



**SURUHANJAYA SYARIKAT MALAYSIA
COMPANIES COMMISSION OF MALAYSIA**

COMPANIES ACT 1965: SSM'S PRACTICE NOTE NO 1/2008

**RE: REQUIREMENTS RELATING TO THE LODGEMENT OF
ANNUAL RETURN OF COMPANIES**

1. This Practice Note serves to inform the requirements under section 165 of the Companies Act 1965 (CA 1965) relating to the lodgement of annual returns with the Registrar of Companies.

Lodgement of Annual Returns

2. Section 165 of the CA 1965 requires all companies to lodge annual return within one (1) month after the annual general meeting (AGM). The annual return of a company shall be in accordance with the Eighth Schedule to the CA 1965 and be accompanied by such copies of documents as are required or such certificates or other particulars as prescribed in Part II of that Schedule.

3. Part II of the Eighth Schedule requires the following attachment:

- (i) a copy of the last audited accounts comprising the balance sheet and profits and loss accounts (including

every document required to be attached thereto);
and

- (ii) a copy of the auditor's report.

4. Part II of the Eight Schedule also stated that in the case of an exempt private company that is solvent, the attachment of the audited accounts may be substituted by a certificate signed by a director, a company secretary and auditor stating that:

- (a) the company is an exempt private company;
- (b) an audited accounts in compliance with the provisions of the CA 1965 has been tabled in the company's AGM; and
- (c) the company is able to meet its liabilities as and when they fall due as at the date of the audited profit and loss account.

5. The audited accounts must be certified by a director or a manager or a company secretary to be a true copy of such documents. The audited accounts or the certificate relating to exempt private company, as the case may be, must either be in '*Bahasa Malaysia*' or English and if they are in any other languages, the translation in '*Bahasa Malaysia*' or English must be provided.

6. Therefore, any lodgement of annual returns without the inclusion of an audited accounts or a duly signed certificate relating to exempt private company constitute an incomplete submission and will not be accepted by the Registrar.

7. The practice adopted by some companies which lodge annual returns without attaching the audited accounts is not in accordance with the requirements of the CA 1965 as well as the principles of good corporate governance. The statement/explanation that such documents is not ready and to be laid at an adjourned AGM does not justify the lodgement of annual return without the audited accounts.

8. As the laying of the audited accounts is one of the ordinary businesses of an AGM, the AGM should only be called when the audited accounts are ready and sent to all members at least 14 days before the meeting or less if agreed to by all members as required under section 170 of the CA 1965. Therefore, the question of adjourning an AGM to a later date to lay the audited accounts only when they are ready does not arise.

Effective Date

9. Henceforth, annual returns with respect to AGMs held in the calendar year 2008 and thereafter would only be accepted for lodgement by the Registrar if they are accompanied with a copy of the relevant audited accounts or, where applicable, a duly signed certificate relating to exempt private company.

10. This Practice Note serves to reiterate SSM's stance for annual returns to be lodged together with audited accounts.

REGISTRAR OF COMPANIES

COMPANIES COMMISSION OF MALAYSIA

13 June 2008