

Where ASIC fits in the regulatory picture

Enforcing and regulating broad and complex laws affecting corporations and financial markets, products and services

Who does ASIC protect?

Consumers, investors and creditors of corporations, including an estimated*:

- 15.9 million people with a deposit account
- 10.7 million investing through superannuation or annuities
- 10 million with credit or charge cards including debit only
- 6.6 million with a home, personal or investment loan
- 4 million directly owning shares
- 2 million having invested through a financial adviser
- 1.1 million investing in managed funds.

* Roy Morgan Research, 12 months to March 2006, people aged 14+.

ASIC's statutory aims

In brief, section 1(2) of the ASIC Act requires us to:

- uphold the law uniformly, effectively, and quickly
- promote confident and informed participation by investors and consumers in the financial system
- make information about companies and other bodies available to the public
- improve the performance of the financial system and entities within it.

ASIC's legislation

ASIC regulates companies and financial services, and promotes investor, creditor and consumer protection under the *Australian Securities and Investments Commission Act 2001*; *Corporations Act 2001*; *Insurance Act 1973*; *Insurance Contracts Act 1984*; *Superannuation (Resolution of Complaints) Act 1993*; *Life Insurance Act 1995*; *Retirement Savings Accounts Act 1997*; *Superannuation Industry (Supervision) Act 1993* and the *Medical Indemnity (Prudential Supervision and Product Standards) Act 2003*.

Other financial regulators

The Australian Prudential Regulation Authority (APRA) establishes and enforces prudential standards and practices for deposit-taking institutions, insurance companies, and larger superannuation funds to ensure, under all reasonable circumstances, that they meet their financial promises.

State and Territory fair trading or consumer affairs agencies regulate consumer credit under the Uniform Consumer Credit Code.

The Reserve Bank of Australia regulates monetary policy and the stability of the financial system.

ASIC cooperated with these bodies through consultation at senior level and regular contact by operational and policy staff.

Who we regulate	How we regulate them
1.48 million companies	<ul style="list-style-type: none"> • Register each company with a unique number, and record the number, name, directors and other information on a public register • Investigate and act against misconduct by company directors and officers • Grant or refuse requests for relief from the law • Receive prospectuses before money is raised • Uphold the law on financial reporting and company mergers and acquisitions
5,890 company auditors, 747 registered liquidators	<ul style="list-style-type: none"> • Register them before they start operating • Investigate and act against misconduct
15 financial markets and 5 clearing and settlement facilities licensed by the Minister, including: <ul style="list-style-type: none"> • Australian Stock Exchange Ltd • Sydney Futures Exchange Ltd (subsequently merged with ASX) 	<ul style="list-style-type: none"> • Investigate and act against misconduct by listed companies, brokers and traders • Assess and report to the Minister on market supervisory arrangements • Advise the Minister about rule changes and whether to approve new markets • Monitor what ASX Ltd does as a listed company, and trading in its shares
4,415 financial services businesses, regulated by ASIC including: <ul style="list-style-type: none"> • fund managers • stockbrokers • financial advisers • insurance brokers 	<ul style="list-style-type: none"> • License them before they start operating • Set standards for education, training and operations • Investigate and act against misconduct • Record their details and their authorised representatives on a public register
4,310 managed investment schemes, registered by ASIC	<ul style="list-style-type: none"> • Register them before they start operating • Investigate and act against misconduct • Record their details on a public register
APRA-regulated financial services businesses including: <ul style="list-style-type: none"> • banks and deposit-taking institutions • superannuation funds • life and general insurance companies 	<ul style="list-style-type: none"> • Investigate and act against misconduct affecting consumers or misconduct as corporations • Approve consumer complaints resolution schemes • Report on how they comply with codes of practice • Cooperate with APRA
Credit providers operating under State and Territory laws	<ul style="list-style-type: none"> • Investigate and act against misleading and deceptive conduct affecting consumers • Cooperate with State and Territory regulators

Commissioners and senior management

Members of the Commission directed ASIC’s business



Jeffrey Lucy, AM

FCA, FAICD

Chairman from May 2004, for a three-year term. Previously ASIC Deputy Chair from February 2003.

Jeffrey Lucy is a Fellow of the Institute of Chartered Accountants in Australia and the Australian Institute of Company Directors. He is a board member of the Australian Crime Commission and represents ASIC on the Council of Financial Regulators.

He was most recently the Chairman of the Financial Reporting Council and head of Lucy Consulting, and a former member of the Business Regulation Advisory Group, a former National President of the Institute of Chartered Accountants in Australia, and a former Managing Partner of PricewaterhouseCoopers, Adelaide. He was made a Member of the Order of Australia for his contribution to the accounting profession and to the business sector as an adviser on corporate and taxation reform.



Jeremy Cooper

LLB (Hons)(Melb), SF Fin, FAICD

Deputy Chairman from July 2004 for a five-year term.

Jeremy Cooper is a lawyer and former partner of Blake Dawson Waldron where he was involved in many major corporate transactions, including takeovers, reconstructions, ASX listings and capital raisings. He has been a member of the Law Council’s Corporations Committee since 1995 and is a regular speaker and press commentator on corporate law and financial services market issues.



Malcolm Rodgers

BA (Hons), LLB

Acting Commissioner from February 2006 until November 2006 or until a permanent appointment is made.

Malcolm Rodgers is ASIC Executive Director, Regulation, appointed in 2005. See page 30 for the scope and activities of his directorate. He previously served as an acting Commissioner in 2004. He has extensive experience in regulation.



Berna Collier

BA, LLB (Hons)(Qld), LLM (Melb)

ASIC Commissioner from November 2001 until she left ASIC in February 2006 to become a Judge of the Federal Court of Australia.

Professor Berna Collier is a lawyer, specialising in commercial and insolvency law and was previously Professor of Commercial Law at the Queensland University of Technology.

Senior management team

ASIC's Executive Directors led directorates that carried out our operational work and contributed to meeting our overall objectives and priorities.

Executive Director

Directorate

Jan Redfern, a lawyer with extensive public and private sector experience, appointed 2003

Enforcement

Malcolm Rodgers, see under Commissioners

Regulation

Jennifer O'Donnell, extensive experience in compliance and regulation, appointed 2005. She is also NSW Regional Commissioner

Compliance

Greg Tanzer, a lawyer with extensive regulatory experience, appointed 2004. He is also Queensland Regional Commissioner

Consumer Protection

Mark Drysdale, experienced in corporate management and regulation appointed 2005. He is also Victorian Regional Commissioner

Operations

Carlos Iglesias, an accountant, with extensive experience in corporate management and information technology, appointed 2005

Finance

ASIC Executive Directors:
FROM LEFT, Malcolm Rodgers, Jan Redfern,
 Greg Tanzer, Jennifer O'Donnell,
 Carlos Iglesias. **ABSENT**: Mark Drysdale



ASIC governance

A robust and effective system of accountability and control

ASIC governance has proved thorough, robust and effective. Internally, 3 full-time Commissioners directed ASIC's complex and wide-ranging activities. Externally, ASIC is accountable to Parliament and the responsible Minister, to judicial and administrative review and to the public through the media and consumer and business associations.

To supervise ASIC's operations, the Commission has adopted governance practices that meet high standards. The Commission's leadership structures, consultative arrangements and disclosure practices ensure that its powers are exercised subject to its priorities and policies, to the benefit of the community and with as much transparency as the law allows.

Role of Commissioners

Commissioners set national priorities, appointed and evaluated the performance of executive directors, and approved delegations, budgets and business plans for each directorate.

Through day-to-day contact with executives and staff, and through written reports, Commissioners stayed informed about operational performance, finance, human resources and information technology. A Commissioner also participated in the Audit Committee, see page 47.

ASIC's Office of General Counsel reported directly and independently to the Commission, giving legal counsel to Commissioners on ASIC operations and administration. Other independent legal and accounting experts also advised on specific matters. When necessary, an individual Commissioner may obtain independent legal advice at ASIC expense.

The Commission held 26 formal meetings.

Commissioner	Eligible to attend	Attended
Jeffrey Lucy	26	21
Jeremy Cooper	26	26
Berna Collier	16	16
Malcolm Rodgers (acting)	9	9

Executive Directors and General Counsel also attended Commission meetings.

ASIC management

Commissioners and relevant senior executives made decisions and set priorities in major enforcement and regulatory matters through our National Enforcement Conference and Regulatory Policy Group.

The Commission has also delegated various powers and functions to Executive Directors and staff reporting to them, to ensure that ASIC's business is carried out efficiently and effectively. Delegations were reviewed regularly and the Commission required its delegates to act in accordance with policies and procedures approved by the Commission.

Commissioners' appointment and remuneration

The Governor-General, on the nomination of the Treasurer, appointed ASIC Commissioners. Commissioners are appointed on fixed terms that may be terminated earlier only for reasons set out in section 111 of the ASIC Act.

The Treasurer may nominate as Commissioners only people who are qualified by knowledge or experience in business, administration of companies, financial markets, financial products and financial services, law, economics or accounting. The Remuneration Tribunal set Commissioners' remuneration, which is not linked to their performance, see also page 91.

Reporting to Parliament

ASIC appeared before Commonwealth Parliamentary Committees on 8 occasions: Parliamentary Joint Committee on Corporations and Financial Services (4), Senate Economics Legislation Committee (3), and the Joint Standing Committee on Public Works (1). We also appeared before the Victorian Parliament's Economic Development Committee.

ASIC also submitted its annual report, and replied to Parliamentary questions and inquiries on behalf of constituents.

Relationship with the responsible Minister

The Ministers responsible for ASIC are the Treasurer, the Hon Peter Costello MP and, in matters determined by him, the Parliamentary Secretary to the Treasurer, the Hon Chris Pearce MP.

Commissioners reported to the Minister through their annual report, and through briefings, submissions and meetings with the Treasurer or Parliamentary Secretary. ASIC also briefed the Treasury about current issues and proposed changes to the law.

ASIC's legislation permits the Minister to direct ASIC in specific circumstances. Consistent with ministerial practice across most statutory authorities, such powers have been rarely exercised.

Under section 12 of the ASIC Act, the Minister may direct ASIC about policies and priorities in using our powers or performing our functions, but may not direct us about a particular case. Only one such general direction has been given, in September 1992, about collaboration and consultation between ASIC and the Director of Public Prosecutions in the investigation and prosecution of serious corporate wrongdoing.

Under section 137, the Minister approved contracts exceeding \$1 million and leases of land exceeding 10 years.

Under section 28 of the Commonwealth Authorities and Companies Act, the Minister may also notify Commissioners in writing of general policies of the government that will apply to ASIC. No such notifications were received this year.

In addition, Commonwealth Ministers and departmental Secretaries from time to time asked ASIC, along with other agencies, to conform to government policies affecting our general administration, for example, referring to particular sources of government information when publishing ASIC information for small businesses.

Relationship with States and Territories

The Commonwealth assumed responsibility for corporate regulation from the States and the Northern Territory in 1991, under arrangements agreed (and subsequently revised) as set out in the *Corporations Agreement 2002*.

This Agreement requires the Commonwealth to consult the Ministerial Council for Corporations (MINCO), comprising Commonwealth, State and Territory Ministers, in appointing ASIC Commissioners, and requires ASIC to:

- consult the relevant State or Territory Minister in appointing Regional Commissioners
- maintain offices in each State capital and Darwin, and maintain certain minimum service levels in each State and the Northern Territory
- maintain regional liaison committees in each State and the Northern Territory to consult the local business community, and use our best endeavours to have a Commission member present at those meetings, see page 46.

ASIC attended MINCO to observe and answer questions about the administration of the corporations legislation. We also attended the Ministerial Council on Consumer Affairs as part of our role in protecting consumers in credit, a jurisdiction shared with the States and Territories.

Managing risk

High standards of risk management

ASIC retained its highest five-star rating for its risk management practices following our insurer Comcover's risk management benchmarking in 2005. In late 2005, ASIC was also recognised for our comprehensive and mature approach to risk management and awarded the 'Award for Excellence in Risk Management' for a second time. The Commission and Executive Directors regularly reviewed key risks and how we manage them.

Staff ethics

All ASIC staff must adhere to the Australian Public Service values and code of conduct under the *Public Service Act 1999*. The values and code require impartiality, honesty, diligence and service, and all staff are required to attend training to learn about and apply the values and code.

Formal procedures required disclosure of any real or apparent conflict of interest. Commissioners and staff are required to take no part in decisions where real or apparent conflicts of interest may arise. We set up special reporting and decision-making procedures to maintain the integrity of our decisions.

The Chairman and Commissioners disclosed to the Minister all direct or indirect pecuniary interests in businesses, companies, or financial products regulated by ASIC.

Staff were required to keep registers of interests that supervisors may inspect at any time, and senior executives were required to submit statements of interests to the Chairman. Biannual online disclosures are made by staff in February and July. Commissioners appointed senior disclosure officers to advise managers and staff on how to handle possible conflicts.

Complaints about staff

We maintained internal procedures for investigating complaints about how our staff carry out their significant public responsibilities, which include formal inquiry and disciplinary procedures under the Public Service Act.

Complaints about the way in which ASIC administers its powers may also be made to, and may be investigated by, the Commonwealth Ombudsman.

Confidentiality, privacy and security

ASIC receives extensive information that it must protect from unauthorised disclosure. All staff, immediately on joining, must sign an acknowledgement of various laws relating to the use and disclosure of information, confidentiality and official secrets. If they occupy positions of trust, they must undergo a security assessment. Our policies and procedures also respected the privacy of personal information we received.

ASIC maintained various other security systems and procedures designed to safeguard confidential information. External government experts and external and internal auditors regularly reviewed our general and IT security arrangements, business continuity systems and procedures.

Fraud control

ASIC reassessed its fraud risks and determined relevant risk mitigation, and implemented our fraud control plan for 2004–06. The plan outlines strategies and processes to avoid, detect, investigate and minimise the effects of fraud. We maintained reporting and data collection mechanisms that met our needs and complied with Commonwealth fraud control guidelines.

Audit

The Commission appointed an internal audit manager who reported to the Commission's Audit Committee. The Audit Committee examined internal and external audit matters and risk assessment, see page 47.

The majority of Audit Committee members (including the Chair) are independent of ASIC. The Committee's charter conforms with the Australian National Audit Office guidelines. The Commonwealth Auditor-General audited ASIC's financial statements, see page 54.

Disclosure

To operate transparently, while protecting confidential information, ASIC:

- complied with the *Freedom of Information Act 1982*, see page 48
- met high standards of disclosure through its annual report, see inside front cover
- issued media releases, subject to written guidelines, about enforcement and regulatory issues, respecting the rights of people subject to investigation or administrative action
- updated information in publications and daily on our websites, see inside back cover for web addresses.

Insurance and indemnities

Consistently with the Commonwealth Authorities and Companies Act, ASIC:

- paid a premium of \$68,724 (excl. GST) for directors and officers' insurance which covered all current and former Commissioners and ASIC staff members for liabilities, including legal costs, incurred by them in the performance of their duties, and
- provided indemnities to Commissioners for liabilities, including legal costs, incurred by them in the course of their duties. (No reimbursements for legal or other costs were made under those indemnities.)



Community and regional involvement

Involving our stakeholders in our work

Increased consultation with business

We formed a new Business Consultative Panel, comprising senior business representatives, to meet Commissioners in Sydney and Melbourne to help us identify emerging risks and trends in the market, see page 9.

To build support for compliance and good practice, we met regularly with about 20 peak industry and professional associations, and consulted other organisations, companies and professionals on proposed policies. We helped thousands of company office holders and professionals over the phone.

Listening to consumers

We funded a 10 member Consumer Advisory Panel including consumer and investor advocates experienced in financial services and an independent chair. The panel recommended

research, alerted us to issues and commented on policy affecting investors and consumers. Read the Panel's report on page 24. We also consulted other investor and consumer organisations.

Serving Australia's regions

ASIC's Regional Commissioners ensured that we understood specific needs and maintained service levels in all the States and Territories. They represented ASIC and reported on our activities and performance to State and Territory Ministers. They bring a range of qualifications including law and accounting and experience in regulation, government and consumer affairs.

Regional Liaison Committees representing the business community met about 4 times each year, received information on our performance and service, and offered ideas. A Commission member usually attended these meetings.

Regional Commissioner	State or Territory	National role
Anthony Beven	South Australia	Adviser, Consumer Protection
Angus Dale-Jones	Western Australia	Director, Compliance
Mark Drysdale	Victoria	Executive Director, Operations
Jennifer O'Donnell	New South Wales	Executive Director, Compliance
Duncan Poulson	Northern Territory	Director, Enforcement
Julie Read	Tasmania	Director, Enforcement
Delia Rickard	Australian Capital Territory	Deputy Executive Director, Consumer Protection
Greg Tanzer	Queensland	Executive Director, Consumer Protection

Keeping stakeholders informed

Senior ASIC staff gave almost 300 presentations to an estimated 21,000 people from the markets, financial services industry, companies, government agencies and consumer groups about how to comply with the law and how the law protects users of financial markets, products and advice.

Schools competition expanded

All Year 9 and 10 students in the Northern Territory and the Australian Capital Territory had the chance to win \$200 for themselves and \$1,000 for their school by participating in the competition. Students were asked to design a poster with a slogan about looking after money, or ways to avoid being ripped off by a financial scam.

Audit Committee and Audit, assurance and compliance services

Strengthening the integrity of internal controls

The Audit Committee, under a charter agreed between the Committee and the Commission, assisted Commissioners to maintain and improve:

- the effectiveness and integrity of ASIC’s risk management and internal control frameworks
- the credibility, objectivity and quality of ASIC’s financial reporting processes and financial statements
- ASIC’s compliance with relevant legislation.

The Committee reviewed ASIC’s 2005–06 financial statements and provided a degree of assurance to the Commissioners before they signed those statements. The Committee contributed to developing ASIC’s risk management framework.

The Committee met four times during the year.

Members	Eligible to attend	Meetings attended
Robert Savage, appointed March 2000, Chairman January 2005	4	4
Robert Lynn, appointed March 2002, Deputy Chairman January 2005	4	4
Byram Johnston, appointed January 2005	4	4
Jeffrey Lucy, appointed February 2006, ASIC Chairman	2	1
Angus Dale-Jones, appointed May 2005, ASIC WA Regional Commissioner	4	4
Berna Collier, appointed March 2002, ASIC Commissioner, resigned February 2006	2	2

The Audit Committee Chairman and Deputy Chairman and one other member are independent, appointed from outside ASIC. All three independent members are Chartered Accountants and company directors who have significant financial and business experience. The third independent member, Mr Johnston, is also an independent member of ASIC’s newly-constituted IT Board.

The internal appointees comprise ASIC Chairman Jeffrey Lucy representing the Commission and Regional Commissioner Angus Dale-Jones.

The Committee sent a report to the Commission after each meeting and the Chairman of the Committee met separately with the ASIC Chairman on several occasions.

Key internal audits conducted included reviews of ASIC’s business continuity management

arrangements, payroll, revenue and debt management, IT assets leasing arrangements, capitalisation of internally developed software, effectiveness of the external running cost program and the controls around the receipt, allocation and management of complaints. ASIC’s Audit, Assurance and Compliance unit conducted most reviews, and KPMG (ASIC’s outsourced internal audit services provider) conducted the others. The National Manager Audit, Assurance and Compliance reports to the Audit Committee.

The Australian National Audit Office provided external audit services, and KPMG Assurance and Advisory provided some internal audit services. Both external and internal audit representatives attended Audit Committee meetings.

Robert R Savage
Chairman, ASIC Audit Committee, July 2006

Appendices

In this section

- Publications
- Finance sector levy
- Freedom of information
- Electoral Act disclosure
- Disability strategy report
- ASIC Act disclosure

Publications

We published the following free publications:

- electronic newsletters: *ASIC News* (regulation and enforcement), *FIDO News* (financial tips and safety checks), *Financial Services Update* (financial services reform); printed newsletters: *InFocus* (company information)
- brochures: *Your Money*, *Super Choices*, *Getting advice*, *Book up*, *You can complain* (last three also in languages other than English)
- comics: *Moola Talk*, *To the Max!*
- annual report, occasional reports, papers and information sheets accessible through our website or Infoline.

We published for sale *ASIC Digest*, *ASIC Working Guide for Accountants*, *ASIC Working Guide for Company Secretaries*, *ASIC Working Guide for Company Directors*, *ASIC Financial Services Policy Handbook*, *ASIC Forms on CD-ROM*, *ASIC Managed Investments Handbook*, *ASIC Policy Alert*.

Freedom of Information Act 1982

You have a right to apply to ASIC for access to documents in ASIC's possession under the *Freedom of Information Act 1982* (FOI Act). You must apply in writing, stating which documents you want to obtain. Requests should be directed to the Administrative Law Coordinator in your State or Territory or to the Manager, Administrative Law, in Sydney. For further information on how to apply, visit www.asic.gov.au.

Categories of documents in ASIC's possession relate to matters including:

- operational matters such as:
 - licence and professional registration applications
 - applications from businesses, correspondence, internal working papers, policy proposals and submissions
 - administrative, civil and criminal enforcement matters, including documents obtained under ASIC's compulsory powers
- law reform, including submissions and proposal papers
- correspondence with members of the public, government entities, Parliamentary committees, business entities and other bodies
- administration, including accommodation, accounts, expenditure, invoices, audit, human resources, recruitment and staff management, delegation and authorisation

- reference materials, including those contained in the library, handbooks, guidelines, manuals, policy statements, practice notes, media releases, information releases, pamphlets and annual reports
- other documents held as public database information (ASCOT).

As required by section 9 of the FOI Act, we note that you may inspect and purchase by subscription the *ASIC Digest* from Thomson-CPD, phone 1800 036 186. The *ASIC Digest* contains, among other things, policy statements, practice notes, information brochures, media releases, information releases, summaries of most ASIC instruments, class orders, and pro-formas for various types of standard relief.

Note: Documents available to the public through ASIC's website (www.asic.gov.au), ASCOT or the *ASIC Digest* and library material maintained for reference purposes are not available under the FOI Act.

Commonwealth Disability Strategy Report

As a regulator, ASIC published (in formats accessible for people with disabilities) all its publicly available information on regulations, quasi-regulations and compliance reporting. This occurred through our website on the day materials were released, and in hard copy through our commercial publisher and on request through ASIC's Infoline. Our website substantially complied with accessibility guidelines, within the limits of the technology at our disposal.

As an employer, ASIC incorporated the requirements of the *Disability Discrimination Act 1992* when developing and reviewing employment policies, procedures and guidelines:

- recruitment information was released in accessible electronic format, within 24 hours, or posted out in hard copy on request within 24 hours. No requests were received for other formats
- human resources staff advised managers and recruiters on reasonable adjustments required for job applicants and staff with disabilities (including staff access to training)
- information on disability issues was included in training programs as appropriate
- ASIC also has internal and external grievance procedures, including review of actions under the Public Service Act and appeals to the Australian Public Service Commission. Dispute avoidance and settlement provisions have been included in the ASIC certified agreement. Staff also had access to an Employee Assistance Program. ASIC received no complaints about disability issues.

Finance sector levy

Some \$13.2 million of our appropriation was levied by the government on deposit-taking, superannuation, retirement savings and insurance organisations. This table shows how that levy was used for consumer protection, regulatory and enforcement activities relating to the products and services these organisations offer, and for the Superannuation Complaints Tribunal.

Activity	This year \$m	Last year \$m
Consumer protection and policy formulation	6.0	5.4
Investigation and enforcement	9.4	4.5
<i>ASIC sub-total</i>	<i>15.4</i>	<i>9.9</i>
Superannuation Complaints Tribunal	3.4	4.0
Grand total	18.8	13.9

Disclosure under Commonwealth Electoral Act

Section 311A of this Act requires us to report for the financial year payments (exclusive of GST) made by us or on our behalf to:

- polling organisations, advertising agencies and media advertising organisations:
nil (excludes recruitment advertising)
- market research organisations: Roy Morgan \$495,278; Chant Link & Associates \$367
- direct mail organisations: BluePrint Instant Printing Pty Ltd \$27,458 for *InFocus*, commemorative record certificates, brochures and guides; Chandlers \$17,680 for printing and mailing *InFocus*; Commercial Computer Centre \$7,355 and Recall Information Management \$87,191 for the *Business Gazette*; Hermes Precisa Pty Ltd \$337,363 for printing and mailing company annual review statement packs and invoices.

Disclosure under ASIC Act

As required by section 138, we report that ASIC did not exercise its powers under Part 15 of the Retirement Savings Account Act or under Part 29 of the Superannuation Industry Supervision Act. No relevant applications were received.

Six year summary

	2005–06	2004–05	2003–04	2002–03	2001–02	2000–01
Business data						
Companies (total)	1,480,684	1,427,573	1,359,305	1,299,985	1,251,237	1,224,207
New companies registered	121,298	121,463	122,441	107,917	90,175	76,103
Authorised financial markets	15	13	8	4	4	4
Licensed clearing and settlement facilities	5	5	4	3	3	3
Australian financial services licensees	4,415	4,135	3,853	626	35	n/a
Registered company auditors	5,890	6,173	6,503	7,017	7,113	7,222
Registered liquidators	747	762	758	835	830	858
Registered managed investment schemes	4,310	4,093	3,765	3,487	3,265	2,778
Prospectuses lodged [†]	808	1,064	1,148	1,658	2,089	2,744
Product disclosure 'in use' notices [‡]	12,480	12,708	7,563	579	n/a	n/a
Takeovers	60	68	67	55	67	81
ASIC performance data						
Criminals jailed	*17	27	28	29	19	25
Fundraising where ASIC required additional disclosure	\$9,531m	\$6,092m	\$4,095m	\$383m	\$291m	\$409m
Recoveries, costs compensation, fines or assets frozen	\$215m	\$123m	\$121m	\$123m	\$110m	\$121m
% successful litigation ^{††}	94%	94%	93%	94%	92%	71%
Litigation concluded	386	193	220	222	205	150
Reports of crime and misconduct	12,075	10,752	9,970	9,292	7,827	6,946
Total searches of ASIC databases (millions) ^{††}	45m	36m	36m	27m	21m	16m
% company data lodged on time	94%	94%	92%	93%	93%	93%
Fees and charges raised for the Commonwealth	\$543m	\$531m	\$457m	\$405m	\$379m	\$363m
Staff (average full-time equivalents)	1,471	1,570	1,531	1,396	1,284	1,221
Financial summary (\$m)						
<i>Operations</i>						
Total operating expenses	217.9	208	196.2	172.6	159.9	143.3
Total operating revenue	224.7	208.0	191.3	172.5	154.3	144.2
<i>Financial position</i>						
Current assets	40.9	23.4	23.0	15.6	20.5	15.1
Non-current assets	37.4	34.8	35.2	33.3	27.7	22.1
Current liabilities	58.0	45.9	42.9	29.0	27.5	18.6
Non-current liabilities	9.8	11.2	20.2	20.9	21.6	16.4
Total equity	10.5	1.1	(4.9)	(1.0)	(0.9)	2.2

[†] From 11 March 2002, 'product disclosure statements' replaced 'prospectuses' for managed funds. After 11 March 2004, prospectuses were used only for company securities.

[‡] Financial product issuers notify ASIC about the 'product disclosure statement' issued for each financial product.

* A number of criminal matters remained uncompleted before the courts, see page 5

^{††} 2000–01 may understate success rate.

^{‡‡} Entire series restated, previous data incomplete.