

## **SECURITIES INDUSTRY ACT 1983**

### **SECURITIES INDUSTRY (COMPLIANCE WITH APPROVED ACCOUNTING STANDARDS) REGULATIONS 1999**

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In exercise of the powers conferred by paragraph 127(2)(v) of the Securities Industry Act 1983[*Act 280*], the Minister makes the following regulations:

#### **Citation**

1. These regulations may be cited as the **Securities Industry (Compliance With Approved Accounting Standards) Regulations 1999**.

#### **Application**

2. These Regulations shall apply to the financial statements and accounts, and if the listed corporation is a holding corporation for which consolidated financial statements and consolidated accounts are required the consolidated financial statements and consolidated accounts, of the listed corporation for the financial period ending on or after 30 June 1999.

#### **Interpretation**

3. (1) In these Regulations—

“approved accounting standard” shall have the meaning assigned to the expression in section 2 of the Financial Reporting Act 1997 [*Act 558*] and published in accordance with the Financial Reporting (Publication of Approved Accounting Standard) Regulations 1999[*P.U.(A) 250/99*];

“accounts” and “consolidated accounts” mean profit and loss account and balance sheets and include notes and statements required under the companies Act 1965[*Act 125*] (other than auditors’ reports or directors’ reports) and attached or intended to be read with the profit and loss accounts or balance sheets;

“financial statements” and “consolidated financial statements” include the accounts or consolidated accounts of a listed corporation and such other statements which describe the financial position or performance of the listed corporation;

“listed corporation” means a corporation whose securities or any class of its securities have gained admission to be quoted on a stock market of a stock exchange.

(2) For the avoidance of doubt, “notes” referred to in the definition of “accounts” shall include accounting policies.

### **Failure to comply with approved accounting standards an offence**

4. (1) Every listed corporation, its directors and chief executive shall prepare and present or cause to be prepared and presented the financial statements, and if the listed corporation is a holding corporation for which consolidated financial statements are required the consolidated financial statements, of the listed corporation in accordance with approved accounting standards.

(2) Every director of a listed corporation shall ensure that the accounts, and if the listed corporation is a holding corporation for which consolidated accounts are required the consolidated accounts, of the listed corporation, when laid before the annual general meeting are made out in accordance with approved accounting standards.

(3) Any person who contravenes subregulation (1) or (2) commits an offence.

### **Commission may require rectification of financial statements and accounts**

5. (1) Where the Commission is of the opinion that the financial statements or consolidated financial statements that are prepared or presented or the accounts or consolidated accounts that are laid before an annual general meeting are not in compliance with approved accounting standards—

(a) the Commission may direct the listed corporation, its directors or chief executive, as the case may be, whether or not any of them have been charged with an offence in respect of the contravention—

(i) to rectify the relevant financial statements or consolidated financial statements, or accounts or consolidated accounts, as the case may be, in order to ensure compliance with the approved accounting standards;

(ii) to provide relevant undertakings to the Commission with regard to compliance with the approved accounting standards; and

(iii) to make such announcement as the Commission deems fit in relation to any non-compliance or any rectification required; and

- (b) the Commission may, with the consent of any relevant regulatory authority, take such administrative action as the Commission deems fits against the listed corporation, its directors or chief executive.
- (2) Upon rectification of the financial statements or consolidated financial statements, or accounts or consolidated accounts under subparagraph (1)(a)(i), the listed corporation, its directors or chief executive, as the case may be—
  - (a) shall submit the rectified financial statements or consolidated financial statements, or accounts or consolidated accounts to the Commission within such period as the Commission may direct, and
  - (b) may provide the rectified financial statements or consolidated financial statements or accounts or consolidated accounts to any person as the listed corporation, directors or chief executive deems fit.
- (3) Any person who refuses or fails to comply with a direction of the Commission under paragraph (1)(a) or subregulation (2) or who breaches an undertaking provided under subparagraph (1)(a)(ii) commits an offence.

Made 15 June 1999.

[S(8.02)248/24/3-16 Jd. 7; PN(PU<sup>2</sup>)135/V]

DATO' MUSTAPA MOHAMED  
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