



SARAWAK TOURISM BOARD

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SARAWAK TOURISM BOARD



INTRODUCTION

Sarawak Tourism Board was incorporated under the Sarawak Tourism Board (Incorporation) Ordinance, dated 12 November 1994.

OBJECTIVES OF THE BOARD

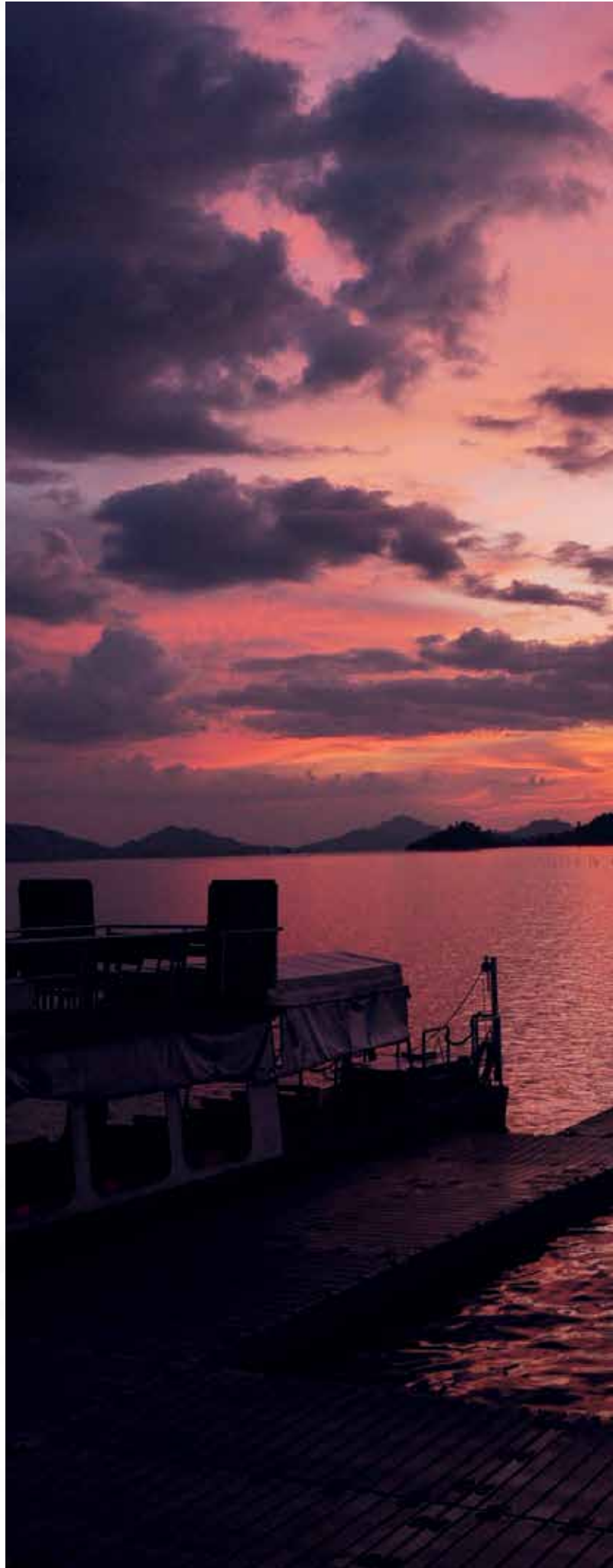
- To achieve its objectives of increasing tourists arrivals into the state.
- To create awareness among the trade, media and public of the diversity of Sarawak in terms of tourism products, both on a regional and international basis.
- To position Sarawak as a prime destination for culture, nature and adventure tourism in the above areas.

STB VISION & MISSION

Making Sarawak the naturally preferred tourism destination.

The STB Mission Statement is as follows:-

- Positioning and promoting Sarawak as a safe and friendly eco-tourism destination.
- Be the catalyst for tourism growth.
- Providing networking and synergy among the official agencies and tourism partners.
- Increasing awareness among Sarawakians on the benefits and importance of the tourism industry.
- Enhancing performance through motivation and teamwork





FUNCTIONS OF THE BOARD

- To stimulate and promote tourism to and within Sarawak;
- To stimulate, promote and market Sarawak as a tourist destination;
- To organise, secure and enhance publicity in Malaysia and overseas on tourist attractions in Sarawak;
- To engage or assist in the development of tourism in the State and to carry on such activities in association with the Government, any public or local authority, any corporation, any company, any body or any person or as managing agents or otherwise on this behalf, or enter into any arrangement with such bodies or persons for sharing profits, union of interests, co-operation, joint venture or reciprocal concession;
- To make recommendations to the Minister on the measures and programmes to be adopted to facilitate and stimulate the development and promotion of the tourism industry in Sarawak and, where approved by the Minister, to implement or assist in the implementation of such measures and programmes; and
- To liaise and co-ordinate with and make representation to the Malaysia Tourism Promotion Board or the Federal Ministry of Tourism, Arts and Culture on all matters relating to the enhancement of tourism and the development of the tourism industry in Sarawak.



BOARD OF DIRECTORS



YB DATUK HAJI TALIB BIN ZULPILIP

Chairman, Assistant Minister of Tourism Sarawak & Chairman of Sarawak Economic Development (SEDC)



YBhg DATU IK PAHON AK JOYIK

Deputy Chairman, Permanent Secretary, Ministry of Tourism, Arts & Culture, Sarawak



YBhg DATU LAURA LEE NGIEN HION

Deputy State Financial Secretary of Sarawak



YBhg DATUK SERI MIRZA MOHAMMED TAIYAB

Director General of Tourism Malaysia



YBhg DATUK HAJJAH RAZIAH MAHMUD-GENEID

Managing Director of Kumpulan Parabena Sdn. Bhd.



YBhg CAPTAIN RITZERWAN RASHID

Chief Executive Officer, MASwings Sdn. Bhd.



Mr. PHILIP YONG KHI LIANG

President of Sarawak Tourism Federation



TUAN HAJI MOHAMAD IBRAHIM BIN NORDIN

Chairman of Malaysian Association of Hotels
(Sarawak Chapter)



YBhg DATUK JASON TAI HEE

Managing Director of PANSAR Company Sdn. Bhd.



Mr THOMAS LAW PICK ANG

Deputy General Manager, Sarawak Forestry
Corporation Sdn. Bhd.



Mr CHRIS KON KUN CHIEW

Chairman of Malaysian Association of Travel & Tour
Agents (MATTA)



CHAIRMAN'S MESSAGE

YB DATUK HAJI TALIB BIN ZULPILIP

Chairman, Assistant Minister of Tourism Sarawak & Chairman of Sarawak Economic Development (SEDC)

2015 was a challenging year for the Board. Similar to neighbouring Sabah and Peninsular Malaysia, we experienced a reduction in visitor arrivals which also affected much of the ASEAN region. However, thanks to the effort we invested in previous years, we were able to mitigate various negative impacts, recording only a 7% decrease in arrivals compared to the previous year, which was in line with Malaysia as a whole and better than most of our regional competitors.

Global scenario

Worldwide economic factors, regional conflicts and terrorist attacks as well as the refugee crisis in Europe impacted the global tourism industry this year. The overall trend remains satisfying, however; 2015 has been another good year for world tourism, with a 4.5% rise in outbound trips in the first eight months of this year. The 23rd World Travel Monitor® Forum in Pisa, Italy, remained optimistic on the outlook for 2016, with overall global growth of 4.3% expected.

Global industry performance

International tourist arrivals grew by 4.4% in 2015 to reach a total of 1,184 million, according to the UNWTO World Tourism Barometer. Some 50 million more tourists (overnight visitors) travelled to international destinations around the world last year as compared to 2014. Thus 2015 marked the 6th consecutive year of above-average growth, with international arrivals increasing by 4% or more every year since the post-crisis year of 2010.

The number of outbound trips worldwide increased by 4.5% by the third quarter of 2015, according to the World Travel Monitor® results from IPK International. This figure is expected to be maintained for 2015 as a whole, giving a total of 1,024 million outbound trips and resulting in more than 1.2 billion international tourist arrivals worldwide (on average, international travellers visit 1.2 countries per trip). A healthy 4% rise in average spending per night was also reported, double the increase of the previous year, while the number of overnight stays increased by 3% from January to August, taking the global total to 7.5 billion nights. The average length of stay was recorded at 7.3 nights, which continued the long-term trend of shorter average trips due to the above-average growth of short trips (1-3 nights).





Malaysia performance

Malaysia welcomed a total of 25.7 million (25,721,251) tourists and with a RM69.1 billion tourism receipts, a decline of 6.8% compared to 2014.

Tourism Malaysia reported that the top 10 tourist generating markets to Malaysia for the year were Singapore (12,930,754), Indonesia (2,788,033), China (1,677,163), Thailand (1,343,569), Brunei (1,133,555), India (722,141), the Philippines (554,917), Australia (486,948), Japan (483,569) and South Korea (421,161).

The ASEAN region contributed a 74.4% share with 19.1 million tourists. Among ASEAN countries, Thailand and Cambodia showed positive growth, registering an increase of 3.4% and 1.8% respectively compared to the same period last year. Other ASEAN countries showed a decline in tourist arrivals to Malaysia: Indonesia (-1.4%), Brunei (-6.6%), Singapore (-7.2%), Laos (-8.2%), the Philippines (-10.3%), Vietnam (-19.6%) and Myanmar (-30.2%).

The medium-haul markets contributed 18.8% or 4.8 million tourists to Malaysia's total arrivals in 2015.

A total of 1.7 million tourists or 6.7% of Malaysia's total arrivals were contributed by the long-haul market with Benelux the only region that registered an increase in tourist arrivals with 3.7%.

Sarawak Performance

Sarawak's visitor arrivals declined by 7% from 4,857,867 in 2014 compared to 4,517,179 in 2015. Visitor receipts totalled RM9.873 billion for the year, with long haul visitors contributing RM 6.552 billion to the state's economy.

Our bordering neighbours of Brunei and Indonesia remain the top foreign visitor producers, with 1,585,997 Bruneian arrivals and 483,171 Indonesian arrivals for the year. This was followed by our close regional neighbours the Philippines (111,616) and Singapore (42,827).

Our medium-haul regional market of Greater China (the People's Republic, Taiwan and Hong Kong) delivered 41,241 arrivals, while our top long haul producer, the United Kingdom, had 27,763 arrivals. Germany provided 6,876 and the markets of Benelux record 10,210 arrivals. From down under, Australia's arrivals stood at 18,232.

The declining arrivals from our traditional markets can be linked to the strength of the Singapore and Brunei Dollars, and also to easier access to new and exotic destinations within the region, especially via low cost carriers. The regional haze phenomenon in late August until October also affected travel, as well as security concerns in eastern Sabah, major incidents in the aviation industry, an earthquake in Sabah and floods in Peninsular Malaysia.



The termination of services by Malaysia Airlines to Frankfurt and Amsterdam in mid-2015 led to a reduction in seat capacity, resulting in a decrease of tourist arrivals from Germany and Holland, as well as from neighbouring countries in northern and central Europe who use these airports as long-haul hubs. Tourist arrivals from Europe were further impacted by travel advisories over the security issue in Eastern Sabah, which were widely broadcast in European media.

Finally, and on a more positive note, the domestic market performed very well. West Malaysia showed an increase of 1.34% to 1,100,485 arrivals, while the Sabah market grew by an impressive 18.83% to 761,527 arrivals.

Highlights

Hong Kong Airlines: Hong Kong-Kuching Direct Flight

Our major coup for 2015 provided a timely boost to Sarawak's regional and global connectivity -Hong Kong Airlines, a subsidiary company of Hainan Airlines Ltd, signed an MOU with STB and the Ministry of Tourism to fly twice-weekly direct from Hong Kong to Kuching on its 174-seater A320 aircraft. The signing ceremony on December 15 was officiated by Datu Ik Pahon Joyik, the Board's CEO and Permanent Secretary to the Ministry of Tourism, with Mr Johnny Wan representing Hong Kong airlines, and was witnessed by Datuk Amar Abang Haji Johari Tun Openg, Minister for Tourism.

Following meetings and discussions with our officers and airline representatives, the Board will provide incentives and support as part of the airline's request to ensure sustainability of the flight

The marketing action plan for the inaugural flight included roadshows in various targeted cities and business sessions with Hong Kong Airlines agents and travel agents currently selling Malaysia. These would be followed up with familiarisation trips for agents when flights commenced on 28 May 2016. Conventional and social media awareness will be developed with media familiarisation trips and advertising (digital, online and print) as our main promotional tools.

To ensure the sustainability of the flights, the Board will leverage on STF and MATTA Sarawak to facilitate partnerships between local Sarawak outbound agents and Hong Kong Airlines to encourage high seat occupancy in both directions. In addition, the Board will also engage agents in Pontianak to create awareness on this direct flight, encouraging passengers from West Kalimantan to fly the route.



Digital promotion

The Board's new direction in its digital promotion this year created significant impact in the market place, particularly our long haul markets. These pioneering initiatives aimed to extend our market reach, optimizing the Board's digital assets and enriching our social media platforms. We also added the WeChat platform to reach out to sophisticated young free independent travellers, targeting our audience in North East Asia particularly Greater China.

Our long-haul digital acceptance has been very encouraging. For example, our campaign which we mounted with our UK partner The Great Project, utilised BBC Wildlife and Google Display to capture 32,856 reads of its digital version plus 63,057 downloads. As a result of this single project, 24 bookings were generated for the Orangutan projects in Sarawak, with total number of nights spent at 416.





Financial performance

The Board's Income Statement reflected a positive profit of RM2.449 million, compared to RM1.167 million in 2014, an increase of over 109.8%. This was mostly achieved through major savings on administrative and operating expenses. We focused on prudent spending, collaborating with industry partners on cost saving, especially in respect of trade fairs and familiarisation trips. We also achieved significant savings in human resources management and development; STB had budgeted and planned for staff skill and knowledge development outside Sarawak but it proved possible to carry out many of these options.



Anthony Bourdain - Parts Unknown

The English-speaking world's best-known travel and food presenter, Anthony Bourdain, made a return visit to Sarawak after a hiatus of 10 years. This episode was the most-watched of Season 6 of his multiple Emmy Award-winning "Parts Unknown" series. It attracted global media coverage of his return to Nanga Sumpa Longhouse and his enjoyment of Sarawak's cuisine. Most notably, Mr Bourdain later selected Sarawak Laksa as one of the world's top-10 dishes for his upcoming food market in New York, again receiving extensive global coverage in food and news media. The episode was first broadcast on November 1 2015 and is expected to have a positive impact during 2016 and onwards. This kind of worldwide positive exposure simply cannot be bought at any price, and shows the value of developing strong links with the global travel media.



Conclusion

The rise of low cost carriers, which the World Travel Trends report 2013/14 considers a “significant game changer”, offers visitors, particularly Asians, a wider range of holiday destinations at much cheaper fares. For this reason, Sarawak must be competitive in its product experience packaging, able to reach out to consumers not only through conventional promotion mixes but also using digital marketing to increase its reach.

For the long haul European markets, mergers and consolidation has been the major trend. The end of last year saw TUI Germany merged with UK’s First Choice Holidays, while in May last year UK’s My Travel Group merged with German distribution group KarstadtQuelle AG’s Thomas Cook. These two “giants” have Malaysia/Sarawak packages on their shelves. Such mergers will set new directions for their respective businesses and may thus affect arrivals from our European focus markets. The Board will continue to be vigilant with regard to these developing business models and will work with Tourism Malaysia’s offices to be updated on new business trends in the market place.

The mobile device channel has finally come of age, providing consumers with on-the-go booking and information sources, as well as secure payment options, that are a match for or even an improvement on many desktop systems. Online travel agents are the driving force behind mobile travel sales worldwide and they will be our main focus for 2016, as we seek to secure partnerships and provide the best possible support for these new, global, round-the-clock marketing outlets.

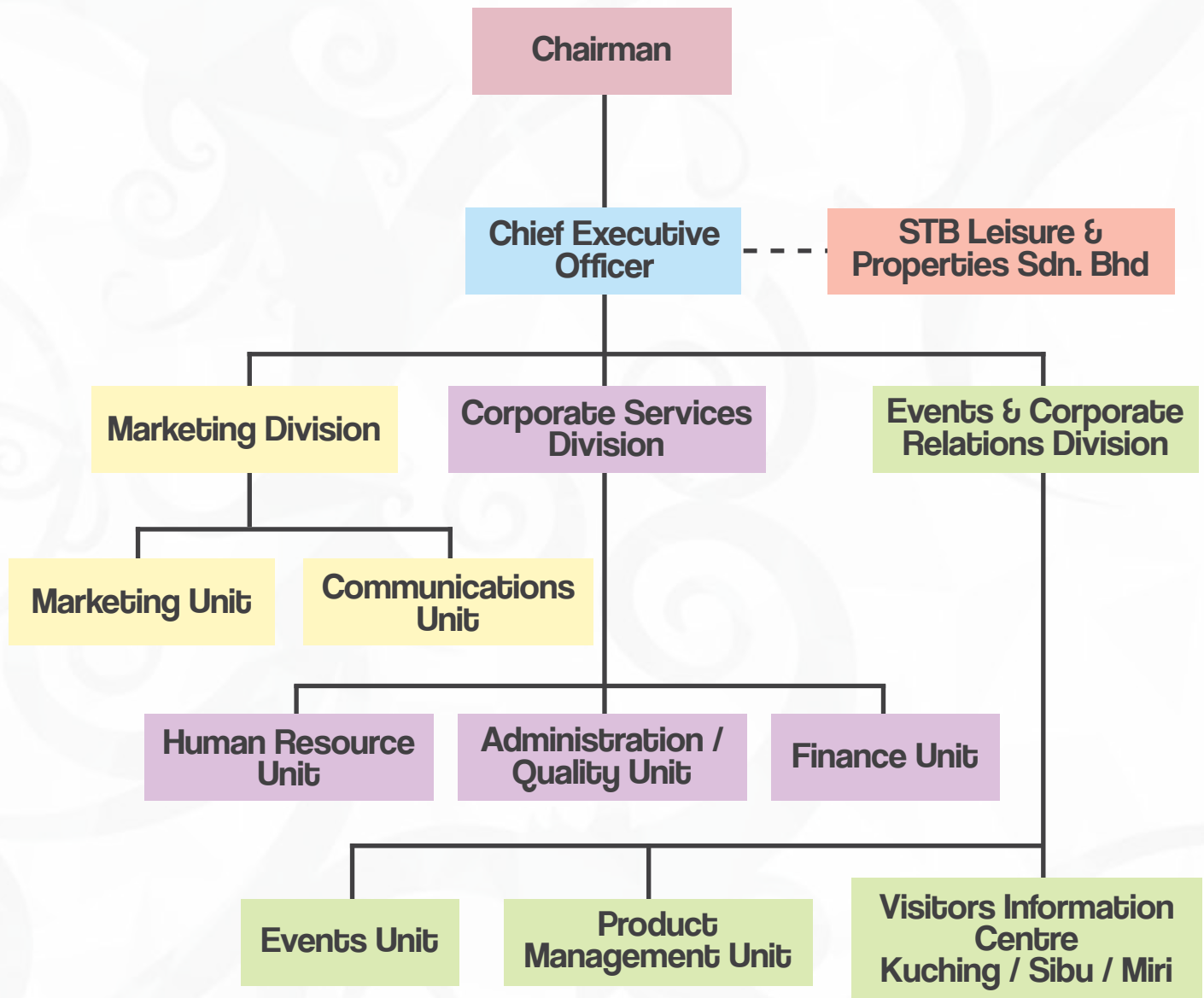
Rapid advances in technology continue to impact travel, with wearables, geo-localisation and instant messaging platforms the latest trends affecting the industry. The Board will of course do its utmost to keep up with trends and patterns, and also act as an innovator and pioneer where expedient. By immersing ourselves in the world’s constantly changing travel landscape, and adapting continuously to its demands, we expect to translate our efforts into increased arrivals from our focus markets.



ORGANISATION CHART

SARAWAK TOURISM BOARD ORGANISATION CHART

as at 29 May 2015



AWARDS RECEIVED BY SARAWAK TOURISM BOARD

DATE	AWARD	RECIPIENT	EVENT
Nov 1995	GLOBAL AWARD	Sarawak Tourism Board	World Travel Market London - United Kingdom
May 1996	BEST NATIONAL BOARD BOOTH	Sarawak Pavilion	Asia Travel Mart - Singapore
June 1996	BEST BOOTH PRESENTATION	Sarawak Pavilion	International Travel Exhibition - Hong Kong
Feb 1997	MOST CREATIVE EXHIBITION	Sarawak Pavilion	MATTA International Travel Fair Kuala Lumpur - Malaysia
June 1997	BEST INTERNATIONAL EXHIBIT AWARD	Sarawak Pavilion	Northern Territory Exhibition Darwin - Australia
Nov 1997	BEST DESTINATION VIDEO	5 Star Adventure Promotional Video	Tourism Malaysia Annual Tourism and Travel Awards Kuala Lumpur - Malaysia
Nov 1997	BEST ILLUSTRATIONS FOR POSTERS	"Hidden Paradise of Borneo" Campaign posters	Singapore Creative Circle Awards -Singapore
Nov 1997	BRONZE AWARD FOR ILLUSTRATION/TYPOGRAPHY	"Golden Days in Sarawak" promotional brochure	Australian Writers and Arts Directors Awards - Australia
Nov 1997	STATUE AWARD – BEST ILLUSTRATION CATEGORY	"Hidden Paradise of Borneo" Advertising visuals	London International Advertising Advertising Awards London – United Kingdom
Nov 1997	BEST ILLUSTRATION AWARD	"Hidden Paradise of Borneo advertising	Taiwan Times Asia – Pacific Advertising Awards Taipei – Taiwan
Mar 1998	PATA GOLDEN AWARDS FOR:	<ul style="list-style-type: none"> • International Marketing Programme • Public Relations • Travel Advertisement • (Print Media) • Consumer Travel Brochures • Travel Posters 	Pacific Asia Travel Association (PATA) Conference Manila – Philippines
Apr 1998	<ul style="list-style-type: none"> • BEST NEW DESTINATION MARKETING AWARD • NEW DESTINATION MARKETEEER OF THE YEAR 	Sarawak Tourism Board	Travel Asia Breakthrough Awards - Singapore
Apr 1998	BEST NTO STAND	Sarawak Pavilion	PATA Travel Mart -Singapore
Oct 1998	BEST COUNTRY PAVILLION	Sarawak Pavilion	IT&CMA Kuala Lumpur - Malaysia
Apr 1999	THE BOOTH YOU DID NOT WANT TO LEAVE	Sarawak Pavilion	Simply The Best Awards – PATA Travel Mart -Singapore
Oct 1999	INTERNATIONAL GOLD STAR AWARD FOR QUALITY	Sarawak Tourism Board	XXIV International Awards Convention Geneva – Switzerland
Sept 2000	TRAVEL ASIA BREAKTHROUGH AWARD 2000	Sarawak Tourism Board	Travel Asia Breakthrough 2000 Presentation -Singapore
May 2000	MS ISO: 9002 (1994) DEVELOPMENT & PROMOTION OF TOURISM INDUSTRY ON SARAWAK	Sarawak Tourism Board	Moody International Certification
July 2000	MALAYSIA TOURISM AWARDS (MTA) 2000	Sarawak Tourism Board	
July 2001	TRAVEL WEEKLY EAST INNOVATORS AWARD 2001	Sarawak Tourism Board	Singapore
22 Dec 2003	Best Sarawak Public Service Website Award 2003	Sarawak Tourism Board	Sarawak State Public Service Website Award 2003
11 Oct 2004	Malaysian Book Of Records	Integrated Management System (IMS)	
23-27 Apr 2006	PATA Gold Awards 2006	<ul style="list-style-type: none"> • Rainforest World Music Festival in the Heritage and Culture category • Best Travel Poster 	PATA Annual Conference, Pattaya - Thailand
20 Jan 2007	Hornbill Tourism Awards	<ul style="list-style-type: none"> • Outstanding contributions to Tourism 	Hornbill Tourism Appreciations Awards - Kuching
22 Nov 2008	Anak Sarawak Appreciation Award	<ul style="list-style-type: none"> • Rainforest World Music Festival 	Appreciation dinner organised by Sarawak Con- vention Bureau
9 Jan 2009	ASEANTA Awards for Excellence 2009	<ul style="list-style-type: none"> • Best ASEAN Marketing and Promotional Campaign (RWMF) 	ASEAN Tourism Forum, Hanoi -Vietnam
July 2010	Top 25 Best International Festivals (recognition by Songlines, renowned world music magazine based in United Kingdom)	<ul style="list-style-type: none"> • Rainforest World Music Festival 	

Jan 2011	Top 25 Best International Festivals (recognition by Songlines, renowned world music magazine based in United Kingdom)	• Rainforest World Music Festival	
March 2012	DAS GOLDENE STADTTOR 1 ST Prize	• Sarawak : Where Adventure Lives – 1st Prize Print Category	ITB Berlin 2012
Jan 2012	Top 25 Best International Festivals (recognition by Songlines, renowned world music magazine based in United Kingdom)	• Rainforest World Music Festival	
28 Jan 2013	HSMAl Adrian Awards - Silver award	• Sarawak : Where Adventure Lives – Silver Award in Re-imaging Campaign	Adrian Awards Dinner Reception & Gala - New York
28 May 2013	BrandLaureate 2012-2013 Country Branding Award	• Rainforest World Music Festival	The Majestic Hotel - Kuala Lumpur
15 Sept 2013	PATA Gold Award 2013 - Print Advertisement Sarawak Tourism Re-Imaging Campaign	• Sarawak : Where Adventure Lives	JinJiang Hotel, Louvre Garden -China
Nov 2013	Best for Responsible Wildlife Experience at World Responsible Tourism Awards 2013 (Recognition by the prominent mainstream media partners such as Metro and industry broadcasters such as TTG, Green Hotelier and Selling Long Haul)	• The Great Orang Utan Project in Matang Wildlife Centre	World Travel Mart (WTM) - London
Mar 2014	Top 25 Best International Festivals (recognition by Songlines, renowned world music magazine based in United Kingdom)	• Rainforest World Music Festival	
Mar 2014	DAS GOLDENE STADTTOR 3 rd Prize	• Borneo Jazz Promo video at the 13th International Tourism Film and multimedia category	ITB Berlin 2014
Mar 2015	Top 25 Best International Festivals (recognition by Songlines, renowned world music magazine based in United Kingdom)	• Rainforest World Music Festival	
Oct 2015	ASEAN PR Excellence Award 2015 – Gold Award	• Event Management Category	Kuala Lumpur

***Updated on 14 July 2016**





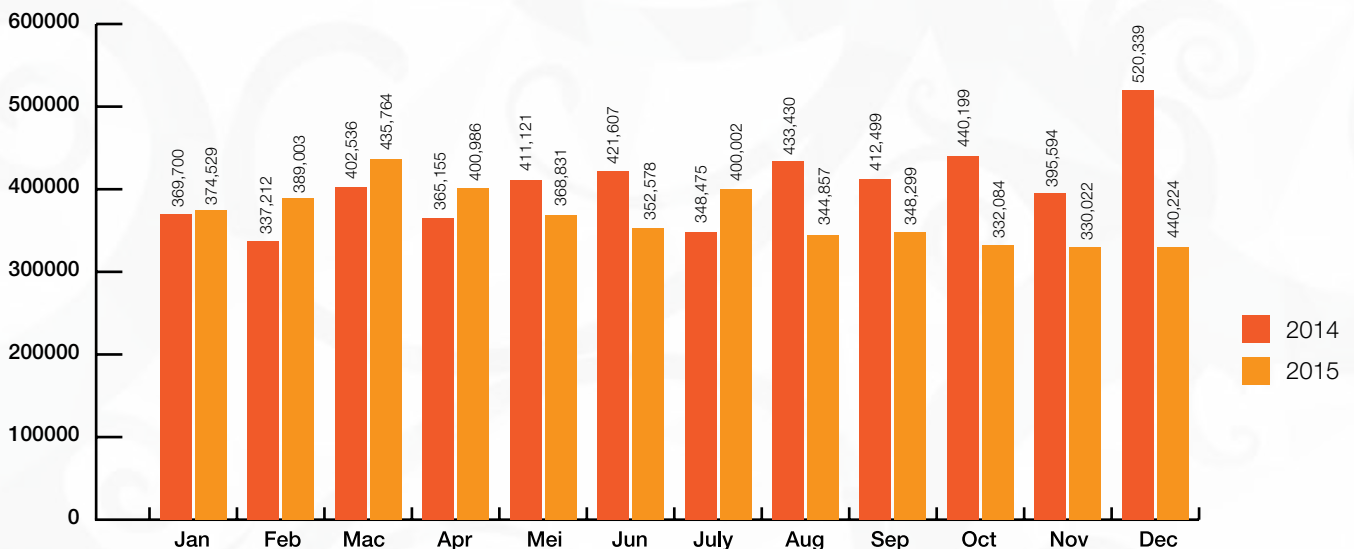
VISITORS ARRIVAL TO SARAWAK

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Visitors Arrival



MARKETING DIVISION REPORT



Consumer Directed Initiatives

Consumer Fairs

The Board participated in 11 consumer fairs for the year, seven international fairs and four local domestic fairs, shown below in chronological order.

- Vakantiebuers (Vacation Bourse), Utrecht, January 14-18. Netherlands' largest consumer travel fair.
- Malaysian Association of Travel Agent (MATTA) Fair, Kuala Lumpur, March 13-15.
- Association of National Office Representation (ANTOR) Travel Fair, Hong Kong, March 13-14 (together with Tourism Malaysia).
- ASTINDO Fair, Jakarta, Indonesia, April 17-19.
- Hana Travel Fair, Seoul, Korea, May 1-4. Korea's largest consumer travel fair.
- Air Asia Travel Fair, Kuala Lumpur, May 29-31.
- Every Woman Expo, Perth, Australia, June 19-21. Our first foray into the rapidly-growing women-only travel niche market.
- Malaysian International Tourism Mart, Kuala Lumpur, August 14-16.
- GZL Tourism Fair, Guangzhou, China, August 28-31.
- 2nd MATTA Fair, Kuala Lumpur, September 6-8.
- Sarawak Edu and Tourism Expo, Pontianak, Indonesia, November 28 -29.



Trade Directed Initiatives

Trade Fairs

For 2015, the Board participated in five major international trade travel fairs, as shown below.

- ITB Berlin (Internationale Tourismus-Börse Berlin), Berlin, Germany, March 4-8.
- China Outbound Travel and Tourism Market (COTTM), Beijing, China, April 14-16.
- ITB Asia, Singapore, October 21-23.
- World Travel Market, London, UK November 2-5.
- International Travel Fair, Taipei, Taiwan, November 6-9.

Familiarisation trips

The Board also hosted familiarisation trips for our trade partners to see for themselves the range of product experiences and update themselves on tourism and hospitality properties. A total of 128 partners represented seven travel agencies from our focus markets of West Malaysia, China, Singapore, Netherlands, Germany, United Kingdom, Korea and Japan as well as from our non-focus market of the Philippines. We also received specialised interest groups from the USA.



Marketing Support

To assist our industry partners in promoting Sarawak travel packages directly to consumers, the Board provided marketing support in the form of hospitality incentives, cultural presentations, brochure printing, joint cooperative advertising and also part-payment of booths at trade and consumer fairs. A total of 33 local and domestic partners and 11 overseas agents benefitted from this program. Among the foreign beneficiaries were agent partners from China, United Kingdom, Netherlands, Australia and New Zealand.

Business Session and Mini Travel Mart

The Board conducted five business sessions for our local partners. These sessions provide a business platform for them to meet and connect with their domestic and regional counterparts outside Sarawak, in order to conduct business transactions and engage in trade discussions to further business opportunities. One of the sessions was conducted in Singapore, while the rest were conducted in Kuala Lumpur, Johor Bahru, Miri and Kuching.



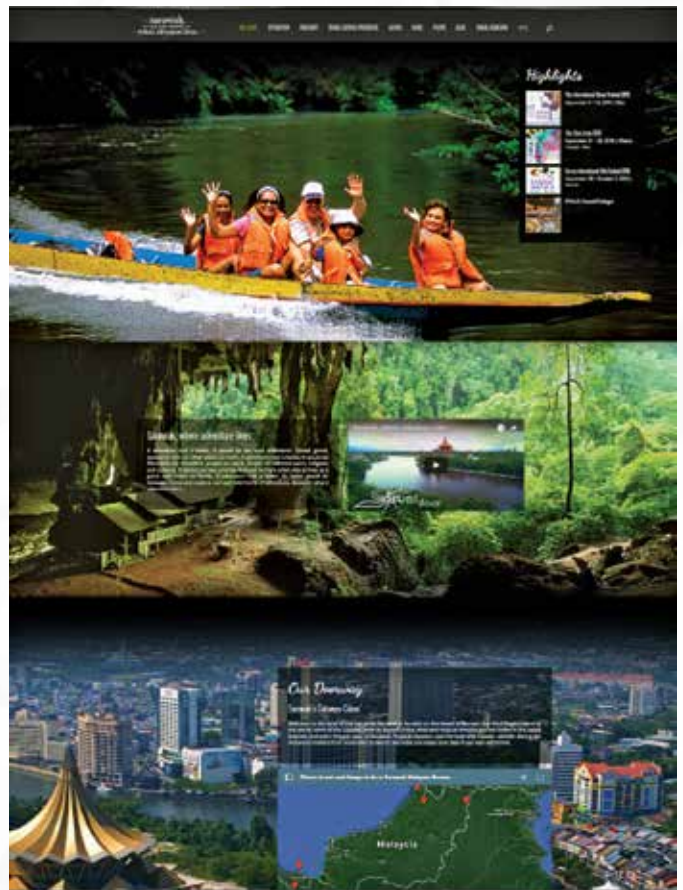
Information Technology (IT) Unit

Our digital promotion activities made significant impacts in the market place. These were especially notable in our long haul markets where we introduced pioneering initiatives during the year which aimed to extend our market reach. One of our main focus initiatives for 2015 was reaching out the market 24/7. The core of this strategy involved optimizing and expanding our digital assets and our enriched social media platforms. Among others, we launched our WeChat platform to reach out to sophisticated young free independent travellers, targeting our audience in North East Asia, particularly Greater China.

Our long-haul digital acceptance has been very encouraging. A good example is our campaign which we mounted with our partner, the Great Project (UK), utilising BBC Wildlife and Google display. This campaign netted 32,856 reads of its digital version with 63,057 downloads on iPads. As a result of this single project, the total number of travel bookings generated for Orang Utan projects in Sarawak was 24, with total number of nights spent at 416.

The number of unique visitors to our websites also improved; up to November 2015, www.sarawaktourism.com received 181,205 visitors, rwmf.net scored 64,600 visits and jazzborneo.com had 10,837 visitors.

In effort to provide greater awareness of digital promotion among our trade partners, a digital boot camp was organised on September 15. A total of 80 partners participated, including hoteliers, product owners, agents and tourism related service providers. The main objective was to expose, create interest and keep travel partners up-to-date with digital technology trends and development.



Yeoh Siew Hoon reports on the growing and important segment of family travel.

The family that plays together stays together. I have certainly found this to be true. Every trip I have taken with my family has always resulted in us getting closer and knowing each other a little better.

When I first started traveling for my work, I would make it a point to send postcards home to my nieces. I thought they would make them curious about the world and sure enough, after every trip, they would ask me about the places I'd been.

As they got older, I made it a point that whenever I could, I'd travel with them and my mother - my sister unfortunately was tied to her work and could not make as much time available. This began our multi-generational trips - identified in the 2014 Virtuoso Lane Report as the top travel trend for that year.

Recent research reveals that family-centric travel accounts for

more than 32.5% of the \$1.07 trillion global tourism market.

"Multigenerational Family Travel" - grandparents travelling with grandkids and their parents in between - is the stuff that travel agents dream of. Because of its complexity - each generation has different needs, it's still the segment that needs professional planning and booking.

It's the biggest segment that continues to be booked at travel fairs whether in Singapore or Berlin. Unlike independent travel, it hasn't gone online and if you've ever planned for a family vacation, you know why.

You need different things to amuse and entertain everyone, otherwise you know what happens - fights break out, especially if you've got over-enthusiastic teenagers in tow.

I recall a trip to Bangkok when I was perhaps a tad over-ambitious

and decided to bring the entire family along - my two nephews, three nieces, my sister and her husband and my mother. The kids were all in their teens then, each beginning to have a mind of their own.

The girls wanted to shop, the boys did not. My mother wanted to shop too but for different things. And for my sister and her husband, well, it was their chance for another honeymoon - you know, away from the day-to-day routine and irritants, Auntie's there to look after the kids.

I think I returned from that vacation more exhausted than I'd begun with. But we had a lot of laughs over the fights as well - good or bad, you bond when you're stuck together in a foreign land.

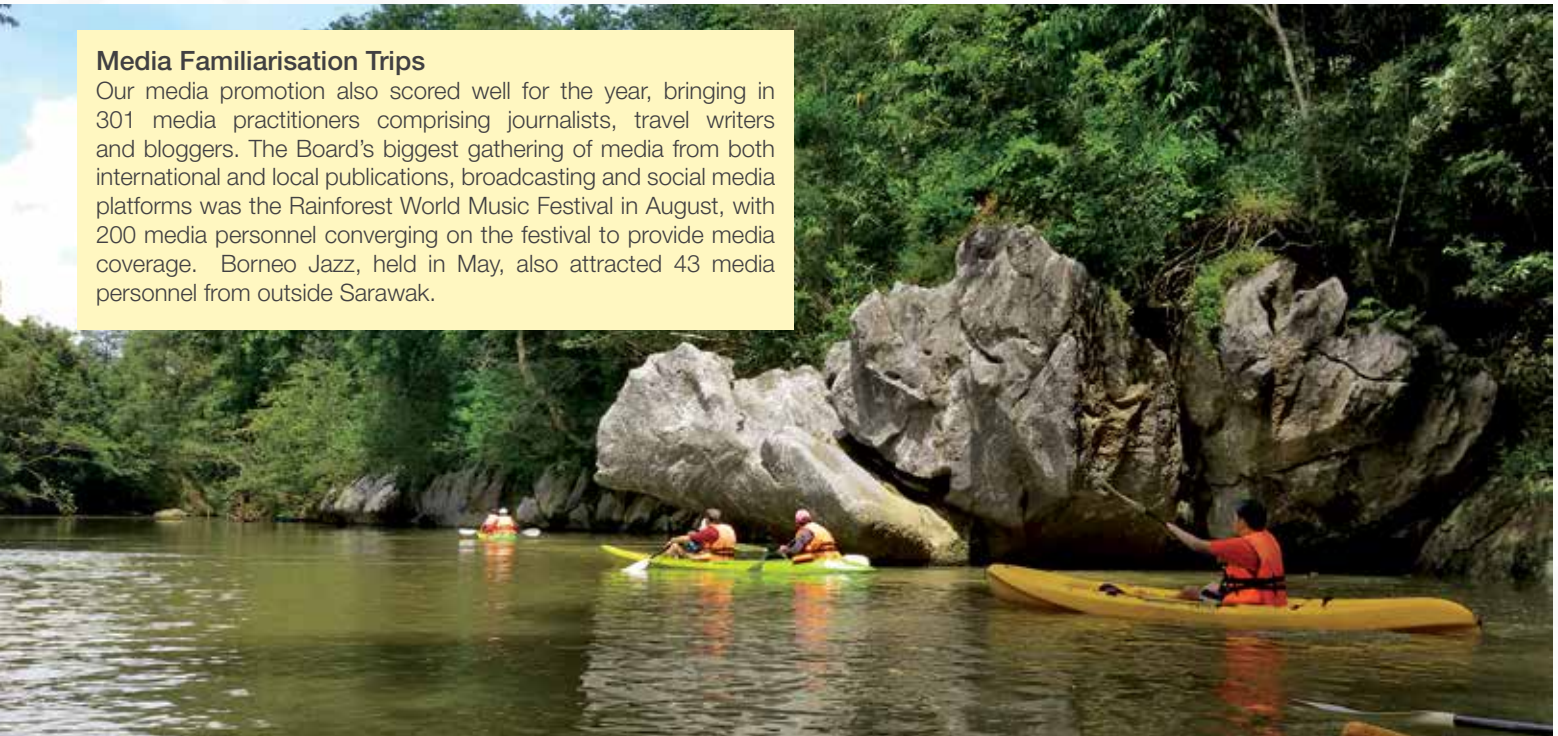
It wasn't just cities I took them to but into the jungle. One of the most unforgettable trips was to Sarawak where we had to travel from Kuching by road for two hours and then onto a longtail boat upriver to the Borneo Rainforest Lodge.



Communications Unit

Media Familiarisation Trips

Our media promotion also scored well for the year, bringing in 301 media practitioners comprising journalists, travel writers and bloggers. The Board's biggest gathering of media from both international and local publications, broadcasting and social media platforms was the Rainforest World Music Festival in August, with 200 media personnel converging on the festival to provide media coverage. Borneo Jazz, held in May, also attracted 43 media personnel from outside Sarawak.



Filming Support

The Board also supported nine international production houses in facilitating their filming permits and providing local support and travel arrangements. Among the notable production houses that came for documentary filming were the BBC's Natural History Unit for their One Planet series (to be shown in late 2016) and Zero Point Zero Productions for the famed Anthony Bourdain's Parts Unknown. Mr Bourdain's phenomenal media impact is discussed in our Chairman's Message (page 8).

4.2.1 List of Filming

No.	Date	Filming Project	No. Of Crew	Production
1.	21 February- 12 March	The Conqueror of The Planet - Green Animals	3 pax	Korea Educational Broadcasting System
2.	17-25 April	The Chinese (Hakka) History Settle in Sarawak	1 pax	Hidden Animation Sdn Bhd
3.	20 April -10 May	Planet Kids (Siri 4)	4 pax	Raptor Films Sdn Bhd
4.	3 May – 14 June	The Conqueror of The Planet - Green Animals	4 pax	Korea Educational Broadcasting System
5.	19 May – 15 June	Anthony Bourdain's Parts Unknown	5 pax	Zero Point Zero Production
6.	28 May – 1 June	Discovery Sarawak UK Food Blogger	2 pax	Malaysia Airlines
7.	11 June- 10 August	One Planet	9 pax	BBC Natural History Unit (British Broadcasting System)
8.	20 -30 July	Exploring Malaysia	5 pax	Chemical Media Pty Ltd.
9.	13-19 August	My Escapade	6 pax	Wawa Pictures Pte Ltd
10.	3-9 September	New Gadget	5 pax	TVN S.A Poland
11.	8 November 2015 – 20 January 2016	Darwin Has Come – New Legend Of Wildlife	4 pax	NHK Enterprise Inc



Media Reception/Gathering

Media receptions were held in Miri on March 10 and in SibU on December 22. A media gathering/outing was held for local media from Kuching on Dec 4. The main objective of these activities is to foster closer working relations with the local media.

Conclusion

For 2016, we will continue to look forward to better performances in our marketing initiatives in the market place with the hope that it could be translated into increase arrivals from our focus markets. Noting of the world's frequent changing travel landscape, changes in consumers' travelling patterns and the rise of free independent travellers, the Board will continue to monitor and adapt to changes in order to be competitive. The Board will continue to embark on digital technology optimising on its digital assets and expand its reaches expectably in the long haul markets of Europe and Australia.

Songlines Music Travel

Dedicated trips for music lovers worldwide, bringing you the excitement of real music directly where it's made



MALAYSIA: SARAWAK RAINFOREST FESTIVAL

8 DAYS - AUGUST 2-11

The Rainforest Festival in Borneo is one of the most impressive in Asia and in the fantastic lakeside setting of the Sarawak Cultural Village at the foot of Mount Santubong. Here you can hear great musicians from around the world, plus a selection of regional groups that you are unlikely to encounter anywhere else. There are workshops and craft markets in and around many of the longhouses. There's delicious Sarawak food too. It's a cultural experience you'll never forget.

"This has been a superb journey through Cuban musical styles and performers. The depth of experience and knowledge which Philip Sweeney [the Songlines Music Travel Cuba trip tour leader] brought was self-evident. All in all the best tour I have ever been on."

Jack Warshaw, on the Cuba trip

ROMANIA: AT HOME WITH THE GYPSIES

9 DAYS - AUGUST 15-23

This trip is an unrivalled opportunity to experience the excitement of Gypsy music and culture in Romania. Organised by Anghel Tangu this journey goes to Bendici Ciocarta's home village of Zeco Pijoni, then to Ceaus and finally to Cluj, the home of Tural de Haiducii. As well as some startling musical experiences, there are the spectacular UNESCO World Heritage sites of Sighetara and Bistrita. Enjoy real Roma music with the experts.



EVENTS & CORPORATE RELATIONS DIVISION

REPORT



Product Management & Corporate Relations Unit

The functions of the Product Management & Corporate Relations Unit (PMCR) are to support local tourism products and events that have tourism value, to support cruise tourism and to provide tourist's information and assistance.

Since the restructuring of the Board in early 2015, PMCR carried out 27 initiatives distributed between Sarawak Product Experience, Events & Cruise Support.



Sarawak Product Experience (SPE)

Sarawak Product Experience is an annual initiative conducted by our Tourist Coordinators based at our Visitors Information Centres (VIC) in Kuching, Sibul and Miri. The objective of SPE is to familiarise the tourist coordinators (and thus the tourists) with new or existing tourism products, as seen from the tourists' perspective.

The SPE outputs include:

- A collection of information and photos that can be shared with visitors at the Visitor's Information Centres.
- A database of tourism products for our Marketing Division to potentially promote in the respective regions.



A total of seven SPEs were carried out by VIC Kuching as shown below:

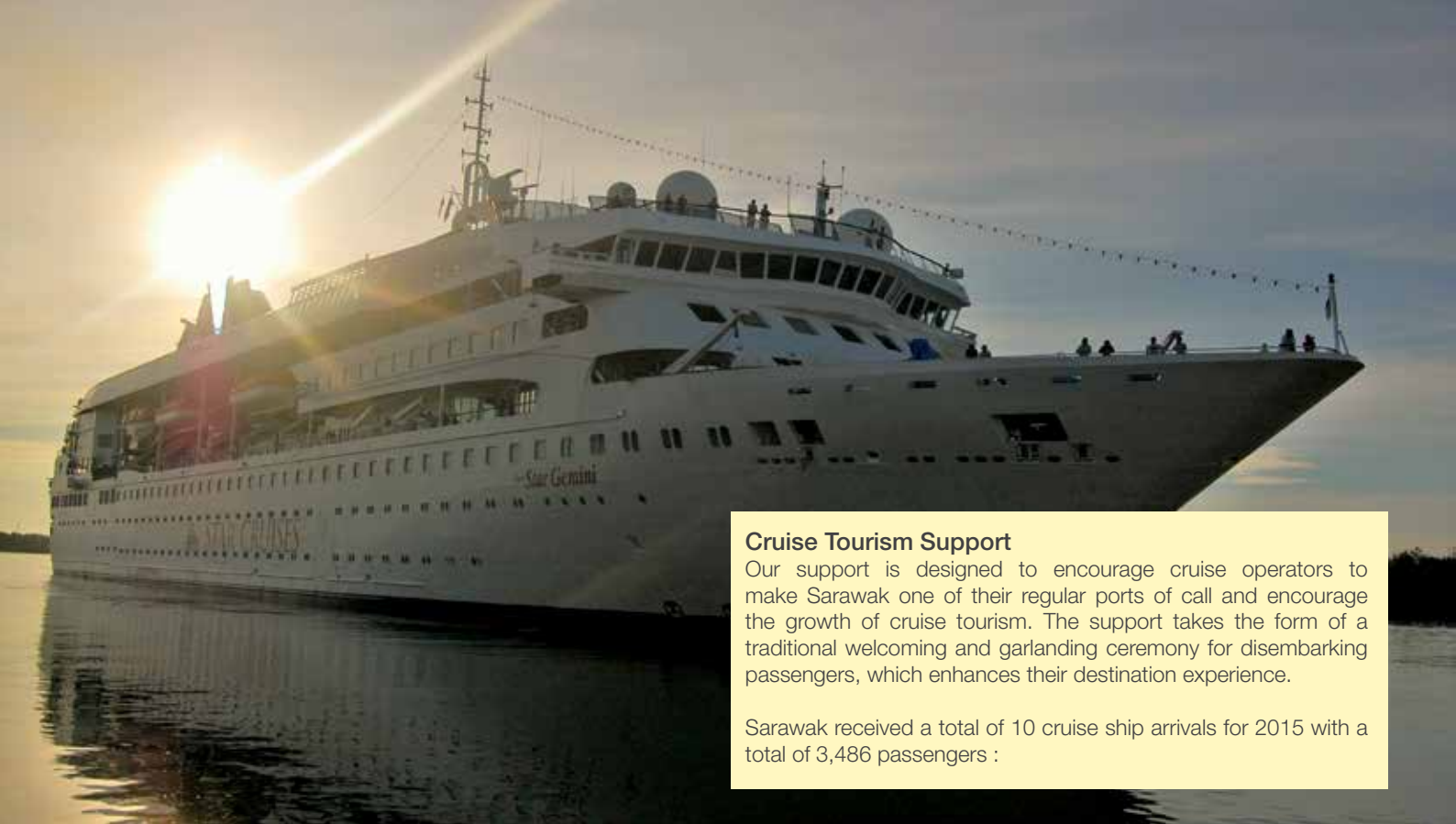
No	SPE Program	Date
1	Kuching Caving, Serian	11 April
2	Semadang Kayaking, Padawan	12 April
3	Payeh Maga Highlands, Lawas	12 – 14 June
4	Tulai River Safari, Bintangor	14 – 15 August
5	Frogging at Kubah National Park	19 September
6	Sibuti Mangrove, Miri	28 – 29 October
7	Bakun Lake Safari, Belaga	11 – 13 November



Local Events Support

A total of 11 events were supported in 2015, including pre-publicity initiatives in the form of editorial pages in Borneo Talk magazine:

NO	EVENTS	OUTPUT
1	PESTA BENAK 17 – 19 April Sri Aman Waterfront, Kuching	<ul style="list-style-type: none"> • 1 editorial page in Borneo Talk magazine (April Issue) • 1 Cocktail event for 20 pax with Sri Aman Surfers Group at Sri Simanggang Hotel (17 April)
2	RUNNERS WILD BARIO 16 May 2015 Bario Highlands, Miri	<ul style="list-style-type: none"> • Sponsorship of 60 t-shirts for runners (logo placement) • 50 confirmed participants
3	GAWAI TOURISM 2015 <ul style="list-style-type: none"> • Gawai Tourism Opening at Rh Patrick Libau, Niah (5 – 7 June) • Gawai Tourism Closing at Rh Po Ai, Sri Aman (26 – 28 June) 	<ul style="list-style-type: none"> • Supporting the printing cost of 3,000 copies of Gawai Tourism package pamphlet
4	PEMANDU CRUISE TOURISM GROUP VISIT 29 June – 1 July	<ul style="list-style-type: none"> • Hosting recce and dinner for 3 pax
5	SARAWAK TOURISM FRIENDLY GOLF GAME 2015 15 August Damai Golf Club, Kuching	<ul style="list-style-type: none"> • Hosting breakfast for 50 players
6	SARAWAK ADVENTURE DIVE SEMINAR 19 - 22 August Parkcity Everly Hotel, Miri	<ul style="list-style-type: none"> • Hosting dinner on 15 August for 50 participants
7	BINTULU INTERNATIONAL KITE FESTIVAL 24 - 28 September Bintulu	<ul style="list-style-type: none"> • 1 editorial page in Borneo Talk magazine (July Issue)
8	SIBU INTERNATIONAL DANCE FESTIVAL 24 - 28 September Sibu	<ul style="list-style-type: none"> • 1 editorial page in Borneo Talk magazine (July Issue)
9	SARAWAK REGATTA 25 - 27 September Kuching Waterfront	<ul style="list-style-type: none"> • 1 editorial page in Borneo Talk magazine (July Issue)
10	4TH MIRI INTERNATIONAL DANCE CHAMPIONSHIP 2015 6 December Eastwood Valley Golf & Country Club, Miri	<ul style="list-style-type: none"> • Hosting 1 day Miri city tour for the dance sport athletes • 76 pax



Cruise Tourism Support

Our support is designed to encourage cruise operators to make Sarawak one of their regular ports of call and encourage the growth of cruise tourism. The support takes the form of a traditional welcoming and garlanding ceremony for disembarking passengers, which enhances their destination experience.

Sarawak received a total of 10 cruise ship arrivals for 2015 with a total of 3,486 passengers :

NO	DATE	CRUISE
1	6 January	Silverwind, Monaco
2	13 March	Seabourn Sojourn, US
3	30 March	MS Insignia, US
4	31 May	National Geographic Orion, US
5	7 June	National Geographic Orion, US
6	5 September	National Geographic Orion, US
7	20 October	MS Statendam, US
8	2 November	MS Insignia, US
9	12 November	Silvershadow, Monaco
10	22 December	MS Europa, Germany
CRUISE SHIPS: 10		CRUISE PASSENGERS: 3,486

It should be noted that the ships calling at Kuching Port are among the smaller cruise vessels currently in use. The recently announced RM300 million-plus programme to dredge and deepen the Sarawak River and its approaches will enable far larger cruise vessels to call at Kuching Port in the future, so raising Kuching's profile as a cruise destination is likely to have a significant impact on tourist arrivals.



BORNEO JAZZ

INTRODUCTION

The 10th edition of the Borneo Jazz, was held at the grounds of the ParkCity Everly Hotel, Miri, Sarawak from 8 to 9 May 2015. This year's event saw a reunion of eight bands performing.



THE BANDS

Anthony Strong – United Kingdom
 Dirty Dozen Brass Band – New Orleans, USA
 Doodaddies – Australia
 The Nylons – Canada
 Jump for Joy – Sweden
 LLuis Coloma – Spain
 Mo'Blow – Germany
 Shafiee Obe & All the Best – Sarawak

Each day beginning at six in the evening, the festival kicked off with performance by

- 1) Chung Hwa School Band on Friday and
- 2) Riam Marching Band on Saturday



FRINGE EVENTS

As part of the Board's efforts to green the event, a tree planting ceremony was undertaken together with Sarawak Forestry Corporation and Sarawak Shell Bhd at the Piasau Nature Reserve, Miri.

The Piasau Nature Reserve was gazetted in 2014 and in-line with the State's efforts which we would like to be associated with this and we would want to continue working with Sarawak Shell and Sarawak Forestry on a yearly basis.

This is also part of our Corporate Social Responsibility to inspire and empower the young generation to safeguard the environment and raise awareness on the importance of conservation through the simple act of tree planting. The event was participated by local and international media, performers and other invited guests. The greening effort was also extended to the use of environmentally friendly products at the food and village mart at the venue.



OUTCOME

ATTENDANCE

Total attendance for Friday was estimated at 1,500 pax whilst 2,145 attended the second night, totaling 3,645 festival goers.



SPINOFF

Most of the people who attended the event were in their 30's to 40's and about 48% of festival attendees were non Malaysians. 60% are working adults. Based on this, spinoff to the economy is estimated at RM8m based on total spending of RM1,664 per pax for Malaysians and RM2,359 for non Malaysians.

MEDIA MILEAGE

An estimated 45 media from UK, Australia and the region covered the event. They comprised of bloggers, as well as the print and electronic media with an estimated media mileage of RM10 million.

MOVING FORWARD

Borneo Jazz is a niche festival and appeals to a select few.

From the survey carried out, and from mingling with the attendees at the festival, we found that the festival still appeals to jazz lovers, most of whom comprise the expats working in Miri and neighbouring Brunei and they look forward to this event and something to do over the weekend.



THE FUTURE OF THE FESTIVAL

Borneo Jazz has no doubt attracted the attention of a select group of people. The Board should continue with the festival either directly or indirectly and efforts will have to be made to work with the private sectors locally and overseas to package it. We may therefore have to relook our strategy in the organization of the next edition either through the criteria of bands or in drawing up the programme for the two days.



RAINFOREST WORLD MUSIC FESTIVAL



INTRODUCTION

The 18th edition of the Rainforest World Music Festival, was held at the Sarawak Cultural Village (SCV), Santubong from 7 to 9 August 2015. A total of 17 international and 7 Malaysian bands participated in this year's event.

AWARDS

- PATA Gold Awards 2006
- ASEANTA Excellence Award 2009
- Brand Laureatte Asia Pacific-Best Brands Award, 2012-2013
- SONGLINES Magazine (UK), 25 of the Best International Festivals, -2010, 2011, 2012, 2013, 2014, 2015.



THE BANDS

- Allaverdi – Georgia
- Bargou 08 – Tunisia
- Culture Shot – Malaysia (Penang)
- Driss El Maloumi – Morocco
- Enkh Jargal Dandarvaanchig (EPI) – Mongolia
- 1DRUM.Org. - Malaysia
- Harubee – Maldives
- Kapela Maliszów – Poland
- Kobagi Kecak – Indonesia
- Kobo Town – Trinidad/Tobago
- Korrontzi – Spain
- Kenwy Yang Qin-Ensemble – Malaysia (Sarawak)
- Lan E Tuyang – Malaysia (Sarawak)
- Le Blanc Bros Cajun Band – Australia
- Lindigo – Reunion Islands
- Mah Meri – Malaysia (Selangor)
- Ndima – Republic of Congo
- Sangpuy – Taiwan
- Sarawak Cultural Village – Malaysia (Sarawak)
- Sayu Ateng – Malaysia (Sarawak)
- Son De Madera – Mexico
- Sona Jobarteh – Gambia/UK
- Shooglenifty – Scotland
- Ukandanz – France/Etiopia



STAGE SHOWS

Beginning in the afternoon at 2.15 pm in the 'Theatre Stage'. These are more chamber like music, designed especially for those who want to experience and listen closeup and intently. Having these bands on the open stage will not do justice to their music.

The nights are five-hour concerts that take place on a main "Jungle Stage" and smaller "Tree Stage" that carries on past midnight, making a total of three stages throughout the festival days.



WORKSHOPS

For festival-goers who wish to interact with the musicians and dance of the different cultures up close, the workshops are held at the various houses beginning at 2 until 5 pm. In the evenings from 5 to 6, the interactive drum circle is held. This is also very popular with festival goers.



FRINGE EVENTS/GREENING

As part of the Board's efforts to green the event, we continue to collaborate with Forest Department for a mangrove planting ceremony at the Kuching Wetlands. Mangrove trees have a high conservation value and an important ecological role in the habitat for marine life and coastal buffer zone. This is also part of our Corporate Social Responsibility to inspire and empower the young generation to safe-guard the environment and raise awareness on the importance of conservation through the simple act of tree planting. The event was participated by local and international media, and performers. Sarawak Forestry contributed 250 seedlings to this cause.

The greening effort was also extended to the use of environmentally friendly products at the food and village mart at the venue.

We also encouraged the use of shuttles to the venue to cut down on carbon emission.

INNOVATIONS

As part of our new innovations, we did the following for this year

1. 100% ticket sales online
2. Use of RFID wristbands thus enabling data support and reducing fraud
3. Cashless payment solutions by the use of top up cards.
4. Working with Pustaka Bookaroo to have workshops especially for children. This is another step forward to make this event a family oriented event
5. As part of our CSR, working with the blind masseuse to provide leg and shoulder massage



OUTCOME

ATTENDANCE

Total attendance for the three day event was estimated at 18,000 pax compared to 14,000, previous year, an estimated 4,000 pax more. Based on the initial profile 56% were Malaysians, 44% non Malaysians.

SPINOFF

Based on the above, the spinoff to the economy was estimated at RM35 million, based on total spending of RM1,664 per pax for Malaysians and RM2,359 for non Malaysians.

MEDIA MILEAGE

An estimated 200 media from Japan, Australia, China, Thailand, United States, Singapore, Indonesia, Hongkong, New Zealand, India, and our local media covered the event. They comprised bloggers, as well as the print and electronic media with an estimated media mileage of RM50 million.



SURVEY FINDINGS

A survey was conducted by a PhD candidate with Universiti Putra Malaysia – The University of Sheffield.

From the survey findings, the overall experience of the event is praiseworthy.

1. The world music and the main content of the RWMF should continue to keep its cultural value, diversity in terms of types of music and from different geographical origins, and incorporation of local music at the same level of importance and position.
2. The selection of SCV site as the location of RWMF is a place with significance as a rainforest environment and with meaning as a living museum that holds certain cultural values parallel to the purpose of the festival. The environment is not limited to SCV only but also the wider area surrounding the village such as the mountain and the forest. This contributes to the overall experience of festival participants.
3. The RWMF community comprising the audience, musicians, and staff/crew/volunteers and the friendly, helpful, and interactive culture among them should be maintained to build a harmonious bond and a sense of belonging that will bring people back continuously to the festival.

THE FUTURE OF THE FESTIVAL

Rainforest World Music Festival has no doubt attracted the attention of the world and is the brand for Sarawak. What needs to be done is to strategize on marketing the event more aggressively in order to grow the audience.

OUR OBSERVATIONS

Rainforest World Music Festival continues to appeal to the public and is the brand for Sarawak. It continues to be recognized as the top 25 international festivals for 6 consecutive years. Other top 25 international festivals are WOMAD, Australia & New Zealand., Oslo World Music Festival, Norway; Jodhpur (Rajasthan International Folk Festival) India to name a few.

We have noticed that the festival has gone back to its earlier days and despite reaching almost a full house on Saturday, the crowds were well-behaved and comprised genuine music lovers and not just party goers.

We attribute this to the selection of music and our inclusion of an additional stage in the afternoons which has always performed to a full house at the indoor theatre stage. These bands attract genuine music lovers who appreciate and understand the music.

The cessation of GAB as a beer sponsor has also contributed to this.

Our collaboration this year with Pustaka Bookaroo, which set up workshops for children, has also swayed the event to be a more family oriented one.

Our strategy for the following year would thus be to maintain the afternoon shows and to continue working with Pustaka Bookaroo.



CORPORATE SERVICES DIVISION

REPORT



Human Resource Unit

Staff Training & Development

Staff training and development is part of the Organisational Capacity Building category in the Board's Balanced Scorecard, where it continues to be an area of strength. In line with the State's policy on training, the Board is adopting 42 hours training per annum for each employee.

Staff training activities included competency-based training, job-skills enhancement, health and safety and quality (5S) training. Over 90% of staff attended training to develop their skills and job knowledge. Some of the more notable trainings activities attended by staff members are shown below:

1. Managing the Media Workshop
2. Digital Marketing Boot Camp
3. MATTA Travel Tech Conference
4. Basic First Aid & CPR Course
5. The New Marketing Strategies Trend for Tourism Hospitality
6. Blue Ocean Strategy Implementation Workshop
7. Minutes-Writing Skills
8. Balanced Scorecard Workshop
9. File and Record Management
10. Malaysia Major Events Symposium
11. Business Event Education Forum
12. Practical Budgeting Techniques for 2016 Budget Preparation
13. Budgeting Practice and Cash Flow Forecasting Technique
14. Kursus Pembantu Am Rendah
15. Kursus Pelupusan Kehilangan dan Hapuskira
16. Taklimat Amalan Persekitaran Berkualiti (5S)
17. Audit Dalaman Amalan Persekitaran Berkualiti (5S)
18. Bengkel Kumpulan Inovatif dan Kreatif (KIK)

Job Rotation for Enhanced Performance

In 2015, the Board embarked on a new job rotation strategy to enhance and improve skills, abilities, and competencies across the workforce. This is expected to lead to better job performance and greater opportunities for career advancement. In order to cope effectively with the necessary change management, staff were supported by relevant training for the purpose of up-skilling and enhancement of job knowledge.



OPENING CEREMONY AIFFA FILM BI WORLD



STB Internship Programme

The Board's Internship Programme is intended to provide students with practical work experience and expose them to the various disciplines involved in tourism and destination promotion. These include management activities, operations and execution of the various projects undertaken by STB.

The Internship Programme integrates the student's academic study with work experience in the Board's two front-line Divisions, the Marketing Division and the Events & Corporate Relations Division. The objective of the programme is to provide a unique learning experience for domestic and international interns, while at the same time exposing them to Sarawak's culture, nature and adventure product experiences.

In 2015, twelve (12) interns were accepted to undergo their internship with the Board:

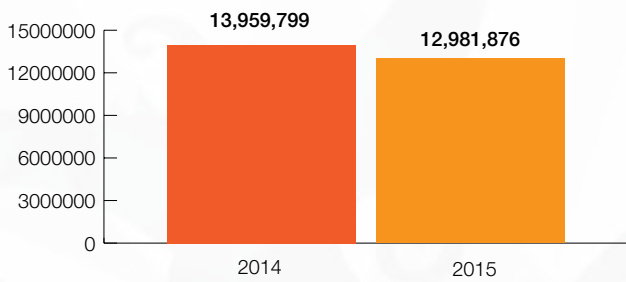


1	Ms. Maxine Rose Frederick	Limkokwing Institute of Creative Design, Sarawak Campus
2	Ms. Wong Li Qien	Taylor's University, KL
3	Mr. Muhd. Khairy Adib Bin Abu Bakar	
4	Mr. Khairul Hafiz Bin Mohd. Rapi	UiTM Sarawak Campus, Kota Samarahan
5	Mr. Qisti Danial Bin Muhd. Ali	
6	Ms. Norah Miriam El Gammal	Hochschule Hannover (University of Applied Sciences & Arts, Hannover), Germany
7	Ms. Luiza Carpentieri Rona	NHTV Breda University of Applied Sciences, The Netherlands
8	Ms. Haru Yamamoto	
9	Mr. Tsubasa Osame	
10	Ms. Mako Maruoka	Kwansei Gakuin University, Japan
11	Mr. Jae Hyuck Yim	
12	Ms. Yuka Arai	

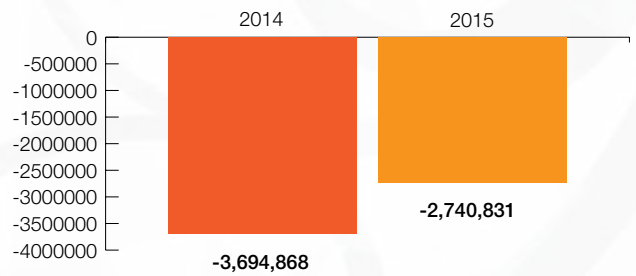
Financial Performance

Financial Performance Summary

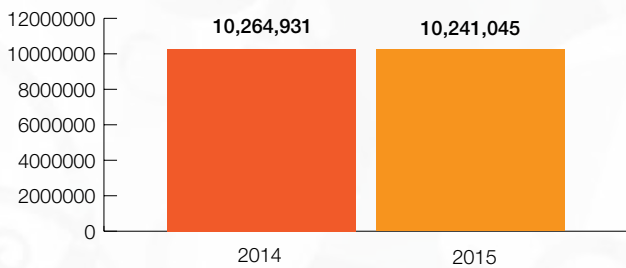
Income (RM)



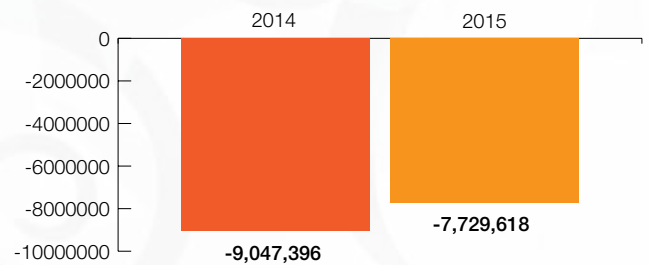
Cost of Events (RM)



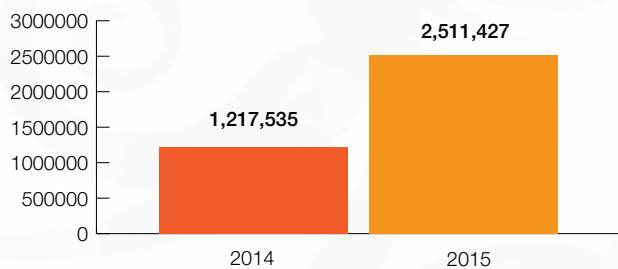
Gross Income (RM)



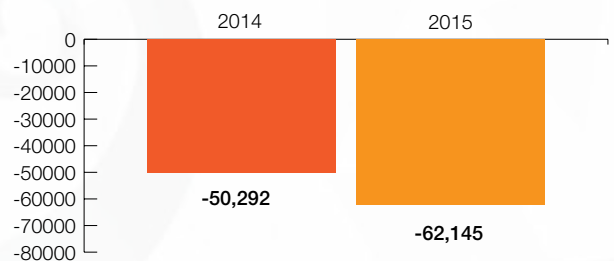
Expenditure (RM)



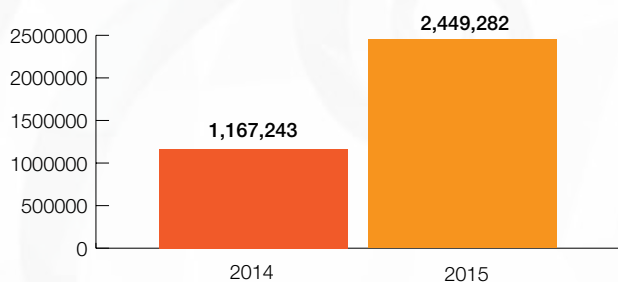
Operating Profit (RM)



Other Expenditure (RM)



Profit for the Year (RM)



Details	Increase / Decrease (-)	
	(RM)	%
Income	-977,923	-7%
Cost of Events	-954,037	26%
Gross Income	-23,886	0%
Expenditure	-1,317,778	15%
Operating Profit	1,293,892	106%
Other Expenditure	-11,853	24%
Profit for the Year	1,282,039	110%

Balance Sheet

The Balance Sheet statement (see page 39) reflects the Board's overall receivables and payables for the Year Ended 31 December 2015. The amount of receivables and prepayments has reduced, mainly due to contributions received from debtors.

The increase in the Board's payables is attributable to the substantial balance of unutilised funds for several short term projects requested by the Ministry of Tourism during the year.

Income Statement

The Board's Income Statement reflected a positive profit of RM2,449,282.00. This was achieved through substantial savings on the Board's administrative and operating expenses.

Firstly, there were savings from the implementation of various marketing activities where STB formed partnerships and collaborations with industry partners through cost-sharing, especially in trade fairs and familiarisation trips. Although STB had planned and budgeted more marketing activities for 2015, efforts were made to implement these activities with prudent spending through partnerships. There were also some marketing initiatives which were planned but were yet to be implemented during the year.

Secondly, the positive profit is also reflection of certain savings in human resources management and development. The Board

budgeted and planned for certain staff development activities (mainly skills development and knowledge exposure) to be conducted outside Sarawak but was able to arrange for many of these options to be done locally.

The Board also kept its capital expenditure low as the plan to purchase a new vehicle for the anticipated Chief Executive Officer did not materialize.

Cash Flow

The Cash and Cash Equivalents for the Year Ended 31 December 2015 was RM8,059,514.00, which reflected the accumulated cash as a result of savings from cost-sharing and other non-materialised activities. The total was also contributed to by the substantial balance of unutilised funds for short-term projects requested by the Ministry of Tourism.

Equity/Reserves

For the year ended 31 December 2015, the Board's reserves stand at RM6,491,448.00, an increase of RM2,449,282.00 over the previous year. This increase is the result of the accumulated unutilised grant and additional fund received, as well as administrative and operational savings outlined in the Income Statement.



SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

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SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

BOARD MEMBERS AND KEY OFFICERS

- Chairman** : Yang Berhormat Datuk Haji Talib Bin Zulpilip
Assistant Minister of Tourism, Sarawak
- Board Members** :
- : Permanent Secretary, Ministry of Tourism, Sarawak
 - : State Financial Secretary
or his/her nominee
 - : Director-General, Malaysia Tourism Promotion Board
or his/her nominee
 - : General Manager, Sarawak Forestry Corporation Sdn Bhd
or his/her nominee
 - : YBhg Datuk Raziah Mahmud-Geneid
 - : Chairman, Malaysian Association of Tour and Travel Agents
or his/her nominee
 - : Chairman, Malaysia Association of Hotels (Sarawak Chapter)
or his/her nominee
 - : President, Sarawak Tourism Federation
or his/her nominee
 - : Chief Executive Officer, MASWings Sdn Bhd
or his/her nominee
 - : Encik Jason Tai Hee

SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

Chief Executive Officer	:	Datu Ik Pahon Anak Joyik
Registered Office	:	5 th to 7 th Floor, Bangunan Yayasan Sarawak, Jalan Masjid, 93400 Kuching
Auditor	:	Auditor-General Malaysia
Principal Banker	:	RHB Bank Berhad Jalan Kulas 93400 Kuching

SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

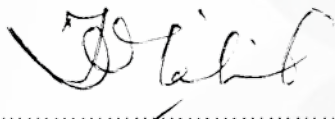
[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

STATEMENT BY CHAIRMAN AND A BOARD MEMBER

We, DATUK HAJI TALIB BIN ZULPILIP and DATU LAURA LEE NGIEN HION being the CHAIRMAN AND A BOARD MEMBER respectively of **Sarawak Tourism Board**, do hereby state that, in the opinion of the Board Members, the accompanying Balance Sheet, Income Statement, Statement of Changes In Equity and Cash Flow Statement, together with the notes thereon are drawn up so as to give a true and fair view of the state of affairs of the **Sarawak Tourism Board** as at 31st December 2015 and of the results of its operations and cash flows for the year ended on that date.

On behalf of the Board

On behalf of the Board



.....
DATUK HAJI TALIB BIN ZULPILIP
Chairman

.....
DATU LAURA LEE NGIEN HION
Member

Date: 24 JUNE 2016

Date: 20 JUNE 2016

Kuching

Kuching

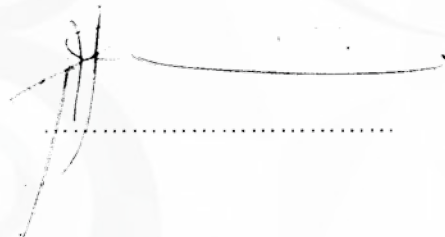
SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT

I, DATU IK PAHON ANAK JOYIK, being the officer primarily responsible for the financial management of **Sarawak Tourism Board** do, solemnly and sincerely declare that the accompanying Balance Sheet, Income Statement, Statement of Changes In Equity and Cash Flow Statement together with the notes thereon are to the best of my knowledge and belief correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the above named at)
KUCHING 26 APR 2016)
on this day)



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



**LAPORAN KETUA AUDIT NEGARA
MENGENAI PENYATA KEWANGAN
LEMBAGA PELANCONGAN SARAWAK
BAGI TAHUN BERAKHIR 31 DISEMBER 2015**

Laporan Mengenai Penyata Kewangan

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

Tanggungjawab Lembaga Pengarah Terhadap Penyata Kewangan

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

Tanggungjawab Juruaudit

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

Pengauditan meliputi pelaksanaan prosedur untuk memperoleh bukti audit mengenai amaun dan pendedahan dalam penyata kewangan. Prosedur yang dipilih bergantung kepada pertimbangan juruaudit, termasuk penilaian risiko salah nyata yang ketara pada penyata kewangan sama ada disebabkan oleh fraud atau kesilapan. Dalam membuat penilaian risiko tersebut, juruaudit mempertimbangkan kawalan dalaman yang bersesuaian dengan entiti dalam penyediaan dan persembahan penyata kewangan yang memberi gambaran yang benar dan saksama bagi tujuan

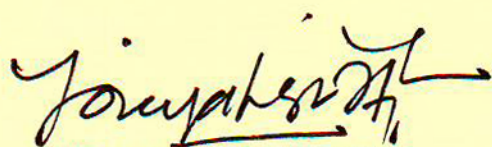
merangka prosedur pengauditan yang bersesuaian tetapi bukan untuk menyatakan pendapat mengenai keberkesanan kawalan dalaman entiti tersebut. Pengauditan juga termasuk menilai kesesuaian polisi perakaunan yang diguna pakai dan kemunasabahan anggaran perakaunan yang dibuat oleh pengurusan serta persembahan penyata kewangan secara menyeluruh.

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

Pendapat

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

Saya telah mempertimbangkan penyata kewangan dan laporan juruaudit bagi semua syarikat subsidiari yang tidak diaudit oleh saya seperti yang dinyatakan dalam nota kepada penyata kewangan. Saya berpuas hati bahawa penyata kewangan berkenaan telah disatukan dengan Penyata Kewangan Lembaga Pelancongan Sarawak dalam bentuk dan kandungan yang sesuai dan wajar bagi tujuan penyediaan penyata kewangan. Saya juga telah menerima maklumat dan penjelasan yang memuaskan sebagaimana yang dikehendaki bagi tujuan tersebut. Laporan juruaudit mengenai penyata kewangan syarikat subsidiari berkenaan tidak mengandungi sebarang pemerhatian yang boleh menjejaskan penyata kewangan.



(TOIEYAH BINTI HAJI TIOH)
b.p. KETUA AUDIT NEGARA
MALAYSIA

KUCHING

TARIKH: 19 JUL 2016



SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

BALANCE SHEETS AS AT 31 DECEMBER 2015

		Group		Board	
	Note	2015 RM	Restated 2014 RM	2015 RM	Restated 2014 RM
NON-CURRENT ASSETS					
Property and equipment	4	202,689	166,174	198,192	158,659
Investment in subsidiary company	5	-	-	200,000	200,000
		<u>202,689</u>	<u>166,174</u>	<u>398,192</u>	<u>358,659</u>
CURRENT ASSETS					
Account Receivables & Prepayments	6	707,351	738,134	705,752	702,679
Cash & Cash Equivalents	7	8,089,885	4,444,775	8,059,514	4,416,026
		<u>8,797,236</u>	<u>5,182,909</u>	<u>8,765,266</u>	<u>5,118,705</u>
LESS: CURRENT LIABILITIES					
Account Payables	8	1,069,361	1,353,713	1,034,891	1,319,513
Other Payables	9	1,513,440	-	1,513,440	-
Provision for Taxation		7,325	-	7,325	-
Amount Due to Subsidiary	10	-	-	116,354	115,685
		<u>2,590,126</u>	<u>1,353,713</u>	<u>2,672,010</u>	<u>1,435,198</u>
NET CURRENT ASSETS					
		<u>6,207,110</u>	<u>3,829,196</u>	<u>6,093,256</u>	<u>3,683,507</u>
		<u>6,409,799</u>	<u>3,995,370</u>	<u>6,491,448</u>	<u>4,042,166</u>
REPRESENTED BY:					
General Reserve		6,409,799	3,993,719	6,491,448	4,042,166
NON-CURRENT LIABILITY					
Deferred Taxation	12	-	1,651	-	-
		<u>6,409,799</u>	<u>3,995,370</u>	<u>6,491,448</u>	<u>4,042,166</u>

SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

INCOME STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	Group		Board	
		2015 RM	Restated 2014 RM	2015 RM	Restated 2014 RM
Income					
Government Grant	3 (m)	10,450,000	10,000,000	10,450,000	10,000,000
Events Income		2,264,670	3,763,096	2,264,670	3,763,096
Other Income		270,106	196,703	267,206	196,703
Total Income		12,984,776	13,959,799	12,981,876	13,959,799
Cost of Events		(2,740,831)	(3,694,868)	(2,740,831)	(3,694,868)
Gross Income		10,243,945	10,264,931	10,241,045	10,264,931
Expense					
Administrative Expenses		(4,456,720)	(3,803,971)	(4,418,967)	(3,701,082)
Other Operating Expenses		(3,310,651)	(5,346,314)	(3,310,651)	(5,346,314)
Total Expense		(7,767,371)	(9,150,285)	(7,729,618)	(9,047,396)
Profit Before Taxation	11	2,476,574	1,114,646	2,511,427	1,217,535
Taxation	12	(60,494)	(49,493)	(62,145)	(50,292)
Profit For The Year		2,416,080	1,065,153	2,449,282	1,167,243

SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

	Group General Reserve RM	Board General Reserve RM
Balance as at 1 January 2014	2,928,566	2,874,923
Profit For The Year	1,065,153	1,167,243
Balance as at 1 January 2015	3,993,719	4,042,166
Profit For The Year	2,416,080	2,449,282
Balance as at 31 December 2015	6,409,799	6,491,448

SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	Group		Board	
		2015 RM	Restated 2014 RM	2015 RM	Restated 2014 RM
Cash Flows From Operating Activities					
Profit before taxation		2,476,574	1,114,646	2,511,427	1,217,535
Adjustments for:-					
Bad debts written off		23,026	-	-	-
Depreciation	4	55,487	81,768	52,469	78,443
Gain on disposal of asset		(17,495)	-	(17,495)	-
Interest received		(249,711)	(196,703)	(249,711)	(196,703)
Provision for doubtful debts		-	52,500	-	52,500
Operating profit before working capital changes:		2,287,881	1,052,211	2,296,690	1,151,775
(Increase) / Decrease in debtors		(3,741)	141,604	(3,072)	11,592
Increase/(Decrease) in creditors		1,237,081	(824,296)	1,236,811	(822,785)
Cash Generated From Operations		3,521,221	369,519	3,530,429	340,582
Income tax paid		(51,315)	(54,458)	(62,145)	(50,292)
Net Cash Generated From Operating Activities		3,469,906	315,061	3,468,284	290,290
Cash Flows From Investing Activities					
Purchase of property and equipment		(92,002)	(16,157)	(92,002)	(16,157)
Interest received		249,711	196,703	249,711	196,703
Proceeds from sale of asset		17,495	-	17,495	-
Net Cash Generated From Investing Activities		175,204	180,546	175,204	180,546
Net Increase In Cash And Cash Equivalents		3,645,110	495,607	3,643,488	470,836
Cash And Cash Equivalents Brought Forward		4,444,775	3,949,168	4,416,026	3,945,190
Cash And Cash Equivalents Carried Forward	7	8,089,885	4,444,775	8,059,514	4,416,026

SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

NOTES TO THE FINANCIAL STATEMENTS - AS AT 31 DECEMBER 2015

1. PRINCIPAL ACTIVITIES

The Sarawak Tourism Board (the Board) was established in 1994 under the Sarawak Tourism Board (Incorporation) Ordinance, 1994.

The functions of the Board are as follows:-

- a) to stimulate and promote tourism to and within Sarawak;
- b) to stimulate, promote and market Sarawak as a tourist destination;
- c) to organise, secure and enhance publicity in Malaysia and overseas for tourist attractions in Sarawak;
- d) to engage or assist in the development of tourism in the State and to carry on such activities in association with the Government, any public or local authority, any corporation, any company, anybody or any person or as managing agents or otherwise on this behalf, or enter into any arrangement with such bodies or persons for sharing profits, union of interests.
- e) to make recommendations to the Minister of the measures and programmes to be adopted to facilitate and stimulate the development and promotion of the industry in Sarawak and where approved by the Minister, to implement or assist in the implementation of such measures and programmes; and
- f) to liaise and co-ordinate with and make representation to the Malaysian Tourism Promotion Board or the Federal Ministry of Culture, Arts and Tourism on all matters relating to the enhancement of tourism and the development of the tourism industry in Sarawak.

2. DATE OF AUTHORISATION OF ISSUE

The financial statements were authorised for issue by Board members vide resolution dated on 14 June 2016.

3. SIGNIFICANT ACCOUNTING POLICIES

- a) Basis of Accounting

The financial statements have been prepared under the historical cost convention and comply with the applicable MASB Approved Accounting Standards for Private Entities in Malaysia.

SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

NOTES TO THE FINANCIAL STATEMENTS - AS AT 31 DECEMBER 2015

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Basis of Consolidation

The consolidated financial statements include the financial statements of the Board and its subsidiary company (together referred to as the 'Group' and individual referred to as the 'Board') made up to the end of the financial year. Subsidiary company is a company in which the Board has power to exercise control over the financial and operating policies so as to obtain benefits from its activities.

All intercompany transactions, balances and unrealised gains on transactions between group and company are eliminated; unrealised losses are also eliminated unless cost cannot be recovered.

c) Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and impairment loss. Depreciation is computed principally by the straight-line method based on the estimated useful life of the related assets. The rates of depreciation are as follows:-

Office equipments	15% p.a
Furniture, fixtures & fittings	10% p.a.
Computers	20% p.a.
Cameras	20% p.a.
Office renovation	10% p.a.
Motor vehicle	20% p.a

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

SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

NOTES TO THE FINANCIAL STATEMENTS - AS AT 31 DECEMBER 2015

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Property and Equipment and Depreciation

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with note 3(e).

Fully depreciated fixed assets are retained in the financial statements until they are no longer in use. Upon the disposal of an item of property and equipment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement.

e) Impairment of Assets

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised. An impairment loss is recognised as an expense in the income statement. The recoverable amount is the higher of an asset's net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in arm's length transaction.

Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit.

Reversal of an impairment loss recognised in prior years is recorded when there is an indication that the impairment loss recognised for an asset no longer exists or has decreased. The reversal is recorded in income or as a revaluation increase.

f) Investment in Subsidiary Company

Investments in subsidiary are stated at cost less impairment losses.

SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

NOTES TO THE FINANCIAL STATEMENTS - AS AT 31 DECEMBER 2015

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) Financial Instruments

Financial instruments are recognised in the balance sheet when the Board has become a party to the contractual provisions of the instruments.

Financial assets and financial liabilities carried on the balance sheet include receivables, payables and cash and bank balances. The accounting policies on recognition and measurement of these items are disclosed in their respective accounting policies.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest and dividends, gains and losses relating to a financial instrument classified as liabilities are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Board has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liabilities simultaneously.

h) Account Receivables and Prepayments

Account receivables and prepayments are carried at anticipated realizable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts as at balance sheet date.

i) Cash and Cash Equivalents

Cash and cash equivalents include cash and bank balances, short term deposits and other short term highly liquid investments which are readily convertible to cash and which are subject to an insignificant risk of changes in value.

SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

NOTES TO THE FINANCIAL STATEMENTS - AS AT 31 DECEMBER 2015

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

j) Account and Other Payables

Account and Other payables are stated at cost which is the fair value of the consideration to be paid in the future for the goods and services received due to the short term nature of the amount.

k) Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economics benefits will be required to settle the obligation and reliable estimate can be made of the amount of obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

l) Revenue

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Board and the amount of the revenue is measured at the fair value of the consideration received or receivable and net of discounts.

m) Government Grants

Governments grant for the operation or maintenance of the Board's activities are credited to the Income Statements.

SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

NOTES TO THE FINANCIAL STATEMENTS - AS AT 31 DECEMBER 2015

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

n) Deferred Taxation

Deferred taxation is provided, using the balance sheet liability method on all taxable temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes except where the timing of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of the assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it probable that future taxable profits will be available against which the asset can be utilised.

o) Employee Benefits

(i) Short term benefit

Wages, salaries, bonuses and social security contributions are recognised as expenses in the year in which the associated services are rendered by the employees of the Sarawak Tourism Board.

(ii) Defined contribution plans

Sarawak Tourism Board's contributions to defined contribution plans are charged to the income statement in the period to which they relate. Once the contributions have been paid, Sarawak Tourism Board has no further payment obligations. As required by the law, the Group and the Board make contributions to the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the income statement as incurred.

SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

4. PROPERTY AND EQUIPMENT

Group	Office Equipment	Furniture, Fixtures & Fittings	Computers	Camera	Office Renovation	Motor Vehicle	Total
2015	RM	RM	RM	RM	RM	RM	RM
Cost							
Beginning Of Year	450,174	312,931	483,733	59,676	112,216	254,648	1,673,378
Additions	38,779	9,388	4,140	660	39,035	-	92,002
Disposal	-	-	-	-	-	(169,147)	(169,147)
End Of Year	<u>488,953</u>	<u>322,319</u>	<u>487,873</u>	<u>60,336</u>	<u>151,251</u>	<u>85,501</u>	<u>1,596,233</u>
Accumulated Depreciation							
Beginning Of Year	392,169	310,775	402,469	40,698	106,450	254,643	1,507,204
Additions	13,185	1,982	31,974	910	7,432	4	55,487
Disposal	-	-	-	-	-	(169,147)	(169,147)
End Of Year	<u>405,354</u>	<u>312,757</u>	<u>434,443</u>	<u>41,608</u>	<u>113,882</u>	<u>85,500</u>	<u>1,393,544</u>
Net Book Value							
Beginning Of Year	<u>58,005</u>	<u>2,156</u>	<u>81,264</u>	<u>18,978</u>	<u>5,766</u>	<u>5</u>	<u>166,174</u>
End Of Year	<u>83,599</u>	<u>9,562</u>	<u>53,430</u>	<u>18,728</u>	<u>37,369</u>	<u>1</u>	<u>202,689</u>
2014	RM	RM	RM	RM	RM	RM	RM
Cost							
Beginning Of Year	436,816	310,131	483,733	59,676	112,216	254,648	1,657,220
Additions	13,358	2,800	-	-	-	-	16,158
End Of Year	<u>450,174</u>	<u>312,931</u>	<u>483,733</u>	<u>59,676</u>	<u>112,216</u>	<u>254,648</u>	<u>1,673,378</u>
Accumulated Depreciation							
Beginning Of Year	382,755	308,354	372,999	39,593	100,920	220,815	1,425,436
Additions	9,414	2,421	29,470	1,105	5,530	33,828	81,768
End Of Year	<u>392,169</u>	<u>310,775</u>	<u>402,469</u>	<u>40,698</u>	<u>106,450</u>	<u>254,643</u>	<u>1,507,204</u>
Net Book Value							
Beginning Of Year	<u>54,061</u>	<u>1,777</u>	<u>110,734</u>	<u>20,083</u>	<u>11,296</u>	<u>33,833</u>	<u>231,784</u>
End Of Year	<u>58,005</u>	<u>2,156</u>	<u>81,264</u>	<u>18,978</u>	<u>5,766</u>	<u>5</u>	<u>166,174</u>

Financial Statement

SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

4. PROPERTY AND EQUIPMENT(Continued)

Board	Office Equipment	Furniture, Fixtures & Fittings	Computers	Camera	Office Renovation	Motor Vehicle	Total
2015	RM	RM	RM	RM	RM	RM	RM
Cost							
Beginning Of Year	411,653	311,739	480,434	42,153	129,740	254,648	1,630,367
Additions	38,779	9,388	4,140	660	39,035	-	92,002
Disposal	-	-	-	-	-	(169,147)	(169,147)
End Of Year	450,432	321,127	484,574	42,813	168,775	85,501	1,553,222
Accumulated Depreciation							
Beginning Of Year	377,601	304,940	387,376	40,698	106,450	254,643	1,471,708
Additions	12,882	1,982	29,259	910	7,432	4	52,469
Disposal	-	-	-	-	-	(169,147)	(169,147)
End Of Year	390,483	306,922	416,635	41,608	113,882	85,500	1,355,030
Net Book Value							
Beginning Of Year	34,052	6,799	93,058	1,455	23,290	5	158,659
End Of Year	59,949	14,205	67,939	1,205	54,893	1	198,192
Board	Office Equipment	Furniture, Fixtures & Fittings	Computers	Camera	Office Renovation	Motor Vehicle	Total
2014	RM	RM	RM	RM	RM	RM	RM
Cost							
Beginning Of Year	398,296	308,939	480,434	42,153	129,740	254,648	1,614,210
Additions	13,357	2,800	-	-	-	-	16,157
End Of Year	411,653	311,739	480,434	42,153	129,740	254,648	1,630,367
Accumulated Depreciation							
Beginning Of Year	368,187	303,271	360,479	39,593	100,920	220,815	1,393,265
Additions	9,414	1,669	26,897	1,105	5,530	33,828	78,443
End Of Year	377,601	304,940	387,376	40,698	106,450	254,643	1,471,708
Net Book Value							
Beginning Of Year	30,109	5,668	119,955	2,560	28,820	33,833	220,945
End Of Year	34,052	6,799	93,058	1,455	23,290	5	158,659

SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

NOTES TO THE FINANCIAL STATEMENTS - AS AT 31 DECEMBER 2015

4. PROPERTY AND EQUIPMENT (Continued)

The carrying amount of fully depreciated assets which are still in use amounted to:

	Board	
	2015 RM	2014 RM
Office Equipments	363,419	346,947
Furniture, Fixtures & Fittings	298,409	295,609
Computers	337,933	337,933
Cameras	40,852	34,783
Office Renovation	88,273	74,442
Motor Vehicles	85,501	254,648
	<u>1,214,387</u>	<u>1,344,362</u>

5. INVESTMENT IN SUBSIDIARY COMPANY

	Board	
	2015 RM	2014 RM
Unquoted share at cost	<u>200,000</u>	<u>200,000</u>

The particulars of the company which is incorporated in Malaysia are as follows:

	Board % of equity held	
	2015	2014
STB Leisure & Properties Sdn Bhd	<u>100</u>	<u>100</u>

Principal activities:

To carry out tourism-related business in providing general support to the activities of Sarawak Tourism Board and to manage properties owned by the Sarawak Tourism Board.

The financial statements of the above subsidiary company are not audited by the Auditor-General of Malaysia.

SARAWAK TOURISM BOARD (LEMBAGA PELANCONGAN SARAWAK)

[Incorporated under the Sarawak Tourism Board (Incorporation) Ordinance 1994]

NOTES TO THE FINANCIAL STATEMENTS - AS AT 31 DECEMBER 2015

6. ACCOUNT RECEIVABLES & PREPAYMENTS

	Group		Board	
	2015 RM	Restated 2014 RM	2015 RM	Restated 2014 RM
Prepayments	46,958	50	46,958	50
Deposits	101,015	92,445	99,416	92,445
Arianna Event Management Sdn Bhd	52,000	52,000	52,000	52,000
Borneo Isthmus Development	-	18,394	-	18,394
Insan Sejati Sdn Bhd	-	43,723	-	43,723
Ministry of Tourism Sarawak Asean International Film Festival & Awards 2015	402,564	467,617	402,564	467,617
Sarawak Convention Bureau	1,303	-	1,303	-
Other Debtors	-	50,000	-	50,000
	52,365	42,860	52,365	18,235
	<u>656,205</u>	<u>767,089</u>	<u>654,606</u>	<u>742,464</u>
Less:				
Provision For Doubtful Debts	(52,500)	(52,500)	(52,500)	(52,500)
	<u>603,705</u>	<u>714,589</u>	<u>602,106</u>	<u>689,964</u>
Goods and Service Tax	103,646	-	103,646	-
Tax recoverables	-	23,545	-	12,715
	<u>707,351</u>	<u>738,134</u>	<u>705,752</u>	<u>702,679</u>

7. CASH AND CASH EQUIVALENTS

	Group		Board	
	2015 RM	2014 RM	2015 RM	2014 RM
Cash and Bank balances	339,620	300,878	309,249	272,129
Fixed Deposits with Financial Institution	7,750,265	4,143,897	7,750,265	4,143,897
	<u>8,089,885</u>	<u>4,444,775</u>	<u>8,059,514</u>	<u>4,416,026</u>

The weighted average effective interest rate of deposits at the balance sheet date was 2.90% - 3.45% (2014: 2.90 - 3.45%).

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NOTES TO THE FINANCIAL STATEMENTS - AS AT 31 DECEMBER 2015

8. ACCOUNT PAYABLES

	Group		Board	
	2015 RM	Restated 2014 RM	2015 RM	Restated 2014 RM
Bel-Air Travel & Tours Sdn Bhd	-	530,326	-	530,326
Brighton Travel & Tour Sdn Bhd	51,573	-	51,573	-
Cat City Holidays Sdn Bhd	-	54,950	-	54,950
DHL Express (Malaysia) Sdn Bhd	51,252	56,183	51,252	56,183
GegasJaya Sdn Bhd	21,730	-	21,730	-
Heng Sing Brothers Press Leisure Guide Publishing Sdn Bhd	-	105,200	-	105,200
Majlis Bandaraya Miri	25,500	-	25,500	-
Planet Borneo Tours & Travel Services Sdn Bhd	2,192	9,177	2,192	9,177
P.C. Image Sdn Bhd	4,888	120	4,888	120
Sarawak Cultural Village	14,371	33,380	14,371	33,380
Speedline Xpress Sdn Bhd	15,200	15,754	15,200	15,754
Transnational Insurance Brokers (M) Sdn Bhd	66,736	64,007	66,736	64,007
Wah Tung Travel & Services Sdn Bhd	33,793	58,294	33,793	58,294
Woodman Golf Course Bhd	-	76,050	-	76,050
Yayasan Sarawak	64,532	58,935	64,532	58,935
Other Creditors	656,127	165,381	621,657	131,181
Accruals	61,467	25,956	61,467	25,956
	<u>1,069,361</u>	<u>1,353,713</u>	<u>1,034,891</u>	<u>1,319,513</u>

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9. OTHER PAYABLES

Other payables are stated at short term projects cost quoted by Ministry of Tourism Sarawak which is fair value of the consideration to be claimed in the future for goods and services received.

	Group		Board	
	2015 RM	2014 RM	2015 RM	2014 RM
China Roadshow & Asia Tele	631,044	-	631,044	-
MyFest 2015	111,520	-	111,520	-
MOU Signing Program	11,426	-	11,426	-
Asean Television	709,950	-	709,950	-
Pelbagai Program	49,500	-	49,500	-
	<u>1,513,440</u>	<u>-</u>	<u>1,513,440</u>	<u>-</u>

10. AMOUNT DUE TO SUBSIDIARY

The amount due from subsidiary are unsecured, interest free and have no fixed terms of repayment.

11. PROFIT BEFORE TAXATION

The following items have been charged to arrive at the profit before taxation:

	Group		Board	
	2015 RM	2014 RM	2015 RM	2014 RM
Auditor's Remuneration:				
- Statutory Audit	5,746	5,746	3,946	3,946
- Other Audit	17,941	17,394	17,941	17,394
Depreciation	55,329	81,768	52,310	78,443
Rental	420,460	419,814	420,460	375,874
Staff Cost	<u>2,455,721</u>	<u>2,591,058</u>	<u>2,451,827</u>	<u>2,551,421</u>

Included in staff cost was contribution to the Statutory Provident Fund made by the Group and the Board amounting to RM272,233 (2014: RM271,188) and RM258,971 (2014: RM267,432) respectively.

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12. TAXATION

According to Section 127 (3) (b) of the Income Tax Act 1967 [Act 53], Income Tax (Exemption) (No. 22) Order 2006 granted the Board exemption from the payment of income tax in respect of its statutory income in relation to the sources of income derived from the allocations given by the Federal and State Government in the form of a grant or a subsidy.

The tax charge for the year is on fixed deposit interest received which do not fall under this Exemption Order.

	Group		Board	
	2015 RM	Restated 2014 RM	2015 RM	2014 RM
12.1 Tax expenses				
Tax expense for the year	62,145	50,292	62,145	50,292
Reversal of deferred taxation	(1,651)	(799)	-	-
	<u>60,494</u>	<u>49,493</u>	<u>62,145</u>	<u>50,292</u>

	Group	
	2015 RM	Restated 2014 RM
12.2 Deferred Taxation		
At the beginning of the year	1,651	2,450
Utilised during the year	(1,651)	(799)
	<u>-</u>	<u>1,651</u>

13. NUMBER OF EMPLOYEES

	Group		Board	
	2015 RM	2014 RM	2015 RM	2014 RM
The number of the staff in the year	<u>40</u>	<u>42</u>	<u>40</u>	<u>40</u>

14. COMPARATIVE FIGURES

Certain comparative figures have also been reclassified to conform with the current year's presentation.

15. CURRENCY

All amounts are stated in Ringgit Malaysia (RM).