

RAJANG PORT AUTHORITY



The Preferred First Port of Call Into Central Sarawak

Annual Report
2022



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CORPORATE PROFILE

RAJANG PORT AUTHORITY operates as a statutory body of the state of Sarawak under the purview of the Ministry of Infrastructure and Port Development. The major exports include sawn timber and timber products while its primary trading partners include ports of the Peninsular Malaysia, and regional ports in Vietnam, Thailand, Singapore, Taiwan, Europe, China Japan and Hong Kong.

Along and snaking its course through the longest river in Malaysia; with the breadth of the mighty Rajang, lies the principal port of the region. Rajang Port Authority carries proudly its name is strategically situated right at the centre of Sarawak, the largest state in Malaysia, making it East Malaysia's most preferred leading port and first port of call to the central region of Sarawak. From the mouth of the South China Sea, Rajang Port Authority is based in the administrative district of Sibu playing the vital role as the link to major national and regional ports and to serve as the major distribution centre to the vast hinterland of Sarawak.

VISION

Pelabuhan Pilihan Utama Ke Zon Tengah Sarawak

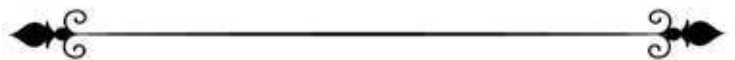
The preferred first port of call into Central Sarawak



MISSION

Membina dan menyumbang ke arah kemampanan dan perkembangan Pelabuhan serta menggalakkan pertumbuhan ekonomi di Zon Tengah Sarawak melalui perdagangan serantau dan antarabangsa

To build and contribute toward the sustainability and growth of the Port to enable economic growth and to promote regional and international trade



VALUES

- | | |
|--|---|
| • Berintegriti, Kebolehpercayaan, Kesetiaan | • Integrity, Reliability, Loyalty |
| • Profesionalisme dan Fokus kepada Pelanggan | • Professionalism & Customer Focused |
| • Kerjasama dan Uniti | • Teamwork & Unity |
| • Berorientasikan Pencapaian | • Result and Outcome Oriented |
| • Kepantasan dan Kepemilikan Proses | • Sense of Urgency and Ownership of Process |
| • Keselamatan dan Kesihatan | • Safety & Health |
| • Pulangan yang Berbaloi | • Value for Money |



STRATEGIC THRUSTS



Board Members



Datuk Joseph Salang anak Gandum
Pengerusi / Chairman



Encik Chiew Chee Yau
Permanent Secretary
Ministry of Infrastructure and
Port Development Sarawak
Timbalan Pengerusi / Deputy Chairman



YBhg. Datu Dr. Wan
Lizozman bin Wan
Omar



Encik Ting Ping Kiong



Puan Angeline Umih
Tujok



Encik Abang Abdul Hamid
Bin Abang Bolhassan



Encik Daniel Sng
Wei Siong



Encik Caleb Wong
Sin Yong



Encik Joshua
Jackson

Jemaah Lembaga

Jawatankuasa Tender dan Kewangan **Tender and Finance Committee**

Pengerusi / Chairman

YBhg. Dr. Wan Lizozman bin Wan Omar

Ahli-ahli / Members

Encik Daniel Sng Wei Siong
Puan Angeline Umih Tujok
Encik Abang Abdul Hamid bin Abang Bolhasan
Encik Caleb Wong Sin Yong

Jawatankuasa Perjawatan **Establishment Committee**

Pengerusi / Chairman

Datuk Joseph Salang anak Gandum

Ahli-ahli / Members

Encik Chiew Chee Yau
Encik Ting Ping Kiong
Encik Joshua Jackson
Encik Caleb Wong Sin Yong

Jawatankuasa Audit **Audit Committee**

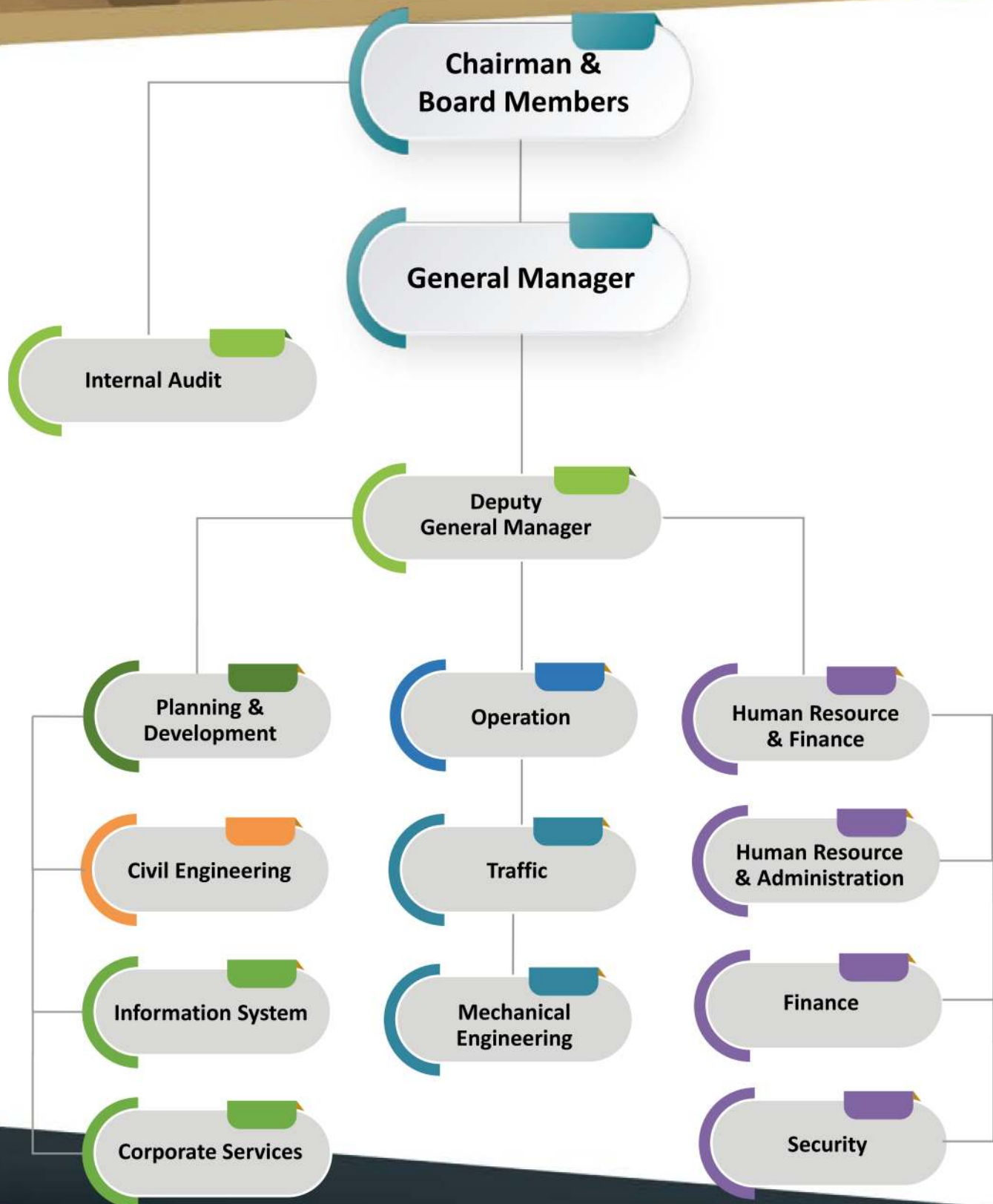
Pengerusi / Chairman

Encik Chiew Chee Yau

Ahli-ahli / Members

YBhg. Dr. Wan Lizozman bin Wan Omar
Encik Ting Ping Kiong
Encik Joshua Jackson
Puan Hajijah binti Haji Pon (Internal Auditor)/ Setiausaha

Organisation Chart



Principal Officers



Assistant General Manager
(Admin/Finance) / Corporate Services
Hayati binti Kiprawi



Human Resource &
Administrative
Norhiya binti Hussain



Executive Engineer
Yii Huang Wee



Mechanical Engineer
Liong Fook Chiong



Traffic
Kerry ak. Jemat



General Manager
Datin Helen Lim Hui Shyan



Accountant
Ngui Ling Wee



Information Technology
Dyg. Jama'iah binti Awang Sidek



Internal Auditor
Hajijah binti Hj. Pon



Security Officer
Encik Mohamad Jaffary bin Led

Port Performance

KENDALIAN KARGO

Lembaga telah meneruskan pencapaian yang memberangsangkan pada tahun 2022, mencatat 1,493,869 tan berbanding 1,411,425 tan pada tahun 2021. Ini menyaksikan pertumbuhan keseluruhan kargo pada kadar 5.8% atau peningkatan sebanyak 82,444 tan bagi kendalian keseluruhan kargo.

Dari jumlah ini, 1,485,806 tan atau 99.5% dikendalikan di dermaga pelabuhan sementara selainnya dikendalikan di sekitar perairan Lembaga.

Import merangkumi 83.5% mencatat kenaikan sebanyak 7.1% dan eksport 16.5% jumlah kendalian menurun secara minimal sebanyak 0.2% bagi tahun tersebut. Komoditi utama yang diniagakan adalah Makanan/ Minuman, Mesin / Kenderaan / Tayar dan Tiub, Tekstil / Perkakasan Dapur dan Bahan Pembinaan & Besi Keluli

Dari segi kendalian kargo kontena, Lembaga mengendali sebanyak 87,900 TEU, bebanding 79,890 TEU pada tahun 2021.

Pada 2022, singgahan kapal merekodkan sebanyak 452 singgahan berbanding 495 singgahan pada 2021.

CARGO THROUGHPUT

Rajang Port Authority continued to achieve another favourable performance in 2022, recording 1,493,869 tonnes compared to 1,411,425 tonnes in 2021. This represented an increase of 5.8% or 82,444 tonnes in our total throughput.

Of the total throughput, 1,485,806 tonnes or 99.5% were worked across the Authority's wharves; whilst the rest were cargo worked at the Authority's anchorages.

Imports made up 83.5% registered an increase of 7.1% and exports making up 16.5% of total throughput decreased minimally at 0.2% during the year. The main commodities traded were Foodstuffs/ Beverages, Machinery /Vehicles/ Tyres & Tubes, Textile/Hardware and Building Materials/Iron and Steel.

In terms of containers, in 2022, the Authority handled a total of 87,890 TEUs, compared to 79,890 TEUs handled for 2021, thus registering another double digit increase, of 10%, for the year.

In 2022, total vessel calls registered 452 calls compared to 495 calls made in 2021.

Prestasi Pelabuhan

Containers

Containerized cargo contributing 93.13% of the total throughput, recorded an increase of 4.1% from that of 2021, bringing the total handled from 1,336,756 tonnes to 1,391,267 tonnes.

Dry Bulk, Liquid Bulk & Break Bulk

Dry bulk cargo (bulk rice) recorded an increase this year from 7,895 tonnes to 86,121 tonnes with the demand for more supply of such commodity within the central region of Sarawak.

In 2022, there was no record of liquid bulk handled by the Authority.

Break bulk (general) cargo had also seen a decrease in handling from 64,274 tonnes to 16,481 tonnes only for this year.

JUMLAH KARGO MENGIKUT JENIS / TOTAL CARGO VOLUME BY TYPES

Type Of Cargo	2022	2021	Difference	Growth/ (Drop) %	Share of Throughput %
Containerized	1,391,267	1,336,756	54,511	4.1%	93.13%
Dry Bulk	86,121	7,895	78,226	990.8%	5.76%
Liquid Bulk	-	2,500	-2,500	-100.0%	0.00%
Break Bulk	16,481	64,274	-47,793	-74.4%	1.10%
Total	1,493,869	1,411,425	82,444	5.8%	100.00%

Kargo kontena yang menyumbang 93.13% daripada keseluruhan jumlah kendalian mencatatkan peningkatan kendalian sebanyak 4.1% daripada kendalian tahun 2021, menjadikan jumlah kendalian meningkat daripada 1,336,756 tan kepada 1,391,267 tan.

Kargo pukal Am, Cecair pukal dan Pukal Am

Kendalian Kargo pukal kering (beras pukal) mencatat peningkatan pada tahun ini, daripada 7,895 tan kepada 86,121 tan selari dengan peningkatan permintaan bekalan bagi komoditi tersebut di sekitar kawasan tengah negeri Sarawak.

Kargo cecair pukal merekodkan tidak ada kendalian pada tahun ini.

Kargo pukal juga telah menyaksikan penyusutan dari segi kendalian daripada sebanyak 64,274 tan kepada 16,481 tan pada tahun ini.

Port Performance

Profil Perdagangan

Pada tahun 2022, kargo domestik menunjukkan peningkatan kendalian, iaitu daripada 1,067,308 tan kepada 1,204,301 tan dan membentuk 80.6% kendalian bagi tahun tersebut. Kargo luar negaramembentuk kendalian selebihnya sebanyak 344,117 tan.

Dari segi perdagangan serantau, Lembaga Pelabuhan Rajang telah menyaksikan hampir keseluruhan perdagangannya dengan pelabuhan-pelabuhan lain di Malaysia terutamanya Pelabuhan Kelang.

Rantau Asia Jauh merangkumi 11.2% daripada jumlah kendalian yang didagangkan, dengan Hong Kong mendahului perdagangan pada 5.4% bagi rantau ini.

Rantau Intra-ASEAN membentuk 4.3% dari jumlah dagangan, dengan Singapura menyumbang 2.8% jumlah kendalian bagi Intra-ASEAN.

Lembaga meneruskan perdagangannya dengan pelabuhan-pelabuhan lain di Malaysia termasuklah Pelabuhan Kelang (747,562 tan), Pelabuhan Bintulu (135,375 tan), Pelabuhan Pasir Gudang (107,008 tan), Pelabuhan Pulau Pinang (101,542 tan), Pelabuhan Tg. Manis (89,551 tan), Hong Kong (80,000 tan), China (57,750 tan) dan Jepun (26,175 tan)



Prestasi Pelabuhan

Trade Profile

In 2022, domestic cargo increased from 1,067,308 tonnes to 1,204,301 tonnes and contributed 80.6% of total throughput for the year. Foreign cargo made up the rest of the throughput at 289,568 tonnes.

In terms of region, Rajang Port Authority enjoyed the most of its trade with other Malaysian Ports especially with Kelang Port.

The Far East captured 11.2% of the total throughput traded with Hong Kong leading the trade at 5.4% of the total throughput for this region.

The Intra-ASEAN region accounted for 6.6% of the total throughput with Singapore contributing 2.8% of the total Intra ASEAN region's throughput.

In terms of tonnage, RPA's top trading partners in 2022 were Kelang Port (747,562 tonnes), Bintulu Port (135,375 tonnes), Pasir Gudang Port (107,008 tonnes), Penang Port (101,542 tonnes), Tg. Manis Port (89,551 tonnes), Hong Kong (80,000 tonnes), China (57,750 tonnes) and Japan (26,175 tonnes)

Trading Connections 2022



Domestic 80.6%
Including Port Kelang,
Bintulu Port, Pasir Gudang,
Penang, Tanjung Manis

Far East 11.2%
Including Hongkong, Japan,
And China

South East Asia – 6.6%
Including Indonesia, Philippines,
Singapore, Thailand

Financial Performance

The Authority's strategic objective for sustainable financial viability and excellence had continued to be seen in 2022. The results for 2022 very impressive to say the least.

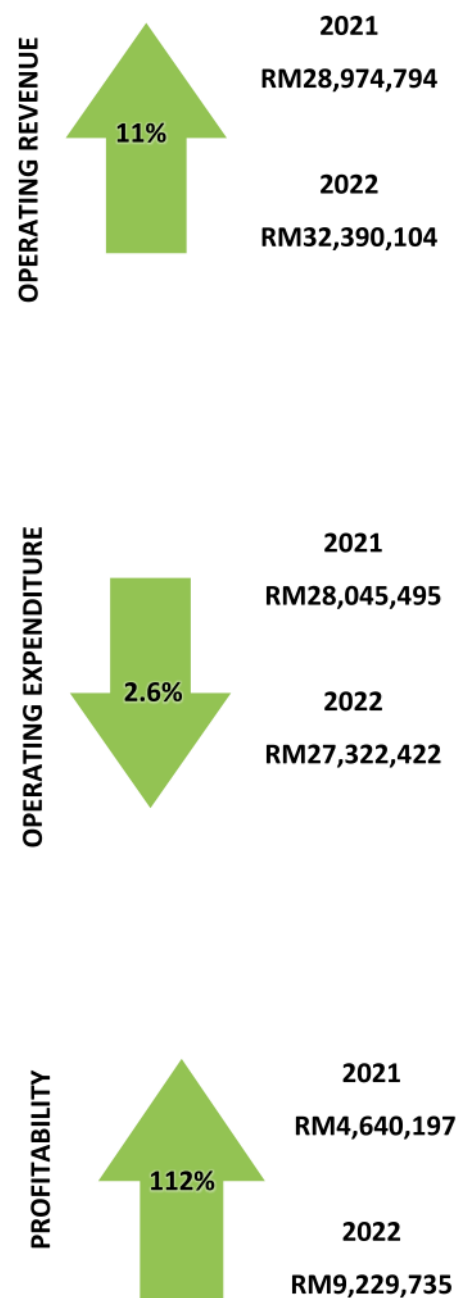
For the year ended 31 December 2022, the Authority recorded a net profit of RM9,229,735. There was an increase in operating revenue of 11% from RM28,974,794 to RM32,390,104. At the same time, operating expenditure for the year had decreased 2.6% to RM27,322,422.

Last year, net profit registered a remarkable increase of RM2,451,053 from RM2,189,144 in 2020 to RM4,640,197. This year once again the Authority is seeing an even staggering increase of net profit of RM4,589,538 from RM4,640,197 in 2021 to RM9,229,735.

Usaha strategik Lembaga untuk menyaksikan kecemerlangan kewangan yang berdaya maju dapat dilihat sekali lagi pada tahun 2022. Hasil kewangan Lembaga pada tahun 2022 amatlah mengagumkan.

Bagi tahun berakhir 31 Disember 2022, Lembaga mencatat untung bersih selepas cukai sebanyak RM9,229,735. Terdapat peningkatan pendapatan operasi dari RM28,974,794 kepada RM32,390,104. Pada masa yang sama, perbelanjaan mengurus untuk tahun ini telah menurun 2.6% ke RM27,322,422.

Pada 2021, untung bersih selepas cukai adalah sebanyak RM2,451,053 dari RM2,189,144 pada tahun 2020 kepada RM4,640,197. Pada 2022, untung bersih sekali lagi mencatat keuntungan di luar jangka iaitu sebanyak RM4,589,538 daripada RM4,640,197 in 2021 kepada RM9,229,735.



Quality Management

Pengurusan Kualiti Menyeluruh

Sejajar dengan matlamat untuk membangun dan menanam program-program TQM di semua bidang dan perkhidmatan pelabuhan, LPR secara berterusan berusaha memertabatkan program kualiti untuk diserap sebagai budaya di tempat kerja.

Usaha-usaha berterusan telah diperkukuhkan lagi bagi meningkatkan kecekapan dalam semua prosidur dan proses kerja. MS ISO 9001:2015 dan Kod ISPS dilaksanakan untuk mengesyorkan pengwujudan kaedah-kaedah kawalan kualiti yang berkesan serta mematuhi peraturan-peraturan kualiti dan keselamatan sedia ada; disamping lain-lain inisiatif kualiti yang bertujuan untuk melengkap dan membantu pematuhannya kepada program-program kualiti sedia ada.

Program-program yang diusahakan secara aktif di dalam Pelayaran Kualiti ini termasuklah :

- Piagam Pelanggan
- Kod Etika Kerja
- Jawatankuasa Integriti dan Tadbir Urus
- Sistem “Q”
- Jawatankuasa Keselamatan dan Kesihatan Pekerja
- 5S
- Kumpulan Inovasi dan Kereativiti
- Jawatankuasa Pengurusan Kewangan dan Akaun
- Jawatankuasa Pemantauan Loji & Jentera
- Hari Bersama Pelanggan
- Majlis Bersama Jabatan
- Hari Q
- Majlis-majlis korporat
- Sesi Dialog

Total Quality Management (TQM)

Consistent with the objective to develop and inculcate TQM programs in all areas and services of the port, RPA had constantly upheld its quality programs for assimilation of quality culture in the workplace.

Concerted efforts had been continuously pursued to improve efficiency in all work procedures and processes. MS ISO 9001:2015 and ISPS Code are implemented for effective quality control measures and compliance with the required quality and security regulations; in addition to other quality initiatives aimed to complement and supplement the compliance aspects of Quality programs.

Programs actively and continually pursued in our quality journey include:

- Clients’ Charter
- Code of Ethics
- ‘Jawatankuasa Integriti dan Tadbir Urus’
- “Q” System
- Safety & Health Committee
- 5S
- CIC Teams
- ‘Jawatankuasa Pengurusan Kewangan dan Akaun’,
- ‘Jawatankuasa Pemantauan Loji & Jentera’
- Hari Bersama Pelanggan
- Majlis Bersama Jabatan
- Hari Q
- Corporate functions
- Dialogues

Human Resource Management

Sumber Manusia

Jumlah keseluruhan kakitangan adalah sebanyak 202 orang pada Disember 2022 berbanding 223 orang pada tahun sebelumnya.

Pembangunan Sumber Manusia

Sejajar dengan objektif korporatnya, LPR meneruskan usahanya untuk mempertingkatkan kemahiran dan pengetahuan pekerjaanya melalui program latihan dan pembangunan termasuklah pelbagai kursus, persidangan dan seminar yang dianjurkan secara dalaman atau di luar pejabat.

Sebanyak 53 program anjuran di luar pejabat dan 4 program dalaman yang menyaksikan seramai 353 penyertaan. Di antara program pembangunan yang dianjurkan terdiri dari pelbagai disiplin termasuklah Kewangan, Keselamatan Pelabuhan, Kesihatan dan Keselamatan, Kualiti dan Operasi Pelabuhan. Ia turut menyelaras program latihan amali untuk seramai 7 pelajar pusat pengajian tinggi tempatan.

Human Resource

The overall manpower strength stood at 202 as at 31 December 2022 compared to 223 in the previous year.

Human Resource Development

In line with its corporate objective, RPA is constantly making continual efforts to upgrade its employees' skills and knowledge through training and development programs which included various courses, conferences and seminars conducted either in house or externally.

In 2022, RPA had organized 57 training and development programs, which included 53 external programs and 4 in house programs with a total of 353 participations. The programs conducted include various disciplines such as Finance, Port Security, Safety and Health, Quality and Port Operations. The Authority had also coordinated industrial / attachment training for 14 undergraduates from local higher institutions.

Meetings



Visit by YB Datuk Amar Douglas Uggah Embas Deputy Premier & Second Minister For Finance And New Economy & Minister For Infrastructure And Port Development



Visit by YB Encik Safiee bin Ahmad Chairman of Tanjung Manis Port Authority



Board Meeting

Corporate



Retirement Party for Our Deputy Chairman YBhg. Datu Ir. Haji Safri bin Haji Zainudin and our board member Encik William Ling Sing Leon



Happy Birthday! GM



Peace Offering



Hari Raya Celebration at MUC, Sibu



Student Visit – SJK Thian Chin



Student Visit – SMK Chung Hua



Gotong-royong at Tadika Ria



Raport Club Annual General Meeting cum
Annual Dinner

Corporate



Maiden Voyage of M.V. MTT Sarikei



New Recruitments Sworn-in



Blood Donation

Achievement



Asia Pacific Enterprise Awards 2022 –
Corporate Excellence



Asia Pacific Enterprise Awards 2022 –
Master Entrepreneur



Asia Pacific Entrepreneur Nobel Records –
Book of Legends Awards 2002



JUMLAH KENDALIAN KARGO (IMPORT) MENGIKUT PUSAT

CENTRES		2022	2021	Difference	Growth/ (Drop) %	Share of Throughput %
Import at Authority's Wharves	Sibu	1,242,291	1,153,117	89,174	7.7%	83.2%
	Sarikei	2,610	1,935	675	34.9%	0.2%
Total Import at Wharves		1,244,901	1,155,052	89,849	7.8%	83.3%
Import at Anchorages	Sibu Midstream	2,554	9,387	-6,833	-72.8%	0.2%
Total Import		1,247,455	1,164,439	83,016	7.1%	83.5%

JUMLAH KENDALIAN KARGO (EKSPORT) MENGIKUT PUSAT

CENTRES		2022	2021	Difference	Growth/ (Drop) %	Share of Throughput %
Import at Authority's Wharves	Sibu	240,896	240,832	64	0.0%	16.1%
	Sarikei	9	607	-598	-98.5%	0.0%
Total Export at Wharves		240,905	241,439	-534	-0.2%	16.1%
Import at Anchorages	Sibu Midstream	5,509	5,547	-38	-0.7%	0.4%
Total Export		246,414	246,986	-572	-0.2%	16.5%

GRAND TOTAL (IMPORT + EXPORT)

2022	2021	Difference	Growth/ (Drop) %	Share of Throughput %
1,493,869	1,411,425	82,444	5.8%	100.0

JUMLAH KARGO MENGIKUT JENIS / TOTAL CARGO VOLUME IN TONNES BY TYPES

Type Of Cargo	2022	2021	Difference	Growth/ (Drop) %	Share of Throughput %
Containerized	1,391,267	1,336,756	54,511	4.1%	93.13%
Dry Bulk	86,121	7,895	78,226	990.8%	5.76%
Liquid Bulk	-	2,500	-2,500	-100.0%	0.00%
Break Bulk	16,481	64,274	-47,793	-74.4%	1.10%
Total	1,493,869	1,411,425	82,444	5.8%	100.00%

JUMLAH KONTENA MENGIKUT JENIS / TOTAL CONTAINER VOLUME IN TEUS BY TYPES

Container by Type	2022	2021	Difference	Growth/ (Drop) %	Share of Throughput %
Laden	54,418	51,341	3,077	6.0%	61.9%
Reefer	1,105	2,103	-998	-47.5%	1.26%
Empty	32,377	26,446	5,931	22.4%	36.83%
Total	87,900	79,890	8,010	10.0%	100.00%

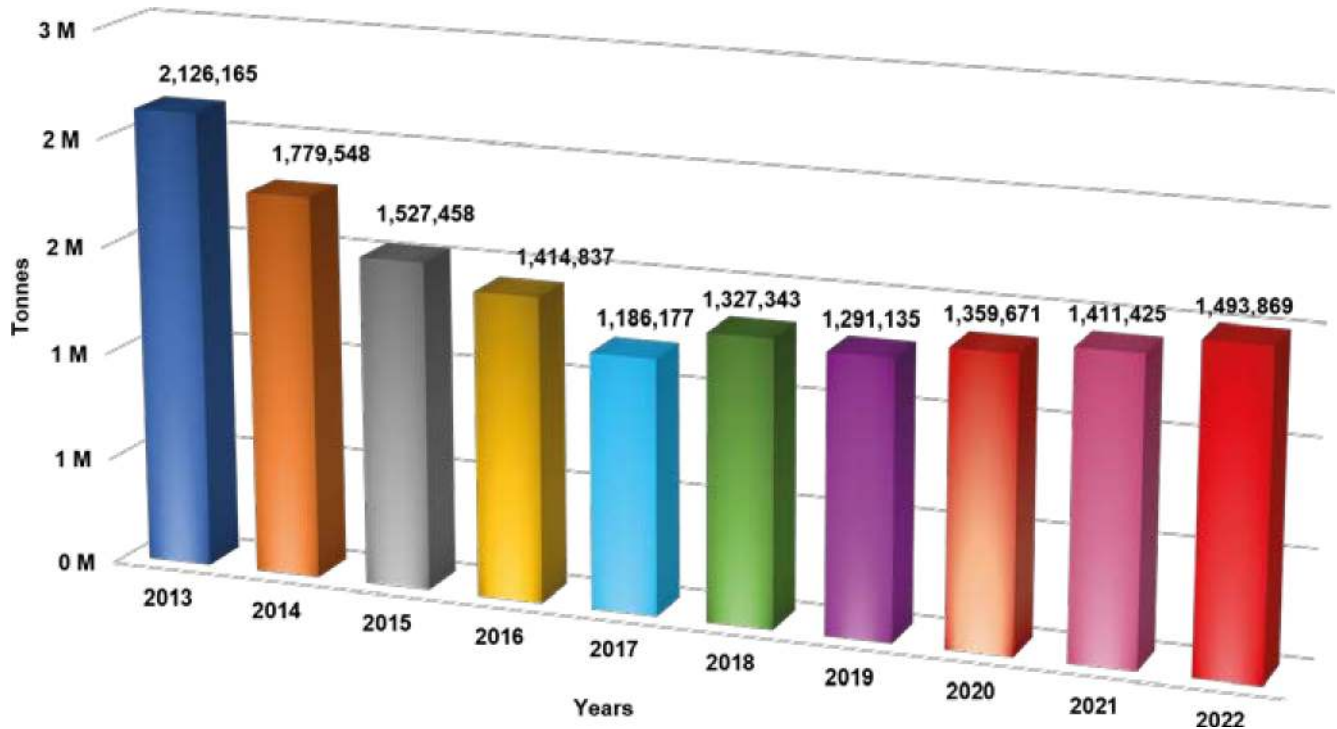
JUMLAH KONTENA (IMPORT/EKSPORT) / TOTAL CONTAINER VOLUME (IMPORT/EXPORT) IN TEUS

Container by Type	2022	2021	Difference	Growth/ (Drop) %	Share of Throughput %
Import	46,080	44,005	2,075	4.7%	52.4%
Export	41,820	35,885	5,935	16.5%	47.6%
Total	87,900	79,890	8,010	10.0%	100.00%

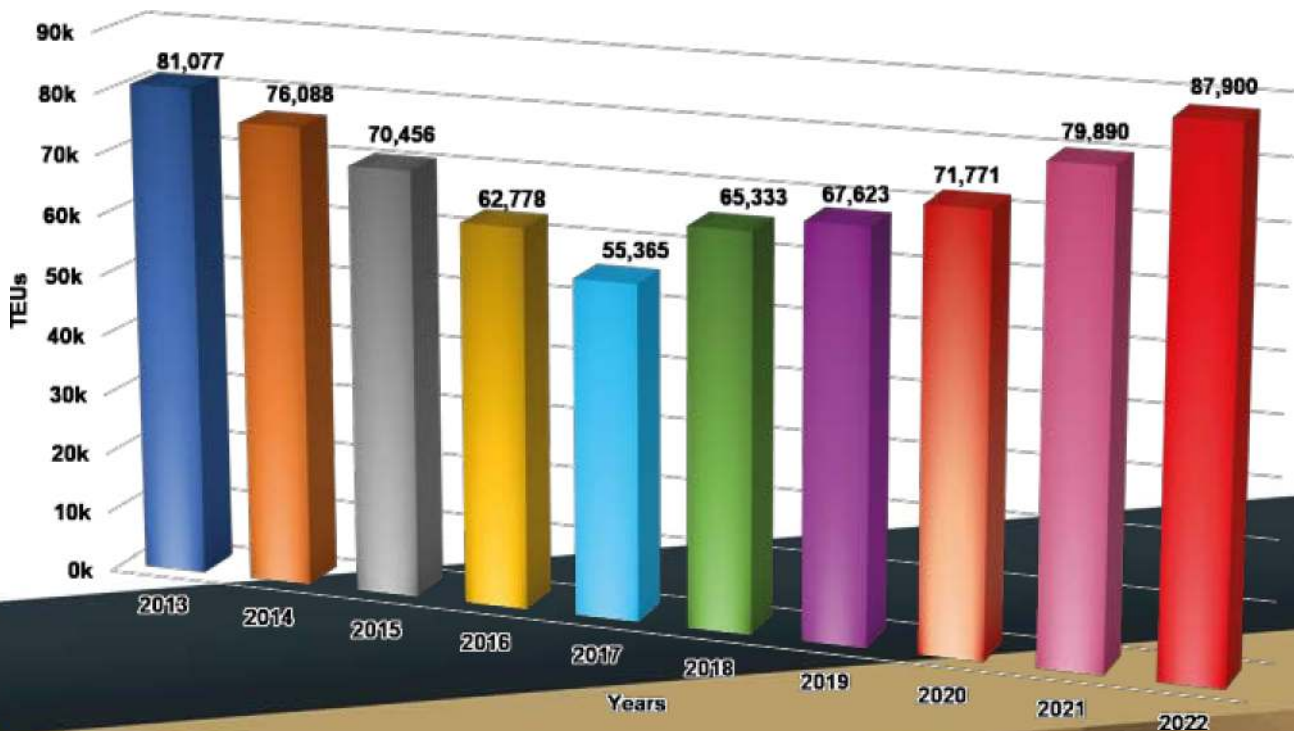
IMPORT & EXPORT COMMODITIES IN TONNES

COMMODITY	2022	2021	Difference	Growth / (Drop) %	Share of Total Import %	Share of Through put %
IMPORT COMMODITIES						
Bulk Fuel Oil / Petroleum Products	31,584	12,850	18,734	145.8%	2.5%	2.1%
Foodstuffs / Beverages	241,387	214,272	27,115	12.7%	19.4%	16.2%
Machinery / Vehicles / Tyres & Tubes	182,886	182,108	778	0.4%	14.7%	12.2%
Building Materials / Iron & Steel	131,134	85,213	45,921	53.9%	10.5%	8.8%
Textile / Hardware	125,750	123,389	2,361	1.9%	10.1%	8.4%
Animal Feeds / Maize	25,484	31,361	-5,877	-18.7%	2.0%	1.7%
Chemicals / Fertilizer	64,619	33,902	30,717	90.6%	5.2%	4.3%
Essential goods (Rice / Sugar / Salt / Flour)	36,931	43,995	-7,064	-16.1%	3.0%	2.5%
Furniture	57,584	43,716	13,868	31.7%	4.6%	3.9%
Electrical / Electronics Goods	37,402	44,771	-7,369	-16.5%	3.0%	2.5%
Newsprint/Paper Products	10,876	8,851	2,025	22.9%	0.9%	0.7%
Miscellaneous Manufactures	301,818	340,011	-38,193	-11.2%	24.2%	20.2%
Total Import	1,247,455	1,164,439	83,016	7.1%	100.0%	83.5%
EXPORT COMMODITIES						
Timber Products	89,925	97,086	-7,161	-7.4%	36.5%	6.0%
Agriculture Products	51,600	53,750	-2,150	-4.0%	20.9%	3.5%
Frozen Fish/Prawn	2,100	3,250	-1,150	-35.4%	0.9%	0.1%
Miscellaneous Manufactures	102,789	92,900	9,889	10.6%	41.7%	6.9%
Bulk Fuel Oil	-	-	-	0.0%	0.0%	0.0%
Palm Oil	-	-	-	0.0%	0.0%	0.0%
Total Export	246,414	246,986	-572	-0.2%	100.0%	16.5%
GRAND TOTAL (IMPORT+EXPORT)	1,493,869	1,411,425	82,444	5.8%		100.0%

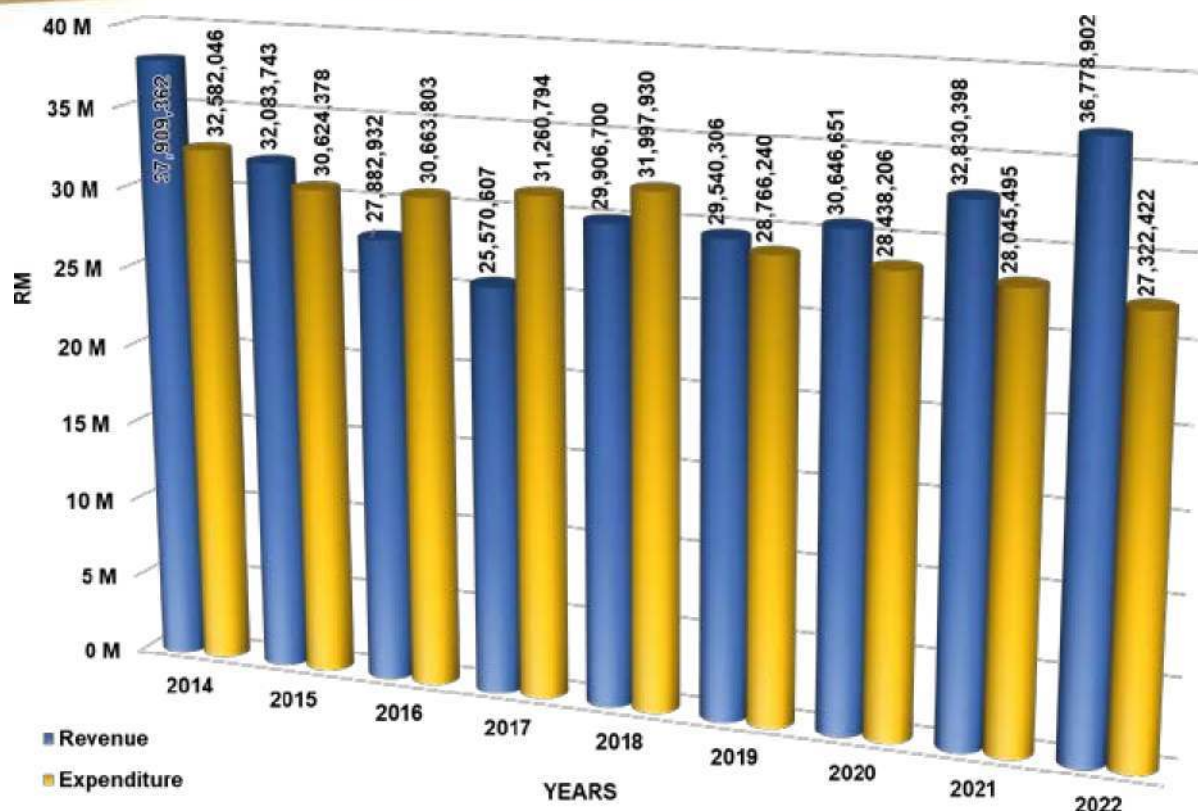
PRESTASI - KENDALIAN KARGO (2013 - 2022)
PERFORMANCE - TOTAL THROUGHPUT (2013 - 2022)
(TAN / TONNES)



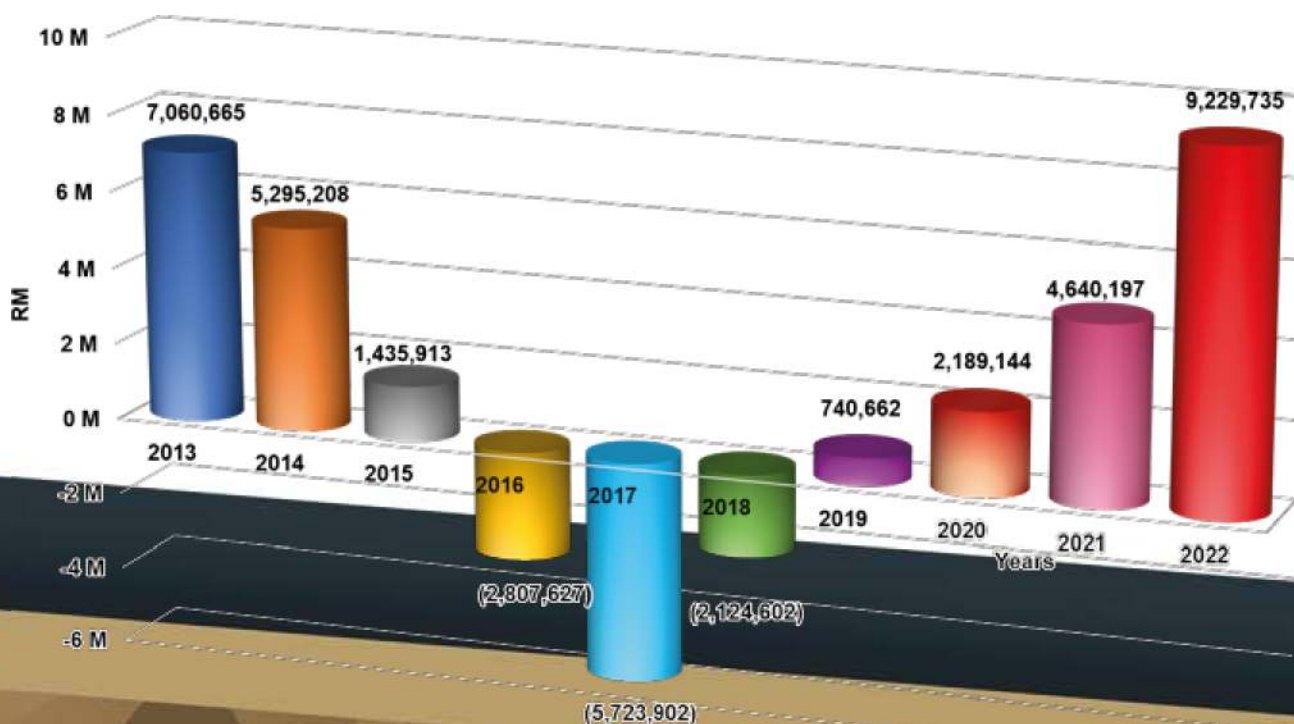
PRESTASI - TRAFIK KONTENA (2013 - 2022)
PERFORMANCE - CONTAINER TRAFFIC (2013 - 2022)
(TEUS)



PRESTASI - PENDAPATAN DAN PEMBELANJAAN (2014 - 2022) PERFORMANCE - REVENUE AND EXPENDITURE (2014 - 2022)



PRESTASI - KEWANGAN (2013 - 2022) PERFORMANCE - FINANCE (2013 - 2022)



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

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BOARD MEMBERS AND PROFESSIONAL ADVISORS

CHAIRMAN : **Datuk Joseph Salang Anak Gandum**

DEPUTY CHAIRMAN : Permanent Secretary, State Ministry of
Infrastructure Development & Transportation
Datu Haji Safri Bin Haji Zainudin
(Retired on 30th June 2022)

Encik Chiew Chee Yau
(Appointed on 1st July 2022)

BOARD MEMBERS : Deputy State Financial Secretary
Dato Sri Dr. Wan Lizozman Bin Wan Omar

Puan Angeline Umih Tujok

Encik Daniel Sng Wei Siong

Encik Abang Abdul Hamid Bin Abang Bolhassan

Encik Joshua Jakson

Encik Ting Ping Kiong
(Appointed on 1st January 2022)

Encik Caleb Wong Sin Yong
(Appointed on 1st July 2022)

BOARD MEMBERS AND PROFESSIONAL ADVISORS

GENERAL MANAGER : Datin Helen Lim Hui Shyan

AUDITOR : Auditor General of Malaysia

BANKER : RHB Bank Berhad

**ADDRESS : Island Road, 96000 Sibul,
Sarawak, Malaysia.**

STATEMENT BY CHAIRMAN AND DEPUTY CHAIRMAN

We, **DATUK JOSEPH SALANG ANAK GANDUM** and **ENCIK CHIEW CHEE YAU**, being the Chairman and Deputy Chairman of RAJANG PORT AUTHORITY, do hereby state that, in the opinion of the Board Members, the accompanying Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows, together with the notes thereon are prepared so as to give a true and fair view of the state of affairs of the RAJANG PORT AUTHORITY as at 31 December 2022 and of the results of its operations and changes in its financial position for the year ended on that date.

On behalf of the Board,



NAME : DATUK JOSEPH SALANG AK GANDUM

TITLE : CHAIRMAN

DATE : 26 APRIL 2023

PLACE: SIBU, SARAWAK

On behalf of the Board,



NAME : ENCIK CHIEW CHEE YAU

TITLE : DEPUTY CHAIRMAN

DATE : 26 APRIL 2023

PLACE: SIBU, SARAWAK

**STATUTORY DECLARATION BY THE OFFICER PRIMARILY
RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE
RAJANG PORT AUTHORITY**

I, **HAYATI BINTI KIPRAWI**, the officer primarily responsible for the financial management and accounting records of RAJANG PORT AUTHORITY, do solemnly and sincerely declare that the accompanying Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows together with the notes thereon, to the best of my knowledge and belief, are 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 abovenamed at **Sibu** in the)
State of Sarawak on this day of)
)

25 APR 2023


.....

Before me,


.....

Commissioner for Oaths





**SIJIL KETUA AUDIT NEGARA
MENGENAI PENYATA KEWANGAN
LEMBAGA PELABUHAN RAJANG
BAGI TAHUN BERAKHIR 31 DISEMBER 2022**

Sijil Mengenai Pengauditan Penyata Kewangan

Pendapat

Saya telah memberikan kuasa kepada firma audit swasta di bawah subseksyen 7(3) Akta Audit 1957 [Akta 62] untuk mengaudit Penyata Kewangan Lembaga Pelabuhan Rajang. Penyata kewangan tersebut merangkumi Penyata Kedudukan Kewangan pada 31 Disember 2022 Lembaga Pelabuhan Rajang dan Penyata Pendapatan Komprehensif, Penyata Perubahan Ekuiti serta Penyata Aliran Tunai bagi tahun berakhir pada tarikh tersebut dan nota kepada penyata kewangan termasuklah ringkasan polisi perakaunan yang signifikan seperti yang dinyatakan pada muka surat 10 hingga 34.

Pada pendapat saya, penyata kewangan ini memberikan gambaran yang benar dan saksama mengenai kedudukan kewangan Lembaga Pelabuhan Rajang pada 31 Disember 2022 dan prestasi kewangan serta aliran tunai bagi tahun berakhir pada tarikh tersebut selaras dengan Piawaian Pelaporan Entiti Persendirian Malaysia (MPERS), The Statutory Bodies (Financial and Accounting Procedure) Ordinance, 1995 dan keperluan The Port Authorities Ordinance, 1961.

Asas Kepada Pendapat

Pengauditan telah dilaksanakan berdasarkan Akta Audit 1957 dan International Standards of Supreme Audit Institutions. Tanggungjawab saya diuraikan selanjutnya di perenggan Tanggungjawab Juruaudit Terhadap Pengauditan Penyata Kewangan dalam sijil ini. Saya percaya bahawa bukti audit yang diperoleh adalah mencukupi dan bersesuaian untuk dijadikan asas kepada pendapat saya.

Kebebasan dan Tanggungjawab Etika Lain

Saya adalah bebas daripada Lembaga Pelabuhan Rajang dan telah memenuhi tanggungjawab etika lain berdasarkan International Standards of Supreme Audit Institutions.

Maklumat Lain Selain Daripada Penyata Kewangan dan Sijil Juruaudit Mengenainya

Lembaga Pengarah, Lembaga Pelabuhan Rajang bertanggungjawab terhadap maklumat lain dalam Laporan Tahunan. Pendapat saya terhadap Penyata Kewangan Lembaga Pelabuhan Rajang tidak meliputi maklumat lain selain daripada penyata kewangan dan Sijil Juruaudit mengenainya dan saya tidak menyatakan sebarang bentuk kesimpulan jaminan mengenainya.

Tanggungjawab Lembaga Pengarah Terhadap Penyata Kewangan

Lembaga Pengarah bertanggungjawab terhadap penyediaan Penyata Kewangan Lembaga Pelabuhan Rajang yang memberi gambaran benar dan saksama selaras dengan Piawaian Pelaporan Entiti Persendirian Malaysia (MPERS), The Statutory Bodies (Financial and Accounting Procedure) Ordinance, 1995 dan keperluan The Port Authorities Ordinance 1961. Lembaga Pengarah juga bertanggungjawab terhadap penetapan kawalan dalaman yang perlu bagi membolehkan penyediaan Penyata Kewangan Lembaga Pelabuhan Rajang yang bebas daripada salah nyata yang ketara, sama ada disebabkan fraud atau kesilapan.

Semasa penyediaan Penyata Kewangan Lembaga Pelabuhan Rajang, Lembaga Pengarah bertanggungjawab untuk menilai keupayaan Lembaga Pelabuhan Rajang untuk beroperasi sebagai satu usaha berterusan, mendedahkannya jika berkaitan serta menggunakannya sebagai asas perakaunan.

Tanggungjawab Juruaudit Terhadap Pengauditan Penyata Kewangan

Objektif saya adalah untuk memperoleh keyakinan yang munasabah sama ada Penyata Kewangan Lembaga Pelabuhan Rajang secara keseluruhannya adalah bebas daripada salah nyata yang ketara, sama ada disebabkan fraud atau kesilapan, dan mengeluarkan Sijil Juruaudit yang merangkumi pendapat saya. Jaminan yang munasabah adalah satu tahap jaminan yang tinggi, tetapi bukan satu jaminan bahawa audit yang dijalankan mengikut International Standards of Supreme Audit Institutions akan sentiasa mengesan salah nyata yang ketara apabila ia wujud. Salah nyata boleh wujud daripada fraud atau kesilapan dan dianggap ketara sama ada secara individu atau agregat sekiranya boleh dijangkakan dengan munasabah untuk mempengaruhi keputusan ekonomi yang dibuat oleh pengguna berdasarkan penyata kewangan ini.

Sebagai sebahagian daripada pengauditan mengikut International Standards of Supreme Audit Institutions, saya menggunakan pertimbangan profesional dan mengekalkan keraguan profesional sepanjang pengauditan. Saya juga:

- a. mengenal pasti dan menilai risiko salah nyata ketara dalam Penyata Kewangan Lembaga Pelabuhan Rajang, sama ada disebabkan fraud atau kesilapan, merangka dan melaksanakan prosedur audit yang responsif terhadap risiko berkenaan serta mendapatkan bukti audit yang mencukupi dan bersesuaian untuk memberikan asas kepada pendapat saya. Risiko untuk tidak mengesan salah nyata ketara akibat daripada fraud adalah lebih tinggi daripada kesilapan kerana fraud mungkin melibatkan pakatan, pemalsuan, ketinggalan yang disengajakan, representasi yang salah, atau mengatasi kawalan dalaman;
- b. memahami kawalan dalaman yang relevan untuk merangka prosedur audit yang bersesuaian tetapi bukan untuk menyatakan pendapat mengenai keberkesanan kawalan dalaman Lembaga Pelabuhan Rajang;
- C. menilai kesesuaian dasar perakaunan yang diguna pakai, kemunasabahan anggaran perakaunan dan pendedahan yang berkaitan oleh Lembaga Pengarah;
- d. membuat kesimpulan terhadap kesesuaian penggunaan asas perakaunan untuk usaha berterusan oleh Lembaga Pengarah dan berdasarkan bukti audit yang diperolehi, sama ada wujudnya ketidakpastian ketara yang berkaitan dengan peristiwa atau keadaan yang mungkin menimbulkan keraguan yang signifikan terhadap keupayaan Lembaga Pelabuhan Rajang sebagai satu usaha berterusan. Jika saya membuat kesimpulan bahawa ketidakpastian ketara wujud, saya perlu melaporkan dalam Sijil Juruaudit terhadap pendedahan yang berkaitan dalam Penyata Kewangan Lembaga Pelabuhan Rajang atau, jika pendedahan tersebut tidak mencukupi, pendapat saya akan diubah. Kesimpulan saya dibuat berdasarkan bukti audit yang diperolehi sehingga tarikh Sijil Juruaudit. Bagaimanapun, peristiwa atau keadaan pada masa hadapan berkemungkinan menyebabkan Lembaga Pelabuhan Rajang tidak lagi berupaya meneruskan operasi secara usaha berterusan; dan
- e. menilai persembahan secara keseluruhan, struktur dan kandungan Penyata Kewangan Lembaga Pelabuhan Rajang, termasuk pendedahannya, dan sama ada penyata kewangan tersebut telah melaporkan asas-asas urus niaga dan peristiwa-peristiwa yang memberikan gambaran saksama.

Lembaga Pengarah telah dimaklumkan, antaranya mengenai skop dan tempoh pengauditan yang dirancang serta penemuan audit yang signifikan termasuk kelemahan kawalan dalaman yang dikenal pasti semasa pengauditan.

Hal-hal Lain

Sijil ini dibuat untuk Lembaga Pengarah, Lembaga Pelabuhan Rajang berdasarkan keperluan The Statutory Bodies (Financial and Accounting Procedure) Ordinance, 1995 serta The Port Authorities Ordinance, 1961 dan bukan untuk tujuan lain. Saya tidak bertanggungjawab terhadap pihak lain bagi kandungan sijil ini.



(DATUK WAN SURAYA BINTI WAN MOHD RADZI)
KETUA AUDIT NEGARA
MALAYSIA



PUTRAJAYA
21 OGOS 2023

STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER 2022

	NOTE	2022 RM	2021 RM
NON-CURRENT ASSETS			
Property, plant and equipment	6	36,994,327	38,532,760
Other investments	7	73,194,562	68,334,251
Loans to employees-unsecured	8	97,047	140,487
		<u>110,285,936</u>	<u>107,007,498</u>
CURRENT ASSETS			
Inventories	9	1,610,671	1,343,858
Trade and other receivables	10	1,411,481	1,497,447
Deposits and prepayments	11	346,455	77,314
Loans to employees-unsecured	8	39,139	40,145
Current tax refundable	12	-	2,385
Cash and cash equivalents	13	20,306,301	12,438,585
Total current assets		<u>23,714,047</u>	<u>15,399,734</u>
TOTAL ASSETS		<u>133,999,983</u>	<u>122,407,232</u>
EQUITY			
Capital fund	14	8,405,594	8,405,594
Accumulated profit		112,805,898	103,576,163
Total equity		<u>121,211,492</u>	<u>111,981,757</u>
NON-CURRENT LIABILITIES			
Deferred income	15	10,948,083	8,974,042
CURRENT LIABILITIES			
Trade and other payables	16	1,764,494	1,451,433
Current tax liabilities	12	74,360	-
Liabilities for employee benefits	17	1,554	-
Total current liabilities		<u>1,840,408</u>	<u>1,451,433</u>
TOTAL EQUITY AND LIABILITIES		<u>133,999,983</u>	<u>122,407,232</u>

The accompanying notes from pages 37 to 57 form an integral part of the financial statements

STATEMENT OF COMPREHENSIVE INCOME **FOR THE YEAR ENDED 31ST DECEMBER 2022**

	NOTE	2022 RM	2021 RM
Revenue	18	32,390,104	28,974,794
Cost of services	18	(19,456,413)	(20,232,324)
Gross profit		12,933,691	8,742,470
Other operating income	19	4,317,390	3,755,604
Administrative expenses	20	(7,866,009)	(7,813,171)
Government grant	21	45,449	100,000
Amortisation of deferred income		25,959	-
Profit before taxation	22	9,456,480	4,784,903
Taxation	23	(226,745)	(144,706)
Profit for the year		9,229,735	4,640,197

The accompanying notes from pages 37 to 57 form an integral part of the financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2022

	Capital fund	Accumulated profit	TOTAL
	RM	RM	RM
Balance at 1 January 2021	8,405,594	98,935,966	107,341,560
Profit for the year	-	4,640,197	4,640,197
Balance at 31 December 2021 and 1 January 2022	8,405,594	103,576,163	111,981,757
Profit for the year	-	9,229,735	9,229,735
Balance at 31 December 2022	8,405,594	112,805,898	121,211,492

The accompanying notes from pages 37 to 57 form an integral part of the financial statements

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022 RM	2021 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	9,456,480	4,784,903
Adjustment for:		
Depreciation of property, plant and equipment	3,247,873	6,452,891
Interest income	(1,960,677)	(1,414,070)
Government grant	(45,449)	(100,000)
Amortisation of deferred income	(25,959)	-
Impairment loss on inventory write-down	5,057	198,743
Property, plant and equipment written off	21,103	-
Gain on sale of property, plant and equipment	(34,994)	-
Operating profit before changes in working capital	10,663,434	9,922,467
Increase in trade and other receivables, deposits and prepayments	(183,175)	(209,833)
Increase / (Decrease) in trade and other payables and liabilities for employee benefits	314,615	(989,717)
(Increase) / Decrease in inventories	(271,870)	65,591
Decrease / (Increase) in loans to employees	44,446	(50,392)
Cash generated from operations	10,567,450	8,738,116
Tax paid, net of refund	(150,000)	(132,370)
Interest received	1,960,677	1,414,070
Net cash generated from operating activities	12,378,127	10,019,816
CASH FLOW FROM INVESTING ACTIVITIES:		
Proceeds from disposal of property, plant and equipment	35,000	-
Purchase of property, plant and equipment	(1,730,549)	(1,190,400)
Increase in other investments	(4,860,311)	(1,345,264)
Net cash used in investing activities	(6,555,860)	(2,535,664)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Government grant received	45,449	100,000
Maintenance dredging grant received	2,000,000	3,200,000
Net cash generated from financing activities	2,045,449	3,300,000
Net increase in cash and cash equivalents	7,867,716	10,784,152
Cash and cash equivalents at 1 January	12,438,585	1,654,433
Cash and cash equivalents at 31 December	20,306,301	12,438,585

The accompanying notes from pages 37 to 57 form an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

1. GENERAL INFORMATION

Rajang Port Authority is a Statutory Body owned by the State Government of Sarawak and established under the Port Authorities Ordinance, 1961.

The functions comprise:-

- 1.1. to maintain, or provide for the maintenance of, adequate and efficient port services and facilities for all users of the port;
- 1.2. to co-ordinate the activities of the port;
- 1.3. to promote the improvement and development of the port; and
- 1.4. to execute such works as may be necessary to the performance of the duties as specified in 1.1., 1.2. and 1.3. above.

The financial statements of the Authority are presented in Ringgit Malaysia.

The financial statements were authorised for issue by the Board on 26 April 2023.

2. COMPLIANCE WITH FINANCIAL REPORTING STANDARDS

The Authority's financial statements have been prepared in compliance with the Malaysian Private Entities Reporting Standard (MPERS) issued by the Malaysian Accounting Standards Board (MASB).

3. BASIS OF PREPARATION

The financial statements of the Authority have been prepared using cost and fair value bases.

Management has used estimates and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting period and the reported amounts of revenue and expenses during the reporting period. Judgements and assumptions are applied in the measurement, and hence, the actual results may not coincide with the reported amounts. The area involving significant judgements and estimation uncertainties are disclosed in note 5.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

4. SIGNIFICANT ACCOUNTING POLICIES

4.1. Property, Plant and Equipment (PPE)

Government properties vested in the Authority are stated at valuation made in pursuance to Section 13(2) of the Port Authorities Ordinance, 1961. The valuation was made by the Government valuer. All other property, plant and equipment are initially measured at cost. For purchased asset, cost comprises purchase price plus all directly attributable costs incurred in bringing the asset to its present location and condition for management's intended use.

All property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

All property, plant and equipment are depreciated by allocating the depreciated amount of a significant component or of an item over the remaining useful life. The depreciation of the property, plant and equipment is calculated using the straight line method and the useful lives of the respective classes of property, plant and equipment are as follows:

Leasehold land	over the lease period of 54-60 years
Buildings, wharves and other facilities	5-40 years
Plant and machinery	7 years
Motor vehicles	7 years
Office furniture and equipment	10 years
Computerisation	5 years

At the end of each reporting period, the residual values, useful lives and depreciation method for the property, plant and equipment are reviewed for reasonableness. Any change in estimate of an item is adjusted prospectively over its remaining useful life, commencing in the current period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.2. Inventories

Inventories are measured at lower of cost and net realisable value where cost is determined using the weighted average cost formula. Net realisable value is determined on an item by item basis or on group of similar item basis.

4.3. Impairment of assets

An impairment loss arises when the carrying amount of the Authority's asset exceeds its recoverable amount.

At the end of each reporting date, the Authority assesses whether there is any indication that a stand alone asset or a cash-generating unit may be impaired by using external and internal sources of information. If any such indication exists, the Authority estimates the recoverable amount of asset or cash generating unit.

If an individual asset generates independent cash flows, it is tested for impairment as a stand alone asset. If an asset does not generate independent cash flows, it is tested for impairment together with other assets in a cash generating unit, at the lower level in which independent cash inflows are generated and monitored for internal management purposes.

For an asset measured on a cost-based model, any impairment loss is recognised in profit or loss.

For a cash-generating unit, any impairment loss is allocated to the assets of the unit pro rata based on the relative carrying amounts of the assets.

The Authority reassesses the recoverable amount of an impaired asset or a cash-generating unit if there is an indication that an impairment loss recognised previously may have reversed. Any reversal of impairment loss for an asset carried at cost based model is recognised in profit or loss. Subject to the limit that the revised carrying amount does not exceed the amount that would have been determined, if no impairment loss had been recognised previously.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.4. Financial instruments

(a) Initial Recognition and Measurement

The Authority recognises a financial asset or financial liability in the statement of financial position when, and only when, it becomes a party to the contractual provisions of the instrument.

On initial recognition, all financial assets and financial liabilities are measured at fair value, which is generally the transaction price, plus transaction costs if the financial asset or financial liability is not measured at fair value through profit or loss. For instruments measured at fair value through profit or loss, transaction costs are expensed to profit or loss when incurred.

i) Cash and cash equivalents

The carrying amount of cash and cash equivalents approximates fair value due to the relatively short-term maturity of these instruments.

ii) Investment in unit trust

The investment in unit trust is measured at fair value through profit and loss.

iii) Trade and other receivables

Receivables are carried at historical cost which is the fair value of the consideration to be received in the future for services rendered.

iv) Trade and other payables

Payables are stated at historical cost, which is the fair value of the consideration to be paid in the future for goods and services received.

(b) Subsequent Measurement of Financial Assets

After initial measurement, all financial assets except financial assets that are measured at fair value through profit or loss are subject to review for impairment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.4. Financial instruments (Cont'd)

(c) Subsequent Measurement of Financial Liabilities

After initial measurement, all financial liabilities are measured at amortised cost using the effective interest method.

(d) Derecognition of Financial Instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire, or are settled, or the Authority transfers to another party substantially all the risks and rewards of ownership of the financial assets. On derecognition of financial assets, the differences between the carrying amounts and the sum of consideration received and any cumulative gains or losses are recognised in profit or loss in the period of the transfer.

Financial liabilities are derecognised when the conditions specified in the contract are discharged, cancelled or expired. Any difference between the carrying amounts of the financial liabilities derecognised and the consideration paid is recognised in profit and loss.

(e) Impairment and Uncollectibility of Financial Assets

At the end of each reporting period, the Authority examines whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Evidences of trigger loss events include: (i) significant difficulty of the obligor; (ii) a breach of contract; (iii) granting exceptional concession to a customer; (iv) it is probable that a customer will enter bankruptcy or other financial reorganisation; (v) the disappearance of an active market for that financial asset because of financial difficulties and (vi) any observable market data indicating that there may be a measurable decrease in the estimated future cash flows from a group of financial assets.

For short term trade and other receivables, where the effect of discounting is immaterial, impairment loss is tested for each individually significant receivable wherever there is any indication of impairment. Individually significant receivables for which no impairment loss is recognised are grouped together with all other receivables by classes based on credit risk characteristics and aged according to their past due periods. A collective allowance is estimated for a class group based on the Authority's experience of loss ratio in each class, taking into consideration current market conditions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.5. Employee Benefits

The Authority recognises a liability when an employee has provided services in exchange for employee benefits to be paid in future and an expense when the Authority consumes the economic benefits arising from services provided by an employee in exchange for employee benefits.

(i) Short-term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Authority. Short-term accumulating compensated absences, such as paid annual leave are recognised when services rendered by employees that increase their entitlement to future compensated absences; and short-term non-accumulating compensated absences, such as sick leave are recognised when the absences occur.

(ii) Defined contribution plan

As required by law, the Authority makes contributions to 'Skim Pencen Perkhidmatan Awam, and the Employee Provident Fund. Such contributions are recognised as an expense in the profit or loss as incurred.

(iii) Other employee benefits

Golden handshake; based on the accumulated unused leave and the service period, may be given in term of cash to the staff upon their retirement.

4.6. Provisions

The Authority recognises a liability as a provision if the outflows required to settle the liability are uncertain in timing and amount.

A provision is recognised when the Authority has a present legal or constructive obligation as a result of a past event, and of which the outflows of resources on settlement are probable and a reliable estimate of the amount can be made. No provision is recognised if these conditions are not met.

A provision is measured at the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.7. Revenue Recognition and Measurement

- (a) Dues, rates and charges

Revenue from services provided and dues are recognised upon being invoiced.

- (b) Government grant

Government grant are recognised as income at their fair value when the proceeds are receivable and all attached conditions are met.

Grant received when the Authority has yet to comply with all attached conditions are recognised as deferred income and recognised as income when all performance conditions are met.

- (c) Rental income

Rental income is recognised in the profit or loss as it accrues.

- (d) Interest income

Interest income consists of financial investment interest and interest on staff loan which is recognised in the profit or loss as it accrues.

4.8. Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand and at banks and short term, highly liquid financial investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturities of three months or less, and are used by the Authority in the management of their short term commitments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.9. Taxation

Tax expense is recognised in profit and loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised in other comprehensive income.

Tax payable on taxable profit for current and past periods is recognised as a current tax liability to the extent unpaid. If the amount paid in respect of the current and past periods exceeds the amount payable for those periods, the excess is recognised as a current tax asset.

Current tax assets and liabilities are measured at the amounts expected to be paid or recovered, using the tax rates and laws that have been enacted or substantially enacted by the reporting date.

Current tax liabilities and assets are offset if, and only if the Authority has a legally enforceable right to set off the amounts and plan either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is provided in full on temporary differences which are the differences between the carrying amounts in the financial statements and the corresponding tax base of an asset or liability at the end of the reporting period.

Deferred tax liabilities are recognised for all taxable temporary differences that are expected to increase taxable profit in the future. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax liabilities and assets are not recognised in respect of the temporary differences associated with the initial recognition of an asset or a liability in a transaction that is not a business combination and at the time of the transactions, affects neither accounting profit nor taxable profit. Deferred tax liabilities are also not recognised for temporary difference associated with the initial recognition of goodwill.

Deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Authority expects to recover or settle the carrying amounts of their assets and liabilities and are measured at the tax rates and laws that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

5. CRITICAL JUDGEMENT AND ESTIMATION UNCERTAINTY

5.1. Estimation Uncertainty

The measurement of some assets and liabilities requires management to use estimates based on various observable inputs and other assumptions. The areas or items that are subject to significant estimation uncertainties of the Authority are in measuring:

(a) Impairment or Write Down of Slow-Moving and Obsolete Inventories

The Authority writes down its slow-moving and obsolete inventories based on assessment of their fair value less costs to sell. Inventories are written down when events and circumstances indicate that the carrying amounts may not be recoverable.

(b) Impairment Loss of Financial Assets

The Authority recognises impairment loss for loans and receivables using the incurred loss model. Individually significant loans and receivables are tested for impairment separately by estimating the cash flows expected to be recoverable. The actual eventual losses may be different from the allowances made and these may affect the Authority's financial position and results.

(c) Depreciation of Property, Plant and Equipment

The cost of an item of property, plant and equipment is depreciated on the straight line method that reflects the consumption of the economic benefits of the asset over its useful life. Estimates are applied in the selection of the depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of the property, plant and equipment may differ from the estimates applied and this may lead to a gain or loss on an eventual disposal of an item of property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

6. PROPERTY, PLANT AND EQUIPMENT

	Leasehold Land RM	Buildings, wharves and other facilities RM	Plant and machinery RM	Motor vehicles RM	Office furniture and equipment RM	Computer isation RM	TOTAL RM
2022							
Cost							
At 1 Jan 2022	9,320,508	117,894,343	81,605,708	1,026,866	1,501,739	3,205,112	214,554,276
Additions	-	873,750	806,510	-	22,560	27,729	1,730,549
Disposals/written off	-	(168,500)	(2,415,570)	(170)	(10,463)	(57,816)	(2,652,519)
At 31 Dec 2022	9,320,508	118,599,593	79,996,648	1,026,696	1,513,836	3,175,025	213,632,306
Accumulated depreciation							
At 1 Jan 2022	6,398,484	82,494,203	81,125,275	976,616	1,403,353	3,138,817	175,536,748
Charge for the year	166,711	2,636,332	370,929	25,794	18,186	29,921	3,247,873
Disposals/written off	-	(141,532)	(2,415,566)	(170)	(10,459)	(57,816)	(2,625,543)
At 31 Dec 2022	6,565,195	84,989,003	79,080,638	1,002,240	1,411,080	3,110,922	176,159,078
Impairment losses							
At 1 Jan 2022	-	484,768	-	-	-	-	484,768
Written off	-	(5,867)	-	-	-	-	(5,867)
At 31 Dec 2022	-	478,901	-	-	-	-	478,901
Carrying amount at 1 Jan 2022	2,922,024	34,915,372	480,433	50,250	98,386	66,295	38,532,760
Carrying amount at 31 Dec 2022	2,755,313	33,131,689	916,010	24,456	102,756	64,103	36,994,327

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

7. OTHER INVESTMENTS

	2022	2021
	RM	RM
Investment in unit trust at fair value	<u>73,194,562</u>	<u>68,334,251</u>

Details of investment in unit trust are as follows:

	2022	2021
	RM	RM
CIMB Private Banking		
(i) AmlIncome Fund	73,105,242	25,841,340
(ii) CIMB Principal Money Market Income Fund	89,320	87,133
 RHB Asset Management Sdn. Bhd.		
(i) RHB Income Plus Fund	<u>-</u>	<u>42,405,778</u>
	<u>73,194,562</u>	<u>68,334,251</u>

The monthly distributions relating to unit trust at the reporting period vary from 1.10% to 3.65% (2021:1.18% to 3.53%) per annum.

8. LOANS TO EMPLOYEES - unsecured

	2022	2021
	RM	RM
NON-CURRENT		
Staff loans	97,047	140,487
 CURRENT		
Staff loans	<u>39,139</u>	<u>40,145</u>
	<u>136,186</u>	<u>180,632</u>

The staff loans, which carry an annual interest rate of 4% (2021:4%), are repayable within a maximum period of seven years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

9. INVENTORIES

Inventories consist of fuel, lubricants, other consumables and spares.

	2022	2021
	RM	RM
General stores	1,386,574	1,246,436
Petrol, oil and lubricants	224,097	97,422
Total inventories	<u>1,610,671</u>	<u>1,343,858</u>
Inventories recognised as an expense	3,675,217	2,312,159
Impairment loss on inventory write-down recognised in profit and loss	5,464	198,743

10. TRADE AND OTHER RECEIVABLES

Included in trade receivables are receiving, sorting and delivery, vessel and sufferance receivables.

	2022	2021
	RM	RM
Trade receivables	1,264,698	1,263,749
Other receivables	146,363	233,277
Accrued Income	420	421
Total current trade and other receivables	<u>1,411,481</u>	<u>1,497,447</u>

11. DEPOSITS AND PREPAYMENTS

	2022	2021
	RM	RM
Prepayments	344,515	75,374
Deposits	1,940	1,940
	<u>346,455</u>	<u>77,314</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

12. CURRENT TAX REFUNDABLE I (LIABILITIES)

Current tax refundable is the amount of the tax paid in excess of the monthly instalment payment under Section 107C of the Income Tax Act 1967.

Current tax liabilities include the estimated amount of tax payable under Section 107C of the Income Tax Act 1967 and the withholding tax on distribution of income from unit trust.

13. CASH AND CASH EQUIVALENTS

The components of cash and cash equivalents consist of :

	2022	2021
	RM	RM
Cash in hand	1400	1,400
Cash at bank	286,651	319,267
Fixed deposit placed with licensed banks	18,018,250	11,117,918
Money Market Time Deposit	2,000,000	1,000,000
	<u>20,306,301</u>	<u>12,438,585</u>

The fixed deposit interest rates at the reporting period vary from 185% to 3.55% (2021: 3.10%) per annum. The interest relating to Money Market Time Deposit is 2.10% (2021:1.30%) per annum.

14. CAPITAL FUND

This is the capital contribution from the Sarawak Government being the value of fixed assets vested in the Authority as follows:-

	RM
Land	5,795,800
Buildings and Wharves	2,609,794
	<u>8,405,594</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

15. DEFERRED INCOME

The amount represents maintenance dredging grant received from the Sarawak Government for dredging maintenance purposes and is analysed as follows:-

	2022 RM	2021 RM
Balance at 1 January	8,974,042	5,774,042
Add: Received during the year	2,000,000	3,200,000
	10,974,042	8,974,042
Less: Amortisation for the year	(25,959)	-
Balance at 31 December	10,948,083	8,974,042

This amount will be recognised in income only when the performance condition is met.

16. TRADE AND OTHER PAYABLES

	2022 RM	2021 RM
Trade payables:		
Port dues payable	-	20,237
Channel maintenance fee payable	-	263,276
	-	283,513
Other payables:		
Sundry payables	144,530	178,851
Accrued expenses	1,226,238	668,864
Accrued salaries	175,234	120,966
Accrued wages	131,192	102,849
Deposits received	87,300	96,390
	1,764,494	1,167,920
Total	1,764,494	1,451,433

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022**

16. TRADE AND OTHER PAYABLES (Cont'd)

16.1 Port Dues Payable

The amount represents port dues payable to the Sarawak Government as a result of the enactment and institution of Port Authorities (Amendment) Ordinance, 1988 which came into force with effect from 1st January, 1988.

16.2 Channel Maintenance Fee Payable

The amount represents channel maintenance fees payable to the Sarawak Government as a result of the enactment of The Rajang Port Authority (Dues, Rates and Charges) (Amendment) Regulations, 2016 which came into force with effect from 1st June, 2017.

17. LIABILITIES FOR EMPLOYEE BENEFITS

	2022	2021
	RM	RM
Golden handshake	<u>1,554</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

18. REVENUE AND COST OF SERVICES

	2022 RM	2021 RM
Revenue from:		
- Receiving, sorting and delivery	11,357,431	10,389,302
- Vessel revenue	21,032,673	18,585,492
Total revenue	32,390,104	28,974,794
Cost of services:		
- Cargo handling gears	49,243	58,150
- Depreciation of property, plant and equipment	2,952,158	6,158,125
- EPF	588,543	475,939
- Fuel, oil and lubricant	1,717,590	992,134
- Labourers' wages	3,277,598	2,761,953
- Repairs and maintenance - equipment	2,442,175	2,027,667
- Salaries and allowances	8,355,321	7,698,661
- Socso	73,233	58,750
- Unallocated store	552	945
Total cost of services	19,456,413	20,232,324
Gross Profit	12,933,691	8,742,470

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

19. OTHER OPERATING INCOME

	2022	2021
	RM	RM
Interest income	1,960,677	1,414,070
Gain on disposal of property, plant and equipment	34,994	-
Sundry income	2,315,358	2,322,486
Surcharge	6,361	18,813
Other revenue	-	235
Total other operating income	<u>4,317,390</u>	<u>3,755,604</u>

Sundry income consists of rental income, storage fee for empty containers, extra movement and stuffing fee for containers, electricity charges for reefer containers and etc.

20. ADMINISTRATIVE EXPENSES

	2022	2021
	RM	RM
Staff costs	4,688,550	4,405,312
Other administrative expenses	2,855,584	2,914,350
Depreciation of property, plant and equipment	295,715	294,766
Property, plant and equipment written off	21,103	-
Impairment loss on inventory write-down	5,057	198,743
	<u>7,866,009</u>	<u>7,813,171</u>

21. GOVERNMENT GRANT

This represents the amount of development grant received from the Sarawak Government to finance the Authority's capital expenditure. The amount is credited to profit and loss to offset against the capital expenditure incurred by the Authority for the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

22. PROFIT BEFORE TAXATION

Profit before tax has been arrived at:

	2022	2021
	RM	RM
After charging:		
Depreciation of property, plant and equipment	3,247,873	6,452,891
Property, plant and equipment written off	21,103	-
Gain on disposal of property, plant and equipment	34,994	-
Impairment loss on inventory write-down	5,057	198,743
Staff costs*	13,705,647	12,638,662
Auditors' remuneration:		
- Current year	28,003	28,003
Legal and professional fees	<u>23,648</u>	<u>6,661</u>
And crediting:		
Interest Income	1,960,677	1,414,070
Amortisation of deferred income	25,959	-
Government grant	<u>45,449</u>	<u>100,000</u>
*Note: Included in staff costs is:		
(a) Members' remuneration and expenses	<u>140,600</u>	<u>143,900</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

23. TAXATION

	2022 RM	2021 RM
Current tax	226,745	98,136
Under provision	-	46,570
Income tax expense for the year	226,745	144,706

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Authority is as follows:-

	2022 RM	2021 RM
Profit before taxation	9,456,480	4,784,903
Taxation at Malaysian statutory tax rate 24% (2021:24%)	2,269,555	1,148,377
Income not subject to tax	(352,567)	(336,867)
Depreciation on non-qualifying property, plant and equipment	121,863	127,190
Expenses not deductible for tax purposes	45,583	62,140
Utilization of deferred tax asset previously not recognised	(1,857,689)	(902,704)
Under provision of taxation in prior year	-	46,570
Income tax expense for the year	226,745	144,706

As at 31s: December, 2022, the Authority has unabsorbed adjusted loss and capital allowance carried forward amounting to RM16,836,852 (2021: RM16,836,852) and RM29,756,496 (2021: RM37,422,344) respectively.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:-

	2022 RM	2021 RM
Property, plant and equipment	926,655	944,540
Unused tax losses	4,040,844	4,040,844
Unabsorbed capital allowances	7,141,559	8,931,363
	12,109,058	13,966,747

Deferred tax assets have not been recognised in respect of the above items as it is not immediately probable that future taxable profits will be sufficient for the Authority to utilise the benefits.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

24. FINANCIAL INSTRUMENTS

24.1. Categories of financial instruments

	2022	2021
	RM	RM
Financial Assets		
- measured at fair value through profit or loss		
Other investments	73,194,562	68,334,251
- measured at amortised cost		
Trade and other receivables	1,411,481	1,497,447
Deposits and prepayments	346,455	77,314
Loans to employees-unsecured	136,186	180,632
Cash and cash equivalents	20,306,301	12,438,585
	<u>22,200,423</u>	<u>14,193,978</u>
Financial Liabilities		
- measured at amortised cost		
Trade and other payables	<u>1,764,494</u>	<u>1,451,433</u>

24.2. Net gains and losses arising from financial instruments

	2022	2021
	RM	RM
Net gains on:		
Financial assets measured at fair value through profit and loss	34,746,817	31,316,328
Financial assets measured at amortised cost	1,960,677	1,414,070
	<u>36,707,494</u>	<u>32,730,398</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

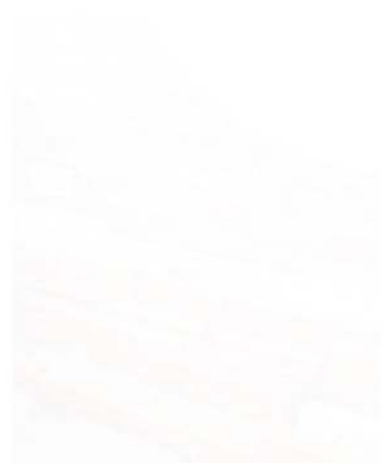
25. RELATED PARTY DISCLOSURES

Key Management Personnel Compensation

	2022 RM	2021 RM
Total compensation	<u>1,272,261</u>	<u>1,274,703</u>

26. CAPITAL COMMITMENT

	2022 RM	2021 RM
Approved and contracted for	<u>5,268,689</u>	<u>-</u>



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