

Parker Randall - what lies behind the name

MalaysiaKini.com

Jan 6th, 2017

1MDB, which has courted international fame for the wrong reasons, has appointed a new auditor, almost six months after the previous firm tasked with number crunching its accounts, Deloitte Malaysia, resigned.

Yesterday, 1MDB chairperson Irwan Serigar Abdullah revealed that Parker Randall has been **appointed** as the new auditor for the state investment arm.

But who, or to be more precise, what is Parker Randall?

Parker Randall refers to itself as the association of member firms of Parker Randall International Limited.

Parker Randall, however, has a collection of associate companies around the world and its member firms offer auditing, accountancy and other services in 53 countries in more than 100 offices.

Each firm, said the association on its website, is vetted through a review process before joining the Parker Randall network.

As stated on its website, each member firm is a separate and independent legal entity. Therefore, a particular entity's actions or omissions do not pose any liability on other member firms.

Aftaas (Afrizan Tarmili Khairul Azhar), on the other hand, is Parker Randall's member firm in Malaysia.

It is unclear, however, whether Parker Randall or its local chapter would be auditing 1MDB.

Malaysiakini has contacted both Parker Randall and Aftaas for clarification and is awaiting their response.

What do we know about Parker Randall?

Based on its corporate website, Parker Randall is described as a "provider of assurance, tax, consulting as well as financial advisory services".

Parker Randall International Limited was incorporated in August 2003 and is registered to execute auditing work in the United Kingdom by the Association of Chartered Certified Accountants.

It was registered as a limited liability partnership in England and Wales.

Parker Randall UK is also registered to carry out auditing work in the UK by the Institute of Chartered Accountants in England and Wales. The company was incorporated in Dec 2011.

The International Accounting Bulletin reported last October that Parker Randall would merge with Streets Chartered Accountants and be re-branded as Streets Parker.

And with the merger, Parker Randall International would likewise re-brand into Streets Parker Global.

According to business commercial website Endole, Streets Parker Global Limited was incorporated in September last year.

Parker Randall International describes itself as a "top-ranked, international association of independent audit and accounting firms" and as an alternative to the "Big Four accounting firms" - PricewaterhouseCoopers (PwC), Deloitte, Ernst & Young (E&Y) and KPMG.

1MDB's predecessor Terengganu Investment Authority (TIA) had roped in Ernst & Young as its auditor in March 2009, but the latter's services were terminated in September 2010.

1MDB later appointed KPMG who signed off on 1MDB's accounts for 2010, 2011 and 2012.

Deloitte Malaysia then took over from KPMG after the state-owned firm sacked KPMG in December 2013.

1MDB, thus far, has been audited by three of the 'Big Four' accounting firms.

Although Parker Randall claims to be an alternative to the 'Big Four', a 2011 ranking on the largest law and accounting firm networks ranked the company at 56 among 60.

Parker Randall did not make the list for accountancy publication Accountancy Age's 'Top 100' survey for 2016.

Parker Randall's future partner Streets, however, is ranked at number 36.

Though the existence of glaring grammatical errors on its website are far from inspiring, it however must be noted that a disclaimer on the bottom of the page states that certain content on the website were prepared by other Parker Randall International member firms.

Who is Aftaas?

Aftaas (Afrizan Tarmili Khairul Azhar) is a local firm which provides auditing as well as tax and advisory services.

A member of Parker Randall International and headquartered in Kuala Lumpur, it also has offices in Shah Alam, Ipoh, Kuantan, Kota Baru and Johor Baru.

According to its website, the company offers services such as assurance and business advisory, tax advisory, management consultancy, corporate advisory, syariah advisory, corporate recovery as well as secretarial services.

However, information on the firm's affiliation with Parker Randall could not be found, instead returning with an error 404 - the nonexistence of the page with the particular URL.

But alternative searches on Aftaas' files found the PDF version with information on this. It was also stated that Khairul Azahar Ariffin is the executive chairperson while Mohd Afrizan Husain is the managing partner.

Other partners are Tarmili Dulah Kusni and Khairudin Ibrahim.

Google searches of these names, however, only found them mostly mentioned in postings related to accounting and tax services.

Though Aftaas has never come under the spotlight for questionable practices, opposition leaders have in the past pulled the trigger on companies it had audited.

In 2014, PKR vice-president Rafizi Ramli claimed the federal government was still paying for the construction of the new UiTM campus in Kota Samarahan, Sarawak, despite having privatised the project to Rekajaya Projek Sdn Bhd through direct negotiation.

According to the Companies Commission of Malaysia (CCM), Aftaas was the auditor for Rekajaya as of 2012.

Last May, DAP lawmaker Ong Kian Ming claimed the government allocated RM10 million to BFR Institute, which was also audited by Aftaas.

Based on a CCM search, Ong claimed Performance and Management Delivery Unit (Pemandu) chief Idris Jala owned 51 percent of BFR while Pemandu Corporation owned the remaining 49 percent.

Idris however denied owning the majority stake in BFR Institute and said the firm belonged to the government.

A CCM search by *Malaysiakini* found the information was updated on March 1, 2016.

The updated information showed BFR Institute's shares was increased to 400,000, with Pemandu Corporation thereafter controlling 399,949, or 99 percent of the shares.

The document showed Idris still retaining 51 shares, but with the increase in total shares, his portion had been reduced to a negligible amount of 0.01 percent.

CCM records showed that Aftaas was the auditor for BFR Institutue as of 2014, the same year the firm was incorporated.

Copyright © 1999-2016 Mkini Dotcom Sdn. Bhd

Source: <http://www.malaysiakini.com/news/368397>