for Drinking Water Purification (IPAM) Installation units in:

- 1) Surabaya : Kayoon, Karangpilang I and PDAM Surabaya
- 2) Gresik : PDAM Krikilan
- 3) Sidoarjo : PDAM Pepe I & II, PDAM Mindi, PDAM Sidoarjo and PDAM Megare

c. Water Production/Allocation for Industry

Realization of water production/allocation for Industry in 1996 was 135 million m³ or 95.42% of RKAP 1996 and increased 1.34% against the realization of 1995.

Water allocation for Industry covering raw supply for industrial necessities, plantation, sugar factory and others along the Brantas river with total of 154 industries (Surabaya 45, Blitar 20, Gresik 11, Tulungagung 5, Jombang 5, Kediri 3, Malang 30, Sidoarjo 31 and Mojokerto 4).

d. Water Allocation for Irrigation

For agricultural irrigation purpose, according to PP (State Regulation) No.5 year 1960 no charge will be invoiced by the Company. Water allocation for irrigation purpose was distributed through 9 (nine) irrigation intake to cover 9 (nine) Level II Region: Blitar, Tulungagung, Nganjuk, Jombang, Mojokerto, Gresik, Sidoarjo, Pasuruan and Surabaya with total area of 78,811 ha.

2. Maintenance Activity

Beside the operational activity (water production/allocation), in supporting the Company income, both routine and periodical maintenance activity was also conducted as follows:

- a. Maintenance of water resources conservation
- b. Maintenance of river body
- c. Maintenance of water infrastructures

3. Business Activity

Result of business activity during 1996 can be classified as follows:

- a. Business result from O&M of water facilities and infrastructures in form of fee payment from water user along the Kali Brantas River except water utilization for irrigation purpose.

Water utilization which imposed by O&M fee for water resources facilities and infrastructures among others:

- 1) PT. PLN in 6 (six) PLTAs in the region of Kali Brantas river.
- 2) Drinking Water Provincial Corporation (PDAM) in Surabaya, Gresik and Sidoarjo.
- 3) Industry, Plantation, Sugar Factory and others along the Kali Brantas River in a total of 154 companies distributed in 9 (nine) Level II Region in East Java.

- b. Business result from Non Water Service business activities
 - 1) Using of land belong to Perum Jasa Tirta at the rooi area of Kali Brantas River to be rented either to individual or to company.
 - 2) Using of sand as quarry materials in association with PT. Jawa Beton to be sold either in form of sand or to be processed as pressed roof tile.
 - 3) Water drinking utilization in Karangates area, which is distributed for population, which is the company collecting contribution as the using of its water drinking.
- c. Work result of non water service activity which is got from infrastructure utilization, among them are:
 - 1) Infrastructure utilization of Selorejo and Karangates reservoirs of companies property use to be tourism area, (for domestic national and international).
 - 2) Infrastructure utilization of companies property, like hard wear; public equipment and Steel Sheed Pile that not used yet be used for O & P activities, will be used to rent to the other companies, which on 1996 had be made the agreement with 32 of companies as much as 52 of contract.
 - 3) Using of Company facilities in form of floating heavy equipment in the dredging works in Wlingi as Sub Contractor of PT. Teguh Raksa and PT. Solo Bhakti.
 - 4) Using of water quality laboratory facilities in Lengkong Baru by other party for which the Company received payment for such quality testing service.
 - 5) Designation of human resources to be assisted/assigned in other companies as consultant, where in 1996 a total of 13 personnel of Perum Jasa Tirta were assigned in three consultant companies (PT. Indah Karya, PT. DDC and PT. Bina Karya) and 2 personnel to Proyek Lahan Gambut (Peat Land Project).

F. INVESTMENT AND FINANCIAL SOURCE

1. Investment

Investment during 1996 was directed to the development, improvement/rehabilitation, procurement/purchase and shares, for the purpose of:

- a. Supporting operational and maintenance activities, such as procurement of operational transportation, improvement/ rehabilitation of land and floating heavy equipment, rehabilitation of supporting structures of the Company.
- b. Supporting the business development of the Company by increasing the facilities of Selorejo tourist park, water meter for PDAM and Industry and development study of the Company.
- c. Shares in PT. Dua Satu Tiga Puluh.

2. **Financial Source**

Source of finance for such investment originated from internal fund of the Company obtained from accumulation of depreciation up to 1996.

G. ELIMINATION OF OTHER ASSETS

Elimination of other assets in 1996 at the amount of Rp.112 million was a decrease of spare parts stock value ex Brantas Project which were in damaged condition and no more in use.

H. PERSONNEL

1. Total employee in 1996 increased by 1 person and decreased by 6 persons due to retirement and passing away.
2. Considering the importance of human resources for the continuity and the growing of the company, the following activities were conducted:
 - a. Participated the employee in various education and training program both outside the Company and in house training by education/training institutes.
 - b. Total personnel participated in degree formal education were 10 persons, namely 6 persons for S1 degree (engineering 3 persons and non engineering 3 persons).
3. Salary system by the Company has employed the merit system. Welfare outside the salary/fee provided by the Company to the employee were in form of: health allowance, man power insurance, retirement allowance, hari raya allowance (THR) and uniform cloth.

I. BUSINESS PROFIT

Realization of business revenue of 1996 was Rp.2,987 million or 14.19% against the business profit of the Company (for explanation please see point b. in page 5 regarding income and cost).

J. PROFIT BEFORE TAX

Realization of profit before tax for year book 1996 was Rp.4,595 million or 116.46% of the budget and increased by 14.89% of the realization in year book 1995, such increase was especially related with the increase of water service tariff for industry and PDAM and increase of realization of non business income.

K. ACCOUNT RECEIVABLE

Balance of A/C Receivable as of 31 December 1996 was Rp.1,657 million or 67.14% of the budget and decreased 38.66% of the realization in 1995.

Such balance of A/C receivable according to the time period classification may be explained as follows:

- For the period of less than 6 months was Rp.1,441 million or 56.22% of the budget and decreased 47.72% of the realization in 1995 for the same time period.
- For the period between 6 months to 12 months was Rp.153 million or 190.75% of the budget and increased 94.88% from the realization of 1995 for the same time period.

- For the period of longer than 12 months was Rp.245 million or 257.88% of the budget and increased 50.54% from the realization of 1995 for the same time period.

L. RESEARCH AND DEVELOPMENT

In 1996 research and development was conducted by studies covering:

1. Study on soil and land use along the left and right of Middle Reach of Kali Brantas.
2. Study on water supply to PLTA Tulungagung.
3. Study on business region development.
4. Study on management information system development.

The result achieved from the research were explained as follows:

1. Study of land use was conducted to inventory the water structures to determine the rooi area (structure) of Kali Brantas Middle Reach. This study was conducted by stages and was expected that in the future the entire area will be used as structure area of Kali Brantas river.
2. Study on water supply to PLTA Tulungagung, this study was conducted during the preparation of pre-feasibility study.
3. Study on regional development was conducted for the region of Central Java (Jeratun Seluna and Bengawan Solo Projects) by preparing the pre-feasibility study. In 1996 the feasibility study for Kali Bengawan Solo region was completed.
4. For the study on information system development in 1996 the accountancy information system has been prepared by using the Accounting System General Ledger (ASGL) software with the aim to produce the integrated accountancy report, in the next stage the other information system will be developed.

M. PAYMENT AND ACCEPTANCE OF THE COMPANY TO/FROM THE GOVERNMENT

1. Payment by the Company to the Government

Realization of payment from the Company to the Government in 1996 was Rp.3,684 million or 112.50% of the budget and decreased 3.95% of the realization in 1995.

Payment of the Company to the Government consisting of:

a.	Direct tax	Rp.1,502 million
b.	Indirect tax	Rp.621 million
c.	Global development fund	Rp.1,450 million
d.	Provincial collection tax	Rp.75 million
e.	Others	<u>Rp.36 million</u>
		Rp.3,684 million

The details please see Attachment 14.

2. Acceptance by the Company from the Government

Realization of acceptance by the Company from the Government in 1996 was Rp.585 million or 146.22% of budget and increased 5.79% of realization in 1995. Acceptance by the Company from the Government were in form of PGPS salary for state official assigned in the Company.

N. ACHIEVEMENT OF LONG TERM PLAN

Achievement in realization of income, cost and profit before tax against the long term plan showing a quite favorable result as reflected in the realization of Company profit before tax for book year 1996 at Rp.4,595 million or increased by 16.48% of the profit before tax plan for 1996 in the long term plan. In 1996, the RJP (Long Term Plan) was revised by considering the real circumstances occurred in the last years and the possibility which might occurred from 1996 to 2000. The revision/modification result of Long Term Plan 1994-1998 was submitted by Board of Directors to Minister of Public Works and Minister of Finance by Letter Number KP.050/UM/DT/96 dated 23 January 1996.

O. REALIZATION OF SMALL BUSINESS AND COOPERATIVE (PUKK) DEVELOPMENT

1. Following the Letter of Decision of Minister of Finance Number 60/KMK.016/1996 dated 9 February 1996 regarding amendment of article 3 of Decision of Minister of Finance of Republic of Indonesia No. 316/KMK.016/1994, the work capital loan allocation to 33 home industries, 1 Village Cooperative Unit and 30 farmers/sheep breeder who required work capital to increase the income with total allocated fund up to 1996 was Rp.414 million.
2. Repayment of work capital loan from subsidiary associate in general were smoothly conducted according to the agreed condition, and monitoring was sufficiently conducted related with the submission of periodical monitoring report on activities development.
3. Specially for the 1996 period, the assistance allocation plan which was programmed in RKAP at Rp.154 million, has been completely realized.

P. INTERNAL SUPERVISORY UNIT AND CLOSED SUPERVISION

1. Internal Supervisory Unit

In 1996 the Internal Supervisory Unit (SPI) of Perum Jasa Tirta has conducted the inspection of 11 working unit which means has reached 100% of the plan stipulated in PKPT 1996.

To improve the skill and knowledge of the personnel, in 1996 staffs of SPI has participated various courses, seminar, upgrading and communication forum of SPI.

The cost expended for SPI activities purposes in 1996 was Rp.119 million.

The result of SPI in 1996 was that from 37 inspection result, 32 follow up was conducted, and remaining 5 at the moment is being processed.

2. Closed Supervision

Implementation of closed supervisory program in 1996 was according to Letter of Decision of State Minister for State Apparatus Utilization No.30 year 1994 regarding the amendment of Decision of State Minister for State Apparatus Utilization No. 93/MENPAN/1989 regarding the guidelines for the implementation of closed supervision, 15 closed supervision (waskat) was conducted which was classified into 5 waskat targets, the detail is as shown in attachment 17.

CHAPTER - V REALIZATION OF COMPANY BUDGET

Based on condition, assumption and target of the Company for 1996, realization of Company budget was prepared in broadlines as follows:

A. COMPARATIVE FIGURE (PERFORMANCE)

Based on Letter of Decision of Minister of Finance Number 826/KMK.013/1992 the performance of the Company for book year 1996 was classified to be very healthy with weight value of 111.28, the details in shown in attachment 1.

B. BUSINESS INCOME

Realization of business income for 1996 reached 110.81% of RKAP 1996 and increased 12.17% of the realization in 1995, such increased as particularly related with:

1. Income increase from water service related with the water volume and tariff increase.
 - a. For PLN, water utilization volume was increased compared to RKAP 1996 and decreased compared to realization in 1995, however the water tariff was increased from Rp.10.20/kWh to Rp.11.20/kWh starting from 1 January 1996.
 - b. For PDAM, water utilization volume was increased either against RKAP of 1996 or against the realization in 1995, while water tariff was increased to Rp.30/m³ starting from 1 July 1996.
2. Increase of income from Non Water Service was particularly due to increase of income from equipment service and construction service which quite substantial if compared with RKAP 1996 and realization of 1995.

Income realization per business unit is shown in attachment 2 and raw water production/allocation for PLN, PDAM and Industry in attachment 3.

C. INVESTMENT

To increase the Company operational, realization of investment/ shares was directed to the procurement, business development and rehabilitation of facilities/asset to support the income. In 1996 the Company has invested Rp.2,722 million or 107.38% of RKAP.

Fund source for such investment was from depreciation accumulation.

Details of investment realization is as seen in attachment 4 and 5.

D. ELIMINATION OF ACCOUNT RECEIVABLE

Account receivable balance of the Company as of 31 December 1996 was Rp.1,657 million. To anticipate the unpayable of such account receivable, in 1996 the Company has set aside the elimination of account receivable at the amount of Rp.182 million in conformity with the Company Accounting Policy.

The account receivable which was set aside was those with period of longer than 12 months with value of Rp.245 million, and for the settlement procedure has been handed over to the State A/C Receivable Affairs and Auction Agency (BUPLN) at the amount of Rp.196 million.

E. SELLING OF FIXED/OTHER ASSETS

In 1996 the Company did not sell the fixed/other assets, but the Company has decreased the value of spareparts which were in heavy damaged condition and impossible to be used anymore by value of Rp.112 million.

F. BUSINESS LOAD

Realization of business load of 1996 was 111.83% of RKAP 1996 and increased 10.21% of realization in 1995, such increase was due to:

1. Operation and maintenance cost load of 1996 reached 134.33% of RKAP 1996 and increased 13.38% from the realization of 1995, this due to the increase of water resources infrastructures managed by Perum Jasa Tirta during 1996 (Mentunis Rubber Dam, Mrican Barrage, Wonokromo Water Gate, Gubeng Rubber Dam, Parit Agung and PLTA Tulungagung Intake) the management of which was handed over by Brantas Project to Perum Jasa Tirta.
2. Service load increased 85.90% of the realization in 1995, this due to the increase of non water service income especially the equipment and construction services.

Realization of business load in detail is as shown in attachment 6.

G. NON BUSINESS INCOME AND LOAD

1. Non Business Income

Realization of non business income in 1996 reached 162.14% of RKAP 1996 and increased 9.62% of the realization in 1995. This was related with the increase of PGPS salary and interest of Time Deposit in the Bank was higher than 1995.

Realization of non business income in detail is as seen in attachment 7.

2. Non Business Load

Realization of non business load in 1996 was far above the realization in 1995, this was due to the value decrease of spare parts ex Brantas Project which were heavily damaged and no more in use.

Realization of non business income in detail is as seen in attachment 7.

H. PERSONNEL

Realization of total personnel as of 31 December 1996 was 435 persons (decreased 6 persons and increased 1 person) in detail is as shown in attachment 8.

I. EDUCATION AND TRAINING

To improve the knowledge and skill, with the cost of Rp.104 million in 1996 a total of 105 person were participated in various seminar/course/ upgrading, and 9 person in a degree education, the details is as seen in attachment 9.

J. RESEARCH AND DEVELOPMENT

The efforts in business development to increase the income, in 1996 studies with cost realization of Rp.539 million were conducted, the details is as seen in attachment 10.

K. ENVIRONMENT CONSERVATION

To improve the people consciousness on clean and healthy environment, in 1996 a continuous guidance was conducted through the Clean River Project (PROKASIH) for which the necessary cost was Rp.199 million, the details of which is shown in attachment 11.

L. ACCEPTANCE AND CREDIT SETTLEMENT

In 1996 the Company has not withdrawn any loan from other party yet.

M. ACCOUNT RECEIVABLE ACCORDING TO TIME PERIOD

Account receivable of the company as of 31 December 1996 was Rp.1,838 million, the quite big account receivable was particularly to pay the O&M cost fee from PLN and equipment rental cost, which in detail is as shown in attachment 12.

N. ELIMINATION OF OTHER ASSETS

In 1996 a decrease of other assets value was occurred in form of spareparts ex Brantas Project which were damaged and can not be in use anymore as seen in attachment 13.

O. PAYMENT BY THE COMPANY TO THE GOVERNMENT

Realization of payment by the Company to the Government in 1996 at the total of Rp.3,683.55 million is detailed in attachment 14.

P. ACCEPTANCE BY THE COMPANY FROM THE GOVERNMENT

Acceptance by the Company from the Government was in a form of PNS salary for the Government Official designated in the Company. Realization of PNS salary acceptance for 1996 was Rp.585 million (see attachment 15).

Q. INTERNAL SUPERVISION UNIT AND CLOSED SUPERVISION

In 1996 the Internal Supervision Unit (SPD) has conducted the inspection on 11 working unit with total cost of Rp.119 million. Breakdown of cost for the respective activity is as seen in attachment 16.

For the implementation of closed supervision, in 1996 activities were conducted as shown in attachment 17.

Attachment 1

PERFORMANCE OF THE COMPANY IN 1995

EVALUATION CRITERIA	WEIGHT (1)	TARGET (2)	REALIZATION (3)	VALUE $4=(3/2)10$	WEIGHT VALUE $(1 \times 4)/100$
MAIN INDICATOR	70.00				
Rentability	52.50%	15.50%	18.42%	118.81	62.38
Liquidity	8.75%	366.47%	342.32%	93.41	8.17
Solvability	8.75%	660.07%	678.13%	102.74	8.99
SUB TOTAL					79.55
ADDITIONAL INDICATOR	30.00				
Margin Profit	10.00%	20.77%	21.83%	105.10	10.51
Operational Ratio	10.00%	111.76%	116.54%	99.08	9.91
Man Power Productivity	10.00%	42,783.78 Rp. (mil.)	48,389.78 Rp. (mil.)	113.10	11.31
SUB TOTAL					31.73
TOTAL					111.28
PERFORMANCE					VERY HEALTHY

Attachment 1-A
CALCULATION OF HEALTH LEVEL OF THE COMPANY IN 1996

(x 1,000)

DESCRIPTION		DATA/FORMULA	REMARKS CONDITION	DATA NO/ FORMULA	TARGET	REALIZATION
Current Asset	Initial	Data (mil. Rp.)		1	15,127,326.00	14,897,570.95
	Final	Data (mil. Rp.)		2	15,317,255.00	13,911,763.29
Fixed Asset	Initial	Data (mil. Rp.)		3	10,275,153.00	10,330,428.00
	Final	Data (mil. Rp.)		4	10,167,947.00	10,513,640.39
Share	Initial	Data (mil. Rp.)		5	-	-
	Final	Data (mil. Rp.)		6	-	230,000.00
Used capital		{III (1) to (6)}/2		7	25,443,810.50	24,911,701.31
Profit before tax		Data (mil. Rp.)		8	3,945,000.00	4,594,503.16
Selling of fixed asset		Data (mil. Rp.)		9	-	-
Profit before tax (excl. sell/o fixed ass.)		(8) - (9)		10	3,945,000.00	4,594,503.16
Rentability (Rt)		{(10)/(7)}x100%		11	15.50	18.42
Rt VALUE		REAL/TRGT (11)		12	-	118.81
Rt WEIGHT VALUE		52.5% x (12)		13	-	62.38
Current Debt		Data (mil. Rp.)		14	4,179,671.00	4,064,009.79
Liquidity (L)		{(2)/(14)}x100%		15	366.47	342.32
L Value		REAL/TRGT (20)		16	-	93.41
L WEIGHT VALUE		8.75% x (16)		17	-	8.17
Total Debt		Data (mil. Rp.)		18	4,179,671.00	4,064,009.79
Total Asset		Data (mil. Rp.)		19	27,588,621.00	27,559,217.66
Solvability (S)		{(19)/(18)}x100%		20	660.07	678.13
S Value		REAL/TRGT (20)		21	-	102.74
S WEIGHT VALUE		8.75% x (21)		22	-	8.99
Total RLS Weight Value		(13)+(17)+(22)		23	-	79.55
Profit after Tax		Data (mil. Rp.)		24	3,945,000.00	4,594,503.16
Selling		Data		25	18,996,000.00	21,049,554.23
				26	-	-
Profit Margin (PM)				27	20.77	21.83
PM Value		REAL/TRGT (27)	80>NPM>120	28	-	105.10
PM WEIGHT VALUE		10% x (28)		29	-	10.51
Total Cost		Data (mil. Rp.)		30	16,151,000.00	18,062,316.67
Operation Ratio (RO)		{(25)/(30)}x100%		31	117.62	116.54
RO Value		REAL/TRGT (31)	80<NRO<120	32	-	99.08
RO WEIGHT VALUE		10% x (32)		33	-	9.91
Man Power (TK)		Man Power Data	TK Person	34	444.00	435.00
TK Productivity		(25)/(34)	mil. Rp./TK	35	42,783.78	48,389.78
TK Productivity Value		REAL/TRGT (35)	80<NIK<120	36	-	113.10
TK PRODUCTIVITY WEIGHT VALUE		10% x (36)		37	-	11.31
TOTAL ADD. IND. WEIGHT VALUE		(29)+(33)+(37)		38	-	31.73
TOTAL WEIGHT VALUE		(23)+(38)		39	-	111.28
HEALTH LEVEL						VERY HEALTHY

Attachment 2
INCOME OF 1995 AND 1996

DESCPTION	REALIZATION 1995	RKAP 1996	REALIZATION 1996	% REAL. 96 AGAINST	
				REAL.95	RKAP 96
BUSINESS INCOME	18,765,075,421	18,996,000,000	21,049,554,231	112.17	110.81
WATER SERVICE	16,338,085,373	16,576,000,000	17,714,573,804	108.44	106.37
- PLN	9,672,662,754	9,240,000,000	9,897,729,744	102.33	107.12
- PDAM	2,597,167,404	2,758,000,000	3,683,188,956	141.82	133.64
- INDUSTRY	4,066,255,715	4,580,000,000	4,133,655,104	101.66	90.25
NON WATER SERVICE	2,138,640,082	2,300,000,000	3,175,756,462	148.49	138.08
EQUIPMENT	798,034,331	500,000,000	1,332,168,876	166.93	266.43
CONSTRUCTION	690,967,526	1,000,000,000	1,048,597,834	151.76	104.86
CONSULTANCY	260,954,189	350,000,000	315,653,966	120.96	90.19
TOURISM	388,684,036	450,000,000	479,335,786	123.32	106.52
OTHER SERVICES	290,349,466	120,000,000	159,223,965	54.84	132.69
LAND USE	126,220,967	65,000,000	103,729,905	82.18	159.58
SAND USE	145,081,299	35,000,000	32,713,900	22.55	93.47
QUALITY LABORATORY	10,523,300	10,000,000	6,540,000	62.15	65.40
CLEAN WATER	8,523,900	10,000,000	16,240,160	190.52	162.40
NON BUSINESS INCOME	1,627,082,480	1,100,000,000	1,783,566,622	109.62	162.14
PGPS SALARY	552,897,241	400,000,000	584,897,957	105.79	146.22
BANK SERVICE	1,033,486,173	700,000,000	1,150,487,484	111.32	164.36
OTHERS	40,699,066	-	48,181,181	118.38	-
TOTAL INCOME	20,392,157,901	20,096,000,000	22,833,120,853	111.97	113.62

Attachment 3

PRODUCTION OF 1995 AND 1996

DESCRIPTION	REALIZATION 1995	RKAP 1996	REALIZATION 1996	% REAL. 96 AGAINST	
				REAL.95	RKAP 96
1 PLN	948,300,270	825,000,000	883,725,870	93.19	107.12
2 RAW WATER					
- PDAM	144,287,078	145,000,000	152,214,610	105.49	104.98
- INDUSTRY	135,541,857	140,000,000	133,587,715	98.56	95.42
	279,828,935	285,000,000	285,802,325	102.13	100.28

Attachment 4

**REALIZATION OF INVESTMENT AND FINANCIAL SOURCE
1995 AND 1996**

DESCRIPTION	RKAP 1996			REALIZATION
	UNREALIZED PLAN OF 1995	PURE 1996	TOTAL	
TYPE OF INVESTMENT				
1 INVESTMENT TO RE- FUNCTION/REPLACEMENT	485,460,000	1,625,000,000	2,110,460,000	1,950,963,996
- Land	-	387,000,000	387,000,000	341,780,760
- Structure and Building	-	400,000,000	400,000,000	387,086,809
- Machineries	0	436,000,000	436,000,000	482,682,788
- General Equipment	390,426,000	102,000,000	492,426,000	301,609,468
- Office Equipment	95,034,000	300,000,000	395,034,000	437,804,171
2 LONG TERM INVESTMENT				
- Share PT 2130	-	-	-	230,000,000
3 DEVELOPMENT INVESTMENT	350,000,000	1,075,000,000	1,425,000,000	641,589,361
- Studies	350,000,000	275,000,000	625,000,000	371,520,561
- Packed Drinking Water (AMDK)	-	600,000,000	600,000,000	12,375,000
- ISO 9000	-	200,000,000	200,000,000	155,383,800
- PLN Consumers Bond	-	-	-	2,310,000
TOTAL INVESTMENT	835,460,000	2,700,000,000	3,535,460,000	2,722,553,357
SOURCE OF FINANCE				
1 Depreciation	835,460,000	2,700,000,000	3,535,460,000	2,722,553,357
2 Reserve	-	-	-	-
TOTAL FINANCIAL SOURCE	835,460,000	2,700,000,000	3,535,460,000	2,722,553,357
PERCENTAGE IN REALIZATION		100.84	77.01	

Attachment 5

DETAIL OF INVESTMENT REALIZATION
1995 AND 1996

DESCRIPTION	REALIZATION 1995	RKAP 1996			REALIZATION
		UNREALIZED PLAN OF 1995	PURE 1996	TOTAL	
INVESTMENT TO REFUNCTION/ REPLACEMENT	1,456,308,648	485,460,000	1,625,000,000	2,110,480,000	19,503,963,996
a. LAND	35,103,200	0	387,000,000	387,000,000	341,780,760
- Land acquisition in Malang	-	-	350,000,000	350,000,000	341,780,760
- Land acquisition in Sumber	-	-	37,000,000	37,000,000	-
- Land acquisition in Sumber Brantas	35,103,200	-	-	-	-
b. STRUCTURE AND BUILDING	2,498,860,709	0	400,000,000	400,000,000	387,086,809
- Rehab. Malang Office Stage I,II,III	300,980,000	-	-	-	-
- Rehab. Malang Office Stage IV	-	-	100,000,000	100,000,000	103,395,780
- Selorejo Tourist Facilities	2,197,880,709	-	300,000,000	300,000,000	283,691,029
c. MACHINERIES	1,012,263,360	0	436,000,000	436,000,000	482,682,188
- Rehab. of Land Heavy Equipment	124,624,360	-	100,000,000	100,000,000	86,662,752
- Rehab. of Floating Heavy Equip.	220,848,000	-	100,000,000	100,000,000	148,064,046
- Operational Transportation	210,747,800	-	160,000,000	160,000,000	178,515,990
- Field Transportation	50,372,000	-	60,000,000	60,000,000	54,000,000
- Motor Cycle	18,100,000	-	16,000,000	16,000,000	15,420,000
- Laboratory Transportation	30,300,000	-	-	-	-
- Motor Boat	19,607,500	-	-	-	-
- Engine Motor Boat	11,440,000	-	-	-	-
- Hydraulic Excavator	282,559,200	-	-	-	-
- Workshop Equipment	9,977,000	-	-	-	-
- SAR Equipment	33,687,500	-	-	-	-
d. GENERAL EQUIPMENT	296,854,376	390,426,000	102,000,000	492,426,000	301,609,468
- Water Pump	112,537,946	15,000,000	-	15,000,000	2,281,400
- HT + Battery Charger	-	4,000,000	-	4,000,000	-
- Chain Saw	1,072,500	-	2,000,000	2,000,000	3,367,100
- Grass Cutter Machine	38,476,625	-	-	-	-
- Communication Telephone	81,129,345	-	-	-	-
- Rubber Joint	-	-	50,000,000	50,000,000	-
- Dredging Ship Equipment	-	-	50,000,000	50,000,000	-
- Current Meter	-	14,000,000	-	14,000,000	28,253,500
- Water Meter	63,637,960	257,426,000	-	257,426,000	123,357,730
- Water Quality Monitoring Apparatus	-	100,000,000	-	100,000,000	144,349,738
e. OFFICE EQUIPMENT	112,037,712	95,034,000	300,000,000	395,034,000	437,804,717
LONG TERM INVESTMENT	-	-	-	-	230,000,000
- Shares in PT 2130	-	-	-	-	230,000,000
DEVELOPMENT INVESTMENT	0	350,000,000	1,075,000,000	1,425,000,000	541,589,361
a. STUDIES	0	350,000,000	275,000,000	625,000,000	371,520,561
- Study on soil and land use along right and left of Brantas M/R	-	150,000,000	-	150,000,000	137,480,536
- GIS DAS Brantas-II Development	-	-	50,000,000	50,000,000	-
- Mgt-I Inf. System Development	-	100,000,000	-	100,000,000	18,975,000
- TAgung Water Supply study	-	100,000,000	-	100,000,000	79,052,625
- Mgt-II Inf. System Development	-	-	75,000,000	75,000,000	86,732,400
- Water Structure Inventory Study to determine Root Line	-	-	50,000,000	50,000,000	-
- Malang Clean Water Devel. Study	-	-	50,000,000	50,000,000	-
- Business Region Devel. Study	-	-	50,000,000	50,000,000	49,280,000
b. Packed Drinking Water (AMDK)	-	-	600,000,000	600,000,000	12,375,000
c. ISO 9000	-	-	200,000,000	200,000,000	155,383,800
d. PLN Consumers Bond	-	-	-	-	2,310,000
TOTAL	1,456,308,648	835,460,000	2,700,000,000	3,535,460,000	2,722,583,357

Attachment 6

REALIZATION OF BUSINESS EXPENDITURE IN 1995 AND 1996

	REALIZATION 1996	% VERTICAL	RKAP (BUDGET SCHEDULE 1996	% VERTICAL	REALIZATION 1995	% VERTICAL
BUSINESS INCOME	21,049,554,231	100.00	18,996,000,000	100.00	18,765,075,421	100.00
BUSINESS EXPENDITURE	18,062,316,665	85.81	16,151,000,000	85.02	16,388,642,406	87.34
DIRECT	12,401,741,916	58.92	9,521,940,000	50.13	11,662,402,901	62.15
- OM COST	8,880,818,165	42.19	6,611,000,000	34.80	7,832,551,808	41.74
- PERSONNEL COST	789,812,717	3.75	475,700,000	2.50	1,167,233,301	6.22
- DUTY TRIP COST	85,397,434	0.41	23,940,000	0.13	68,536,332	0.37
- GENERAL COST	214,018,588	1.02	173,300,000	0.91	254,888,089	1.36
- SERVICE COST	1,404,855,231	6.67	1,400,000,000	7.37	763,838,469	4.07
- DEPRECIATION COST	1,026,839,781	4.88	638,000,000	3.36	1,575,354,902	8.40
- GUIDANCE COST	-	0.00	200,000,000	1.05	-	0.00
INDIRECT	5,660,574,749	26.89	6,629,060,000	34.90	4,726,239,505	25.19
- PERSONNEL COST	3,204,822,174	15.23	3,524,300,000	18.55	2,696,282,258	14.37
- DUTY TRIP COST	339,005,841	1.61	401,060,000	2.11	356,300,036	1.90
- GENERAL COST	725,711,651	3.45	766,700,000	4.04	734,805,428	3.92
- MARKETING COST	149,941,895	0.71	150,000,000	0.79	149,729,464	0.80
- DEWAS COST	199,830,218	0.95	200,000,000	1.05	168,860,120	0.90
- DEPRECIATION COST	617,651,685	2.93	1,362,000,000	7.17	428,411,397	2.28
- UPGRAIDING COST	74,271,968	0.35	75,000,000	0.39	0	0.00
- H/R DEVELOPMENT COST	149,897,467	0.71	150,000,000	0.79	0	0.00
- GUIDANCE COST	199,441,850	0.95	-	0.00	191,850,802	1.02

Attachment 7

REALIZATION OF NON BUSINESS EXPENDITURE IN 1995 AND 1996

	REALIZATION 1996	% VERTICAL	RKAP (BUDGET SCHEDULE 1996	% VERTICAL	REALIZATION 1995	% VERTICAL
NON BUSINESS INCOME	1,783,566,622	100.00	1,100,000,000	100.00	1,627,082,480	100.00
- PGPS	584,897,957	32.79	400,000,000	36.36	552,897,241	41.74
- CLEARING A/C SERVICE	1,150,487,484	64.50	700,000,000	63.64	1,033,486,173	6.22
- SELLING OF ASSET	48,181,181	2.70	-	-	40,699,066	2.50
NON BUSINESS EXPENDITURE	176,301,027	100.00	0	0.00	4,372,500	0.02
- BANK COST	64,034,362	36.32	-	-	862,500	0.00
- OTHER COST	112,266,665	63.68	-	-	3,510,000	0.02

Attachment 8
CHANGE OF PERSONNEL
1995 AND 1996

	REALIZATION IN 1995			BUDGET SCHEDULE (BKAP) FOR 1996			REALIZATION IN 1996		
	EXISTING TOTAL	ADDITION	REDUCTION	EXISTING TOTAL	ADDITION	REDUCTION	EXISTING TOTAL	ADDITION	REDUCTION TOTAL
ORGANIC	174	5	-	178	15	-	178	1	5 173
ENGINEERING	120	2	-	121	10	-	121	0	- 121
- S3.2	21	-	-	21	-	-	21	-	- 21
- S1, D4	22	2	1	23	10	-	23	-	- 23
- D3.2.1	28	-	-	28	-	-	28	-	- 28
- SR, HIGH	43	-	-	43	-	-	43	-	- 43
- JR, HIGH	8	-	-	6	-	-	6	-	- 6
- OTHERS	-	-	-	-	-	-	-	-	- -
NON ENGINEERING	54	3	0	57	5	0	57	1	6 52
- S3.2	1	-	-	1	-	-	1	-	- 1
- S1, D4	25	1	-	26	5	-	26	1	3 24
- D3.2.1	8	2	-	10	-	-	10	-	- 10
- SR, HIGH	7	-	-	7	-	-	7	-	- 7
- JR, HIGH	5	-	-	5	-	-	5	-	- 5
- OTHERS	8	-	-	8	-	-	8	-	3 5
NON ORGANIC	273	0	11	262	0	15	262	0	0 262
ENGINEERING	107	0	3	104	0	0	104	0	0 104
- S3.2	-	-	-	-	-	-	-	-	- -
- S1, D4	1	-	1	0	-	-	0	-	- 0
- D3.2.1	-	-	-	-	-	-	-	-	- -
- SR, HIGH	90	-	2	88	-	-	88	-	- 88
- JR, HIGH	16	-	-	16	-	-	16	-	- 16
- OTHERS	-	-	-	-	-	-	-	-	- -
NON ENGINEERING	166	0	8	158	0	15	158	0	0 158
- S3.2	-	-	-	-	-	-	-	-	- -
- S1, D4	2	-	1	1	-	-	1	-	- 1
- D3.2.1	-	-	-	-	-	-	-	-	- -
- SR, HIGH	48	-	2	46	-	-	46	-	- 46
- JR, HIGH	60	-	2	58	-	15	58	-	- 58
- OTHERS	56	-	3	53	-	-	53	-	- 53
TOTAL	447	5	11	440	15	15	440	1	6 435

Attachment 9
EDUCATION AND TRAINING
1995 AND 1996

	REALIZATION 1995		RKAP 1996		REALIZATION 1996	
	PARTICIPANT (person)	COST (Rp)	PARTICIPANT (person)	COST (Rp)	PARTICIPANT (person)	COST (Rp)
DEGREE EDUCATION	8	17,930,600	1	10,000,000	9	40,186,000
1 S-1 GRADUATE	4	6,000,600	1	10,000,000	2	6,680,000
- Engineering	-	-	-	-	3	10,756,000
- Non Engineering	3	8,947,500	-	-	3	17,450,000
2 POST GRADUATE	1	2,982,500	-	-	1	5,300,000
- Engineering						
- Non Engineering						
NON DEGREE EDUCATION	8	52,450,600	116	140,000,000	105	109,711,467
1 SEMINAR/COURSE	16	70,381,200	117	150,000,000	114	149,897,467

Attachment 10

**RESEARCH AND DEVELOPMENT
1995 AND 1996**

FIELD OF RESEARCH AND DEVELOPMENT	RKAP 1996	REALIZATION 1996
1 Studi on Land Use Management (Brantas M/R)	150,000,000	137,480,536
2 Information System Development Management I	100,000,000	18,975,000
3 Tulungagung Water Supply Study	100,000,000	79,052,625
4 Information System Development Management II	75,000,000	86,732,400
5 Business Region Development Study	81,000,000	49,280,000
6 Packed Drinking Water Study	40,000,000	12,375,000
7 I S O 9000	200,000,000	155,383,800
	746,000,000	539,279,361

Attachment 11

REALIZATION OF ENVIRONMENT CONSERVATION PROGRAM
1995 AND 1996

DESCRIPTION	REALIZATION OF LAST YEAR	BUDGET OF EXISTING YEAR	REALIZATION EXISTING YEAR
1 ENVIRONMENTAL IMPACT ANALYSIS Sstudy	--	--	--
2 ENVIRONMENT AUDIT			
- Guidance	199,967,886	200,000,000	199,441,850
- Rehabilitation	--	--	--
- Environment conservation	--	--	--
TOTAL	199,967,886	200,000,000	199,441,850

Attachment 12
ACCOUNT RECEIVABLE ACCORDING TO TIME PERIOD
1995 AND 1996

	REALIZATION IN 1995				BUDGET SCHEDULE (RKAP) FOR 1996				REALIZATION IN 1996			
	PERIOD OF A/C RECEIVABLE (MONTH)				PERIOD OF A/C RECEIVABLE (MONTH)				PERIOD OF A/C RECEIVABLE (MONTH)			
	TO 6	6 TO 12	> 12	TOTAL	TO 6	6 TO 12	> 12	TOTAL	TO 6	6 TO 12	> 12	TOTAL
1 BUSINESS A/C RECEIVABLE												
Water Service												
- PLN	2,079,986	-	-	2,079,986	1,053,072	-	-	1,059,072	806,641	-	-	806,641
- PDAM	-	-	-	-	488,988	-	-	488,988	-	-	-	0
- Industry	56,516	-	-	56,516	541,020	-	-	541,020	144,959	-	-	144,959
Tourism												
- Equipment Rental	200,276	50,015	161,897	412,188	110,000	80,000	95,000	285,000	208,641	92,572	244,986	546,199
- Construction Service	229,720	28,287	-	258,007	320,000	-	-	320,000	50,641	-	-	50,641
- Consultancy Service	189,409	-	839	190,248	50,000	-	-	50,000	189,012	60,025	-	249,037
- Tourism Service	-	-	-	-	-	-	-	-	40,941	-	-	40,941
	2,755,907	78,302	162,736	2,996,945	2,563,080	80,000	95,000	2,738,080	1,440,835	152,597	244,986	1,838,418

Attachment 13
**REALIZATION OF ELIMINATION OF ACCOUNT RECEIVABLE/ASSET
 1995 AND 1996**

DESCRIPTION	REALIZATION 1995		RKAP 1996		REALIZATION 1996		REMARKS
	UNIT	VALUE	UNIT	VALUE	UNIT	VALUE	
1 OTHER ASSETS	L.S.	-	-	-	-	112,266,665 *	
2 SUPPLIES							
3 LAND							
4 CONSTRUCTION/BUILDING							
5 EQUIPMENT							
6 OFFICE EQUIPMENT							
7 VEHICLE							
8 A/C RECEIVABLE							

Remarks:

*) Decrease of spare parts value ex Brantas Project
 which are heavily damaged and impossible to be used anymore

Attachment 14

**OBLIGATION OF THE COMPANY TO THE GOVERNMENT
1995 AND 1996**

DESCRIPTION	REALIZATION 1995	RKAP 1996	REALIZATION 1996
1 DIRECT TAX	1,712,127,828	1,613,139,000	1,501,962,787
- PPh Body	1,405,296,700	1,321,100,000	1,115,397,100
- PPh 25	264,230,473	282,039,000	296,048,284
- PPh 23	39,869,394	-	87,849,276
- PBB	2,731,261	10,000,000	2,668,127
2 INDIRECT TAX			
- PPN	714,276,266	620,000,000	620,725,730
3 GLOBAL DEVELOPMENT FUND	1,300,000,000	878,640,000	1,450,000,000
4 REGIONAL COLLECTION TAX			
- Ticket Tax	76,332,024	94,500,000	75,178,264
5 OTHERS	32,478,100	68,000,000	35,679,350
- BBN for Vehicle	-	-	-
- Vehicle Tax	32,478,100	68,000,000	35,679,350
- Other Tax	-	-	-
TOTAL	3,835,214,218	3,274,279,000	3,683,546,131

Attachment 15

ACCEPTANCE OF COMPANY FROM THE GOVERNMENT
1995 AND 1996

DESCRIPTION	REALIZATION 1995	RKAP 1996	REALIZATION 1996
1 PGPS SALARY ALLOCATION	552,897,241	400,000,000	584,897,957
	552,897,241	400,000,000	584,897,957

Attachment 16
REALIZATION OF INTERNAL SUPERVISION PROGRAM BY SPI
1996

MONTH	REGION	OBJECT OF INSPECTION		TARGET	TOTAL INSPEC- TION	INSPECTION DAYS			COST REALIZA- TION	REAL. REPORT ISSUANCE
		NO.	1996			IN TOWN	OUTSIDE TOWN	TOTAL DAYS		
1 January	Head Office	1	General Affairs Bureau	A & B	2	23	-	23	11,877,055	1 month
2 February	Head Office	2	Finance Bureau	A & B	2	20	-	20	10,327,874	1 month
3 March	Head Office	3	P2 Bureau	A & B	2	18	2	20	10,327,874	1 month
4 April	Head Office	4	Non Water Service Division	A & B	2	20	12	32	16,524,600	1 month
5 May	Head Office	5	Marketing Division	A & B	3	10	10	27	13,942,630	1 month
6 June	Head Office	6	Research and Devel. Bureau	A & B	4	8	8	23	11,877,055	1 month
7 July	Head Office	7	P3 Bureau	A & B	4	11	11	27	13,942,630	1 month
8 August	Division	8	ASA I Division	A & B	4	21	21	21	10,844,268	1 month
9 September	Division	9	ASA II Division	A & B	4	21	21	21	10,844,268	1 month
** October	Head Office	10	MR	A & B	4	-	-	10	5,163,937	1 month
** November	Head Office	11	Regional Development	A & B	4	-	-	6	3,068,363	1 month
									118,740,654	

A = Audit
B = Operational Inspection

Attachment 17
REALIZATION OF IMPROVEMENT BY WASKAT (CLOSED SUPERVISION)
1996

NO.	WASKAT TARGET	WASKAT ACTIVITY	REALIZATION OF ACTIVITY	FOLLOW UP	REMARKS
1	Improve the work discipline and prestige to reach the target of the work implementation	<p>a. Modification of organization structure stipulated by decision of Board of Directors No.: KP.100/KPTS/DA/92 regarding adjustment of organization of Perum Jasa Tirta with effective date from January 1, 1993</p> <p>b. Improve the knowledge and skill of employee by education and training program, seminar, workshop and etc.</p> <p>c. Take effort to obtain ISO-9000 certificate in the field of reservoir management</p> <p>d. Modification of the pattern of man power planning study</p> <p>e. Establishment the Mandiri Unit in charge of management of Selorejo Tourist Park.</p>	<p>Issuance of Decision of Board of Directors No. KP.059/KPTS/DA/96 regarding amendment of organization structure of Perum Jasa Tirta and job description with effective date from 15 May 1996</p> <p>Enroll 45 experts of Perum Jasa Tirta in training/upgrading in various Management Institutes, and 5 (5) experts were assigned to attend the S1 program in Gajah Mada and Brawijaya Universities, and another 4 (four) experts to attend S2 program in Brawijaya University.</p> <p>With the issuance of Decision of Board of Directors No. KP.061/KPTS/DA/96 dated 22 May 1996 regarding the Quality Warranty Team ISO-9000, the introduction of ISO-9000 was started.</p> <p>Letter of Decision of the Board of Directors of Perum Jasa Tirta No. KP.157/KPTS/DA/96 dated 18 November 1996 regarding the starting of the application of ISO-9000 Quality Warranty System in Perum Jasa Tirta.</p> <p>Conducting the study by joint work through LMS to implement the Man Power Planning Study in PJT.</p> <p>A decision of Board of Directors No. KP.008/KPTS/DA/96 was issued dated 25 January 1996 regarding the establishment of Selorejo Mandiri tourist business unit to increase the income of the company from tourist sector.</p>	<p>- Installation of personnel for the position in the Organization Structure of Perum Jasa Tirta</p> <p>- Monitoring the progress of the new job description</p> <p>Installment of the staff concerned according to expertise</p> <p>Conducting socialization to all levels of the employee of Perum Jasa Tirta On the importance of obtaining the ISO-9000 for the Company</p> <p>Application of the said study result in PJT at the same time conduct the monitoring program</p> <p>Increase the marketing activity of Selorejo Tourist Park</p>	The clear job description will avoid the job overlapping and the employee understand their respective job
2	a. Minimize the misuse of authority	a. Modification of system and procedure in accounting according to the new organization structure	The application of Accounting System General Ledger has been started for a faster and accurate financial statement.	Installation of LAN (Local Area Network) system for the related units to support the implementation of Accounting System General Ledger	

NO.	WASKAT TARGET	WASKAT ACTIVITY	REALIZATION OF ACTIVITY	FOLLOW UP	REMARKS
	b. Minimize the wasting and misuse of government money and any kind of illegal payment collection	b. Modification of system and procedure in procurement of goods and services according to the new organization structure.	Modification of system and procedure for procurement of goods and services based on decision of Board of Directors No. KP.076/KPTS/DA/96 dated 4 June 1996.	The implementation should be based on Presidential Decree No.167 year 1994 regarding the national budget.	
		c. Shorten the time/period for settlement of work advance payment	Preparation of advance payment auditing book under the continuous control by the Head of Division/Bureau of the respective Unit.	Monitor and control the method of advance payment settlement.	
		d. Minimize the total/remaining balance of advance payment at every end of the month.	Limit the provision of advance payment if the advance payment has not been settled yet.	Monitor, evaluate and remind the advance payment acceptor to settle the advance payment according to the agreed time period.	
3	Expedite the permit procedure and improve the service to the public.	a. Expedite the preparation of technical recommendation on application for water use in the work region of Perum Jasa Tirta.	A joint works/meetings with Provincial Water Resources, Environment and Water User Permit Group (KP3A) has been conducted.	Necessary documents and conditions to be fulfilled to complete the application of water use is to be informed.	
		b. Modify the program and implementation of guidance activity (Prokasih - Clean River Program).	Prokasih activity has been conducted as stipulated under the decision of Board of Directors No. KP.071/KPTS/DA/96 dated 24 June 1996 regarding the Executive Committee for Prokasih under Perum Jasa Tirta.	To give information and understanding to the public not to discharge waste into the river.	
		c. Manage the use of land in the structure boundary of the river.	The structure boundary of the river which were used by the people has been acquired by payment of compensation.	To install structural boundary line between the river area and public area.	
4	Expedite the employee procedure according to the existing regulation.	a. Modify the personnel data.	Arrangement of data in the file of personnel has been properly made.	Monitoring the new data entry in the file concerned.	
		b. Modify the regulations stipulated in the Company Regulation of Perum Jasa Tirta.	Has been modified and approved by Head of Regional Office of Ministry of Man Power of East Java Province under No. 403/2.2/W.12 year 1996 dated 16-2-1996.	To distribute to all the employee of Perum Jasa Tirta.	
		c. Distribute the Company Regulation of Perum Jasa Tirta.	The company regulation has been distributed to all the employee of Perum Jasa Tirta.	Improve the understanding of the employee on existing company regulation.	

Table A
BALANCE SHEET OF 1995 AND 1996

DESCRIPTION	AS OF 31 DEC. 1995	AS OF 31 DEC. 1996	DESCRIPTION	AS OF 31 DEC. 1995	AS OF 31 DEC. 1996
ASSET			LIABILITIES		
1 CURRENT ASSET			1 SHORT TERM DEBT		
Cash in Hand	15,682,455	10,718,648	Debts:		
Bank	1,060,739,456	2,001,369,609	- Business Debt	2,889,005,813	3,164,776,938
Short Term Bank Deposit	7,153,110,206	7,423,813,649	- Tax Debt	1,524,810,920	370,459,426
Account Receivable	3,035,723,366	1,838,418,625	- Global Development Fund Debt	1,117,686,039	0
Uncertain A/C Receivable Allocation	(122,260,129)	(181,606,698)	- Production Service Debt	87,499	4,463,049
Work Advance Payment	15,670,873	216,408,750	- Other Short Term Debt	51,448,040	215,973,575
Tax Advance Payment	817,375,404	0	- PUKK Fund	41,739	0
Income Receivable	2,752,801,268	2,535,884,365		5,577,080,050	3,755,672,988
Supplies	168,728,054	66,756,337	Advance Income	259,607,285	308,336,798
	14,897,570,953	13,911,763,285		5,836,687,335	4,064,009,786
2 LONG TERM INVESTMENT	—	230,000,000	2 CAPITAL		
			Government Co-Financing	17,500,000,000	17,500,000,000
3 FIXED ASSET			General Supply	1,519,896,505	2,100,040,600
Land	933,679,207	1,275,459,967	Supply on Purpose	271,061,217	416,061,217
Structures and Buildings	7,832,759,638	7,994,811,768	Retained Profit	2,590,096,184	—
Machinery Equipment	8,965,656,468	9,748,548,724	Profit of the Prevailing Year	—	3,479,106,061
Office Furnitures and Equipment	783,340,837	1,221,145,008		21,881,053,906	23,495,207,878
	18,515,436,150	20,239,965,467			
Accumulation of Depreciation	8,185,008,146	9,726,325,082			
	10,330,428,004	10,513,640,385			
4 WEORK IN PROGRESS	86,601,000	517,232,961			
5 OTHER ASSET					
Development Study	783,628,747	987,886,347			
Consumers Bond	41,172,490	43,482,490			
Unused Supply	1,738,123,172	1,613,783,955			
	2,562,924,409	2,645,152,792			
Depreciation/Amortization Accumulation	159,783,125	258,571,759			
	2,403,141,284	2,386,581,033			
TOTAL ASSET	27,717,741,241	27,559,217,664		27,717,741,241	27,559,217,664

Table B
CALCULATION OF PROFIT/LOSS OF 1995 AND 1996

DESCRIPTION	REALIZATION 1995	BUDGET 1996	REALIZATION 1996	% REAL 95 AGAINST	
				REAL '95	RKAP '96
BUSINESS INCOME	18,765,075,421	18,996,000,000	21,049,554,231	112.17	110.81
1 INCOME FROM WATER	16,336,085,873	16,576,000,000	17,714,573,804	108.44	106.87
- PLN	9,672,662,754	9,240,000,000	9,897,729,744	102.33	107.12
- PDAM	2,597,167,404	2,756,000,000	3,683,188,956	141.82	133.64
- Industry	4,066,255,715	4,580,000,000	4,133,655,104	101.66	90.25
2 INCOME FROM NON-WATER	2,138,640,082	2,300,000,000	3,175,756,462	148.49	138.08
- Tourism	388,684,036	450,000,000	479,335,786	123.32	106.52
- Equipment	798,034,331	500,000,000	1,332,168,876	166.93	266.43
- Construction	690,967,526	1,000,000,000	1,048,597,834	151.76	104.86
- Consultancy	260,954,189	350,000,000	315,653,966	120.96	90.19
3 INCOME FROM NON-WATER	290,349,466	120,000,000	159,223,965	54.84	132.69
- Land Use	12,458,043	65,000,000	103,729,905	832.63	159.58
- Sand	258,844,223	35,000,000	32,713,900	12.64	93.47
- Clean Water and Waste Treatment	19,047,200	20,000,000	22,780,160	119.60	113.90
BUSINESS EXPENDITURE	16,388,642,406	16,151,000,000	18,062,316,665	110.21	111.83
- Operation and Maintenance Cost	7,832,551,808	6,611,000,000	8,880,818,165	113.38	134.33
- Personnel Cost	3,863,515,559	4,000,000,000	3,995,634,891	103.42	99.89
- General Cost	939,709,189	940,000,000	939,730,039	100.00	99.97
- Business Trip Cost	424,836,368	425,000,000	424,403,475	99.90	99.86
- Depreciation Cost	2,003,766,299	2,000,000,000	1,644,491,466	82.07	82.22
- Service Cost	755,721,385	1,400,000,000	1,404,855,231	185.90	100.35
- Marketing Cost	149,729,464	150,000,000	148,941,895	99.47	99.29
- Deras Cost	168,860,120	200,000,000	199,830,218	118.34	99.92
- Guidance Cost	199,967,886	200,000,000	199,441,850	99.74	99.72
- Upgrading Cost	49,984,328	75,000,000	74,271,968	148.59	99.03
- HR Development Cost	--	150,000,000	149,897,467	--	99.93
BUSINESS PROFIT/LOSS	2,376,433,015	2,845,000,000	2,987,237,566	125.70	105.00
NON BUSINESS REVENUE	1,627,082,480	1,100,000,000	1,783,566,622	109.62	162.14
NON BUSINESS EXPENDITURE	4,372,500	--	176,301,027	4,032.04	--
NON BUSINESS PROFIT/LOSS	1,622,709,980	1,100,000,000	1,607,265,595	99.05	146.12
PROFIT/LOSS BEFORE TAX	3,999,142,995	3,945,000,000	4,594,503,161	114.89	116.46
INCOME TAX	1,099,000,900	1,321,100,000	1,115,397,100	101.49	84.43
PROFIT/LOSS AFTER TAX	2,900,142,095	2,623,900,000	3,479,106,061	119.96	132.59

Table C
UNDISTRIBUTED PROFIT OF 1994 AND 1995

DESCRIPTION	REALIZATION 1995	BUDGET 1996	REALIZATION 1996
1 PROFIT AFTER TAX	2,900,142,095	2,623,900,000	3,479,106,061
2 BALANCE OF UNDISTRIBUTED PROFIT AS OF 1 JANUARY	1,805,275,369	1,673,600,000	2,900,142,095
3 CORRECTION OF INITIAL BALANCE	—	—	—
TOTAL	4,705,417,464	4,297,500,000	6,379,248,156
4 PROFIT DISTRIBUTION			
- Global Development Fund	938,600,000	878,640,000	1,450,000,000
- Small Business and Cooperative Development	54,200,000	41,840,000	86,998,000
- Dana Sejahtera Mandiri Foundation			58,000,000
- General Reserve	361,225,369	418,400,000	580,144,095
- Prospective Reserve	90,250,000		145,000,000
- Production Service	361,000,000	334,720,000	580,000,000
TOTAL	1,805,275,369	1,673,600,000	2,900,142,095
UNDISTRIBUTED PROFIT AS OF 31 DECEMBER	2,900,142,095	2,623,900,000	3,479,106,061

Table D

**REPORT ON COMPARATIVE CASH FLOW
AS OF 31 DECEMBER 1996 AND 1995**

DESCRIPTION	REALIZATION 1995	REALIZATION 1996
CASH FLOW FROM OPERATION ACTIVITIES		
Net Profit before tax and special post	3,999,142,995	4,594,503,161
Adjustment for		
- Depreciation	2,003,766,299	1,640,105,570
- Deduction of fixed asset/others		143,818,696
Operational profit before change of work capital	6,002,909,294	6,378,427,427
- Increase of business and other a/c receivable	(2,243,539,577)	1,272,830,336
- Decrease of reserve	96,871,497	101,971,717
- Increase of debt	1,359,518,569	494,984,434
Accepted cash from operation	5,215,759,783	8,248,213,914
- Payment of income tax	(1,603,755,304)	(1,142,327,279)
Net cash from operation activities	3,612,004,479	7,105,886,635
CASH FLOW FROM INVESTMENT ACTIVITIES		
- Procurement of Fixed Asset	(3,716,173,542)	(1,744,008,796)
- Investment in Progress	--	(430,631,961)
- Procurement of Other Assets	(179,954,956)	(206,567,600)
Cash used for investment	(3,896,128,498)	(2,381,208,357)
Cash flow from financing activities		
- Share Holders	--	(230,000,000)
- Global Development Fund	(1,333,837,345)	(2,567,686,039)
- PUK & K Fund	(54,200,000)	(86,998,000)
- Pra-Sejahtera Fund	--	(58,000,000)
- Production Service	(364,099,629)	(575,624,450)
Cash used for financing activities	(1,752,136,974)	(3,518,308,489)
Net increase (decrease) of cash	(2,036,260,993)	1,206,369,789
Cash and Bank at the beginning of period	10,265,793,110	8,229,532,117
Cash and Bank at the end of period	8,229,532,117	9,435,901,906





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