

## **A tale about 1MDB and CCM**

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Tiger is a simple creature which prefers to make things easy so that everyone can relax and take a welcome snooze under a shady jungle tree after a hearty mid-day meal. But 1Malaysia Development Bhd or 1MDB makes that tough and the Companies Commission of Malaysia or CCM makes it tougher. Let Tiger explain.

It is our strategic investment fund. It has invested tonnes of money (over RM40 billion in loans) all over the place and acquired assets on the cheap from the government and expensively from others.

It prices its loans surreptitiously to benefit some and this has already cost the country billions. Many suspect that it may already be in deep trouble and has to do some creative accounting to make things look less dismal. And therefore it has much to hide.

Yes, Tiger is talking about 1MDB. And so when news that the accounts have been filed with the CCM came out Tiger was quick to pounce. One of us checked the CCM website for 1MDB but no, you can't see what accounts you are downloading.

Considering that the matter is of great public importance, Tiger said, nevermind the RM15 ringgit they charge for the download, let's just check if it is there. (Previously one Tiger downloaded but got the old accounts we already had – a waste of RM15.) And lo and behold, it was but it was the abbreviated accounts. Read the story here.

But abbreviated the accounts were, very much so. There was no way to make sense of what the figures meant and where those profits came from. The full accounts will show the picture.

So another Tiger rushed out the door and went to CCM's premises which were in the KL Sentral area. Confusion reigned – Tiger was not sure which counter to go to. There were e-info, Idaman, others.

Eventually Tiger established Idaman ("desire or dream" in Malay) was the service to go to, but neither his desires nor his dreams were fulfilled. He was chastised by the counter staff for wrongly filling a form and told to come back a week later when the documents have been been found and photocopied!

So, no we don't have the full accounts. If you do, send it to us. Promise, we will be discreet.

But it could all have been simpler. All CCM had to do is to put the documents on the web. Those who have retrieved documents from Bursa Malaysia know what I am talking about. Just go to the relevant company and retrieve the appropriate document in PDF format. So simple, so fast, no rude counter staff.

No, but that is not the way the CCM operates. It has a website but it can't even tell you what document you are uploading and for what year. For longer, more relevant documents, no way out, you have to go to their premises to get them – a week later.

The solution is oh, so simple. Companies can simply be told to submit their documents in PDF format. This can be directly uploaded to the CCM website which will provide a list of materials appropriately labelled available by year and how much it will cost. Then you choose, pay electronically and download.

If this is too much (Tiger seriously doubts that) as there are too many companies, then do this for companies which are large enough, say assets of RM10 million or more. That means significantly large companies who are likely to come under the public interest category can be easily accessed without valuable time being wasted.

But instead we get something else from the authority that purports to enforce the Companies Act, the single most important piece of legislation that governs the conduct of companies. Despite numerous apparent transgressions of the Act, little action has so far been taken by the CCM. But that's a story for another day.

Tiger is reminded that in one of the Budget speeches of former prime minister Abdullah Ahmad Badawi there was a proposal to merge the CCM with the Securities Commission. Tiger stands ready to second the motion but with the provision that the latter sits firmly in the driver's seat – it would be disaster if it is the other way around.

But the fault in this particular case is not just CCM. Equally culpable is 1MDB. Why can't this strategic fund which is wholly owned by the government and has over RM40 billion of assets under its leaky umbrella make the disclosure on its own?

At the very least, it should put up its accounts and annual reports – on time – on its own website so that anyone who is interested can access them and analyse them.

Even better it can take a leaf out of its sister company's book. Khazanah Nasional is also wholly owned by the government and it too bills itself as a fund which has a strategic role to play. But Khazanah Nasional has a press conference to disclose its performance on a yearly basis in addition to a comprehensive report.

Dare 1MDB do that?

Instead, 1MDB attempts to squirrel away its accounts out of sight of a highly inquisitive public already piqued by the strange goings-on at 1MDB and is unwittingly aided in this by an incompetent CCM whose archival system dates back to the stone ages.

GRRR!

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