

'New 1MDB board must find out what happened to US\$7 billion'
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The new 1MDB board of directors must immediately instruct auditors Deloitte to resume its audit of the firm so as to get a full picture of the company's financial standing, Petaling Jaya Utara MP Tony Pua said.

The audit is on the financial year ending March 31, 2015 and March 31, 2016.

“Without a clear and accurate picture of the financial position of the company, the board of directors would be acting in a vacuum, rushing headlong into decisions without knowing the underlying status of the company,” he said in a statement.

In particular, the auditors must uncover what happened to the US\$7 billion worth of transactions and assets which the auditor-general's department could not verify, the Public Accounts Committee member said.

Pua said if 1MDB president Arul Kanda Kandasamy could not explain the unaccounted funds, he should be sacked from his position.

This is possible after the finance minister removed Article 117 from the Memorandum and Articles of Association (M&A) which gave the prime minister wide powers to intervene in the firm.

The US\$7 billion unaccounted for includes:

- US\$700 million and US\$330 million transferred to Good Star Limited, a firm Bank Negara Malaysia reportedly has identified as owned by Jho Low and is unrelated to the 1MDB-Petrosaudi venture in 2009 and 2011;
- US\$3.51 billion paid to dissolved British Virgin Island-incorporated Aabar Investment PJS Limited, a firm Abu Dhabi's International Petroleum Investment Corporation said did not belong to it;
- US\$940 million of “units” in BSI Bank in Singapore, which has since been ordered to close; and

- US\$1.56 billion of investments by 1MDB's foreign subsidiary 1MDB Global Investments Limited.

Pua said changes in the board of directors and M&A would be useless if nothing was accounted for and rogue management was practiced.

The Finance Ministry announced Treasury secretary-general Mohd Irwan Serigar Abdullah, senior private secretary to the chief secretary Norazman Ayob and Prokhas chief operating officer Kamal Mohd Ali as **new members** of the board.

The ministry also dissolved the 1MDB board of advisers, headed by Prime Minister Najib Abdul Razak, and amended the M&A to remove portions which allowed the prime minister wide powers on firm management and transactions.

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