

Notes to the **Financial Statements**

As at 31 March 2019

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(c) Foreign currency risk (cont'd.)

	Indonesian Rupiah RM'000	Papua New Guinea Kina RM'000	Total RM'000
At 31 March 2018			
Assets			
- Trade and other receivables	29,141	29,299	58,440
- Cash and cash equivalents	31,809	18,643	50,452
	60,950	47,942	108,892
Liabilities			
- Trade and other payables	13,948	4,888	18,836

Sensitivity analysis

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the Indonesian Rupiah ("IDR") and Papua New Guinea Kina ("PNGK") exchange rates against the functional currency of the affected group companies ("RM") with all other variables held constant.

	Group 2019 Effect on profit net of tax RM'000	2018 Effect on profit net of tax RM'000
IDR - strengthen 5% (2018: 5%)	1,765	1,786
IDR - weaken 5% (2018: 5%)	(1,765)	(1,786)
PNGK - strengthen 5% (2018:5%)	1,811	1,636
PNGK - weaken 5% (2018:5%)	(1,811)	(1,636)

(d) Credit Risk

Credit risk, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. Credit risk is minimised and monitored via strictly limiting the Group's associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via Group management reporting procedures.

The Group does not have any significant exposure to any individual customer or counterparty except with the government agencies as disclosed in Note 20. The Group does not have any major concentration of credit risk related to any financial instruments.