

Corporations Act Entities with Financial Reporting Obligations

Based on information lodged with ASIC in the 12 months to 30 June 2007, there were 1,574,339 companies, registered schemes and disclosing entities in Australia. Of these, 32,814 are expected to have financial reporting obligations under the current requirements in Chapter 2M of the Corporations Act. These companies are divided as follows:

<p align="center">Large Proprietary Companies</p> <p><i>Who are they?</i> Proprietary companies that meet two out of the following three tests: (i) consolidated assets of \$12.5m or more (ii) consolidated revenue of \$25m or more (iii) 50 or more employees in the company and its controlled entities</p> <p><i>What are their financial reporting obligations?</i> Prepare and lodge a directors' report and audited financial report with ASIC.</p> <p><i>How many are reporting?</i> 4,393 including approximately 400 with ASIC audit relief (excludes grandfathered large proprietary companies discussed below)</p>		<p align="center">Listed Public Companies</p> <p><i>Who are they?</i> Public companies that are listed on a stock exchange.</p> <p><i>What are their financial reporting obligations?</i> Prepare and lodge an annual directors' report and an audited remuneration report and financial report. Prepare and lodge a half-year directors' report and financial report that has been reviewed or audited by an auditor.</p> <p><i>How many are reporting?</i> 1,865</p>		<p align="center">Registered Schemes</p> <table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%; text-align: center;">Listed</th> <th style="width: 50%; text-align: center;">Unlisted</th> </tr> </thead> <tbody> <tr> <td><i>Who are they?</i> A scheme registered under the Act that is also listed on a stock exchange.</td> <td><i>Who are they?</i> A scheme registered under the Act that is not listed on a stock exchange.</td> </tr> <tr> <td><i>What are their financial reporting obligations?</i> Prepare and lodge an annual directors' report and audited financial report. Prepare and lodge half-year directors' report and a financial report that has been reviewed or audited by an auditor.</td> <td><i>What are their financial reporting obligations?</i> Prepare and lodge an annual directors' report and audited financial report (unless also a disclosing entity as discussed below).</td> </tr> <tr> <td><i>How many are reporting?</i> 153</td> <td><i>How many are reporting?</i> 4,547</td> </tr> </tbody> </table>		Listed	Unlisted	<i>Who are they?</i> A scheme registered under the Act that is also listed on a stock exchange.	<i>Who are they?</i> A scheme registered under the Act that is not listed on a stock exchange.	<i>What are their financial reporting obligations?</i> Prepare and lodge an annual directors' report and audited financial report. Prepare and lodge half-year directors' report and a financial report that has been reviewed or audited by an auditor.	<i>What are their financial reporting obligations?</i> Prepare and lodge an annual directors' report and audited financial report (unless also a disclosing entity as discussed below).	<i>How many are reporting?</i> 153	<i>How many are reporting?</i> 4,547
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<p align="center">Grandfathered Large Proprietary Companies</p> <p><i>Who are they?</i> Proprietary companies incorporated prior to 1995 (when the obligation for large proprietary companies to report was introduced) that were previously exempt proprietary companies, had their financial reports audited and met certain other requirements.</p> <p><i>What are their financial reporting obligations?</i> Must prepare a directors' report and audited financial report but no requirement to lodge with ASIC</p> <p><i>How many are reporting?</i> 1,714</p>		<p align="center">Public Companies Limited by Guarantee</p> <p><i>Who are they?</i> Public companies limited by guarantee. These companies predominately have a not-for-profit focus.</p> <p><i>What are their financial reporting obligations?</i> Prepare and lodge an annual directors' report and an audited financial report.</p> <p><i>How many are reporting?</i> 11,093</p>		<p align="center">Wholly-Owned Subsidiaries with ASIC Relief</p> <p><i>Who are they?</i> Proprietary companies and unlisted public companies that are wholly-owned by another company that meets conditions for financial reporting relief under ASIC Class Order 98/1418.</p> <p><i>What are their financial reporting obligations?</i> ASIC provides class order relief from financial reporting for wholly-owned subsidiaries that are party to a deed with cross-guarantee with their parent and meet certain other conditions.</p> <p><i>How many companies use the relief?</i> There were 3,000 companies taking advantage of the relief (2,610 proprietary companies and 390 public companies).</p>									

This document was prepared by The Treasury based on statistics and information provided by the Australian Securities and Investments Commission.