

Appendix 1: Other ASIC activity relating to SMSFs

Summary of recent ASIC actions

Table 7: Summary of recent ASIC actions

Action	Media release
ASIC banned NSW solicitor and accountant, Christopher Malcolm Edwards, from providing financial services for 10 years. Mr Edwards is also banned from controlling, and from performing any functions involved in the carrying on of a financial services business over the same period. ASIC was concerned Mr Edwards carried on a financial services business without an Australian financial services (AFS) licence and arranged for his clients to: › set up Self-Managed Superannuation Funds (SMSFs) › rollover funds into SMSFs, and/or › invest these funds in debentures issued by companies controlled by Mr Edwards.	25-204MR ASIC bans NSW solicitor and accountant Christopher Malcolm Edwards from providing financial services for 10 years
ASIC permanently banned South Australian-based SMSF accountant Jason Richard Poser following his conviction of aggravated theft. The conviction related to Mr Poser stealing funds from his client's SMSFs. These funds were payments used to satisfy the client's SMSF tax obligations.	25-172MR ASIC permanently bans former Self-Managed Superannuation Fund (SMSF) accountant Jason Richard Poser
ASIC acted against the registration of 28 approved SMSF auditors. ASIC took these actions for various breaches of professional obligations.	25-159MR ASIC takes action against a further 28 SMSF auditors in FY25
DOD Bookkeeping Pty Ltd (in liquidation), previously Equiti Financial Services Pty Ltd (Equiti FS), was penalised \$11,030,000 after the Federal Court found it breached conflicted remuneration rules and its advisers provided inappropriate 'cookie cutter' advice. Equiti FS paid \$130,250 in bonuses to 3 financial advisers who provided template advice to clients to roll over their super into SMSF and use those funds to buy property through a related entity, Equiti Property Pty Ltd.	25-063MR Financial services provider penalised \$11 million over "cookie-cutter" advice and conflicted bonus payments
ASIC took action against the registration of 17 approved SMSF auditors. ASIC took these actions for various breaches of professional obligations, annual statement non-compliance or the SMSF auditors ceasing to have the practical experience necessary for carrying out SMSF audits.	25-040MR ASIC announces action against 17 SMSF auditors

Action	Media release
ASIC suspended the registration of 3 SMSF auditors for one year. ASIC determined auditors Wuzhao Fang, Huiting Li, and Xuan Wu breached independence requirements by auditing thousands of SMSF clients from a single referral source, who is a SMSF administration provider.	24-241MR ASIC suspends three high volume SMSF auditors connected to a SMSF administration provider
ASIC took action against the registration of 13 approved SMSF auditors. ASIC's concerns covered a range of topics, including breaches of auditing and assurance standards, independence requirements, continuing professional development obligations, or for not being a fit and proper person to remain an approved SMSF auditor.	24-215MR ASIC announces action against 13 SMSF auditors
ASIC warned consumers to be wary after an ASIC review identified some cold calling operators using high-pressure sales tactics and online click-bait advertisements to lure consumers into receiving inappropriate superannuation switching advice. ASIC had observed considerable volumes of superannuation savings flowing into high-risk property managed investment schemes – either via platform superannuation products offered by APRA-regulated superannuation funds or a SMSF – and associated payments made to cold calling businesses.	24-092MR ASIC issues warning over dodgy cold calling operators and online baiting tactics
ASIC imposed conditions on the registration of 13 SMSF auditors and accepted voluntary cancellations of two SMSF auditors after independence concerns were raised. ASIC had concerns that financial statements for SMSF clients were prepared by the same firm that also conducted the SMSF audit, in breach of the SMSF auditor's independence requirements.	24-043MR ASIC acts against 15 SMSF auditors performing in-house audits
ASIC took action against 9 SMSF auditors where we formed the view that conduct did not meet the required standards. This included concerns about compliance with auditing and assurance standards, independence requirements, registration conditions, or for not being a fit and proper person to remain an SMSF auditor.	24-016MR ASIC announces action against nine SMSF auditors
Joseph Cullia and Zoran Markovic, two Melbourne men allegedly involved in a sophisticated SMSF scam targeting Australian investors, appeared before the Melbourne Magistrates Court charged with various criminal offences following an ASIC investigation. The charges followed an ASIC investigation into suspected fraudulent investment websites that operated between November 2020 and July 2021 under various names. The website operators used the Australian financial services licence of two legitimate companies without their knowledge or consent.	24-015MR Charges laid following ASIC's investigation into suspected self-managed super investment scam

Action	Media release
The Financial Services and Credit Panel (FSCP) found that Stephen Rogers scoped out the suitability of establishing an SMSF and the suitability of the SMSF investing into products that were related to Mr Rogers' licensee. The FSCP found that Mr Rogers used a scaled advice approach which was not appropriate in circumstances where: › the referral of the client had not been at arm's length (as the referrer received a significant referral fee and had introduced the 'investment opportunity' to the client) › the client had been given contradictory information and statements such that a reasonable person would conclude that Mr Rogers was in effect, giving her advice on the areas that were purportedly excluded, and › the effect of the scaled advice was to exclude critical issues that were relevant to the client's subject matter.	23-335MR Financial Services and Credit Panel issues registration prohibition order against financial adviser
ASIC took action against 11 SMSF auditors, where conduct has fallen short and they have breached their obligations. This included breaches of auditing and assurance standards, independence requirements and registration conditions.	23-275MR ASIC announces action against 11 SMSF auditors
ASIC acted against a further 11 SMSF for breaches of their obligations. This included breaches of auditing and assurance standards, independence requirements, registration conditions, or because ASIC was satisfied the individual was not a fit and proper person to remain registered.	23-094MR ASIC continues to act against SMSF auditors
The Federal Court ordered the winding up of unlicensed financial services businesses, Secure Investments Pty Ltd (Secure Investments) and Aquila Group Pty Ltd (Aquila Group). Mr Naseeruddin encouraged investors to roll over their superannuation accounts into SMSFs set up by an associate of Mr Naseeruddin.	20-257MR ASIC obtains Court orders to wind up unlicensed SMSF financial service businesses
ASIC moved to disqualify, or suspend and/or add conditions to the registration of, a number of auditors of SMSF. The actions arose following ASIC concerns about failures to meet requirements including independence standards and auditing standards, failing to comply with Continuing Professional Development (CPD) requirements and otherwise not being a fit and proper person.	20-035MR ASIC moves against SMSF auditor misconduct

Other SMSF-related surveillances and investigations

Table 8: Other SMSF-related surveillance and investigations

Area of ASIC's work	Description
Problematic managed investment schemes	We are investigating the management and operation of the First Guardian Master Fund (First Guardian) and Shield Master Fund (Shield), managed investment schemes. ASIC's investigation to date suggests that many of investors were called by lead generators and referred to personal financial advice providers who advised them to roll over their superannuation assets into a retail superannuation fund available on a choice platform and then invest into First Guardian or Shield. Some investors received advice to set up self-managed superannuation funds (SMSFs) to facilitate the investments into these schemes.
High-risk super switching	We will conduct a review of superannuation trustee practices to better understand the steps they have taken to disrupt the high-risk super switching model. This will build on the work of Report 781 <i>Review of superannuation trustee practices: Protecting members from harmful advice charges</i> (REP 781) and Report 779 <i>Superannuation and choice products: What focus is there on performance?</i> (REP 779). We will also conduct a review of advice licensees that use lead generation services. This work follows our 2024 review, which identified the use of high-pressure sales tactics leading to superannuation switching. We will focus on how industry practices have changed in response to our 2024 review.
Poor superannuation advice	We continue to target financial advisers who provide poor superannuation advice. ASIC has convened multiple sitting panels of the FSCP targeting poor superannuation advice involving contributions or superannuation rollovers following conduct identified from breach reports submitted by AFS licensees. We will continue to refer financial advisers to the FSCP to address financial adviser misconduct.
SMSF auditors	We continue to take action against approved SMSF auditors. SMSF auditors are responsible for providing assurance on the assets held in SMSFs. SMSF auditors are gatekeepers that contribute to the integrity and confidence in the SMSF regime. We regulate the conduct of SMSF auditors and will continue to act where that conduct falls short, including where we identify breaches of professional obligations. For example: › failure to maintain independence › non-compliance with auditing and assurance standards › non-compliance with CPD requirements › failure to lodge annual statements, and/or › no longer being a fit and proper person to remain an approved SMSF auditor.