

- (a) to be kept accounting and other records in Malaysia as will sufficiently explain the transactions and financial position of the foreign company, arising out of its operations in Malaysia; and
- (b) the records under paragraph (a) to be kept in such a manner as to enable the records to be conveniently and properly audited.

(2) The records referred to in subsection (1) shall be audited by a person approved under section 263.

(3) Every foreign company, the directors and managers of the foreign company shall cause appropriate entries to be made in the accounting and other records within sixty days of the completion of the transactions to which the entries relate.

(4) Subsections 245(3), (4), (7) and (8) shall apply to foreign companies as if for references to a “company” there were substituted references to a “foreign company”.

Financial statements

575. (1) Subject to this section, a foreign company shall, within two months of its annual general meeting, lodge with the Registrar a copy of its financial statements made up to the end of its last financial year in such form and containing such particulars and accompanied by copies of such documents as the company is required to annex, attach or send with its financial statements by the law for the time being applicable to that company in the place of its incorporation or origin, together with a statutory declaration in the prescribed form verifying that the copies are true copies of the documents so required.

(2) The Registrar may, if he is of the opinion that the financial statements and other documents referred to in subsection (1) do not sufficiently disclose the company’s financial position, require the company to lodge financial statements within such period, in such form and containing such particulars and to annex thereto such documents as the Registrar by notice in writing to the company requires, but this

subsection does not authorize the Registrar to require financial statements to contain any particulars or the company to annex, attach or to send any documents that would not be required to be furnished if the company were a public company incorporated under this Act.

(3) The foreign company shall comply with the requirements set out in the notice.

(4) Where a foreign company is not required by the law of the place of its incorporation or origin to hold an annual general meeting and prepare financial statements, the foreign company shall prepare and lodge with the Registrar financial statements within such period, in such form and containing such particulars and to annex such documents as the directors of the foreign company would have been required to prepare or obtain if the foreign company were a public company incorporated under this Act.

(5) In addition to the financial statements and other documents required to be lodged with the Registrar by subsections (1) to (4), a foreign company shall lodge with the Registrar—

- (a) a duly audited financial statements and other documents required to be attached with the financial statements; and
- (b) a duly audited statement showing the foreign company assets used in and liabilities arising out of its operations in Malaysia as at the date to which its financial statements was made up,

which so far as is practicable, complies with the applicable approved accounting standards and which gives a true and fair view of the foreign company's operations in Malaysia for the last preceding financial year of the company.

(6) Subject to subsection (5), the foreign company shall be entitled to make such allotment of expenses incurred in connection with the operations or administration affecting both Malaysia and elsewhere and to add such notes and explanations as in its opinion are necessary or desirable in order to give a true and fair view of the profit or loss of its operations in Malaysia.

(7) The Registrar may waive compliance with subsection (5) in relation to any foreign company if the Registrar is satisfied that—

- (a) it is impractical to comply with this subsection having regard to the nature of the company's operations in Malaysia;
- (b) it would be of no real value having regard to the amount involved;
- (c) it would involve expense unduly out of proportion to its value; or
- (d) it would be misleading or harmful to the business of the company or to any company which is deemed by virtue of section 7 to be related to the company.

(8) Financial statements shall be deemed to have been duly audited for the purposes of subsection (5) if the financial statements is—

- (a) accompanied by a report by an approved company auditor in accordance with section 266; and
- (b) accompanied with a statutory declaration by the agent or, where the agent is not primarily responsible for the financial management of the company, by the person so responsible setting forth his opinion as to the correctness or otherwise of the statement and profit and loss account.

Annual return

576. (1) A foreign company shall lodge with the Registrar, once in every calendar year, an annual return in the form and manner as the Registrar may determine.

(2) The annual return shall contain the following particulars:

- (a) the address of its registered office;
- (b) the address of its business place including branch, if any;