

CHAPTER 06

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

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Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

To the Treasurer

Opinion

In my opinion, the financial statements of the Australian Securities and Investments Commission (the Entity) for the year ended 30 June 2025:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2025 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2025 and for the year then ended:

- Statement by the Accountable Authority and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and their delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Chair is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Chair is also responsible for such internal control as the Chair determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chair is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Chair is also responsible for disclosing, as applicable, matters related to

GPO Box 707, Canberra ACT 2601
38 Sydney Avenue, Forrest ACT 2603
Phone (02) 6203 7300

going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Ann MacNeill

Acting Executive Director

Delegate of the Auditor-General

Canberra

14 August 2025

Statement by the Accountable Authority and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2025 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Securities and Investments Commission will be able to pay its debts as and when they fall due.



J.P. Longo

Chair

14 August 2025



L.J. Rees

Acting Chief Financial Officer

14 August 2025

Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2025

	NOTES	2025 \$'000	2024 \$'000	ORIGINAL BUDGET \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	336,372	293,454	328,647
Suppliers	1.1B	236,828	161,541	255,350
Depreciation and amortisation	3.2	45,104	40,875	37,598
Finance costs	1.1C	1,091	1,535	1,351
Impairment loss on financial instruments		276	2,799	–
Write-down and impairment of other assets	3.2	1,194	13,784	–
Total expenses		620,865	513,988	622,946
OWN-SOURCE INCOME				
Own-source revenue				
Court cost recoveries		17,271	20,935	1,336
Sale of goods and rendering of services		2,458	1,956	3,685
Revenue from other Australian Government entities	1.2A	4,066	5,105	1,842
Other revenue	1.2B	4,542	3,410	657
Total own-source revenue		28,337	31,406	7,520
Gains				
Reversal of write-downs and impairment		1,583	–	–
Total gains		1,583	–	–
Net (cost) of services		(590,945)	(482,582)	(615,426)
Revenue from Government		608,944	513,558	579,820
Surplus/(Deficit)		17,999	30,976	(35,606)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassifications to net cost of services				
Asset revaluation		6,676	–	–
Movement in makegood provision	3.5	(1,796)	128	–
Total comprehensive income/(loss)		22,879	31,104	(35,606)

The above statement should be read in conjunction with the accompanying notes.

Statement of Financial Position

AS AT 30 JUNE 2025

	NOTES	2025 \$'000	2024 \$'000	ORIGINAL BUDGET \$'000
ASSETS				
Financial assets				
Cash and cash equivalents	3.1A	60,202	90,470	97,170
Trade and other receivables	3.1B	203,166	151,529	114,921
Total financial assets		263,368	241,999	212,091
Non-financial assets				
Buildings	3.2	138,307	151,323	121,139
Plant and equipment	3.2	18,037	18,582	9,398
Computer software	3.2	3,623	9,786	17,808
Prepayments		31,698	23,090	17,369
Total non-financial assets		191,665	202,781	165,714
Total assets		455,033	444,780	377,805
LIABILITIES				
Payables				
Suppliers	3.3A	35,668	36,261	20,229
Other payables	3.3B	17,378	19,729	37,794
Total payables		53,046	55,990	58,023
Interest bearing liabilities				
Leases	3.4	126,558	151,444	126,772
Total interest bearing liabilities		126,558	151,444	126,772
Provisions				
Employee provisions	6.1	87,526	73,267	71,602
Other provisions	3.5	13,107	10,971	10,886
Total provisions		100,633	84,238	82,488
Total liabilities		280,237	291,672	267,283
Net assets		174,796	153,108	110,522
EQUITY				
Contributed equity		549,847	551,038	556,891
Reserves		30,805	25,925	25,797
Accumulated deficit		(405,856)	(423,855)	(472,166)
Total equity		174,796	153,108	110,522

The above statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2025

	NOTES	2025 \$'000	2024 \$'000	ORIGINAL BUDGET \$'000
CONTRIBUTED EQUITY				
Opening balance		551,038	551,969	552,334
Transactions with owners				
Distributions to owners				
Returns of capital				
Return of equity	5.1B	(1,122)	(2,881)	–
Contributions by owners				
Departmental capital budget		4,557	365	4,557
Restructuring	8.2	(4,626)	1,585	–
Total transactions with owners		(1,191)	(931)	4,557
Closing balance as at 30 June		549,847	551,038	556,891
RETAINED EARNINGS				
Opening balance		(423,855)	(454,831)	(436,560)
Comprehensive income				
Surplus/(Deficit) for the period		17,999	30,976	(35,606)
Total comprehensive income/(loss)		17,999	30,976	(35,606)
Closing balance as at 30 June		(405,856)	(423,855)	(472,166)
ASSET REVALUATION RESERVE				
Opening balance		25,925	25,797	25,797
Comprehensive income				
Other comprehensive income		4,880	128	–
Total comprehensive income		4,880	128	–
Closing balance as at 30 June		30,805	25,925	25,797
TOTAL EQUITY				
Opening balance		153,108	122,935	141,571
Comprehensive income				
Surplus/(Deficit) for the period		17,999	30,976	(35,606)
Other comprehensive income		4,880	128	–
Total comprehensive income/(loss)		22,879	31,104	(35,606)
Transactions with owners				
Distributions to owners				
Returns of capital				
Return of equity	5.1B	(1,122)	(2,881)	–
Contributions by owners				
Departmental capital budget		4,557	365	4,557
Restructuring	8.2	(4,626)	1,585	–
Total transactions with owners		(1,191)	(931)	4,557
Closing balance as at 30 June		174,796	153,108	110,522

The above statement should be read in conjunction with the accompanying notes.

Cash Flow Statement

FOR THE YEAR ENDED 30 JUNE 2025

	NOTES	2025 \$'000	2024 \$'000	ORIGINAL BUDGET \$'000
OPERATING ACTIVITIES				
Cash received				
Appropriations		562,070	488,403	601,956
Operating cash received		8,239	1,956	2,549
Net GST received		21,881	14,513	14,928
Cost recoveries		17,271	20,935	1,336
Other		–	3,093	2,050
Total cash received		609,461	528,900	622,819
Cash used				
Employees		322,203	318,060	328,647
Suppliers		270,653	167,669	269,949
Interest payments on lease liabilities		948	1,423	1,231
Section 74 receipts transferred to the Official Public Account (OPA)		17,337	8,779	–
Other		1,387	–	–
Total cash used		612,528	495,931	599,827
Net cash from operating activities		(3,067)	32,969	22,992
INVESTING ACTIVITIES				
Cash used				
Purchase of leasehold improvements, plant and equipment and intangibles		13,116	12,448	5,679
Net cash used by investing activities		(13,116)	(12,448)	(5,679)
FINANCING ACTIVITIES				
Cash received				
Appropriations – contributed equity		14,682	11,098	5,679
Total cash received		14,682	11,098	5,679
Cash used				
Principal payments of lease liabilities		28,767	22,015	22,992
Total cash used		28,767	22,015	22,992
Net cash used by financing activities		(14,085)	(10,917)	(17,313)
Net increase/(decrease) in cash held		(30,268)	9,604	–
Cash and cash equivalents at the beginning of the reporting period		90,470	80,866	97,170
Cash and cash equivalents at the end of the reporting period	3.1A	60,202	90,470	97,170

The above statement should be read in conjunction with the accompanying notes.

Departmental Budget Variance Commentary

FOR THE YEAR ENDED 30 JUNE 2025

The following tables compare the budget as presented in the 2024–25 Portfolio Budget Statements with the 2024–25 final outcome, in accordance with Australian Accounting Standards. The budget is not audited. Explanations are provided for variances of +/- 10% and +/- \$10 million for all items, representing approximately 2% of the value of expenses.

EXPLANATIONS OF MAJOR VARIANCES	VARIANCE TO BUDGET		
	\$'000	%	AFFECTED LINE ITEMS
Own-source revenue			
The higher-than-budgeted Court cost recoveries relate to both the Enforcement Special Account (ESA) and ASIC's core enforcement activities. These recoveries are unpredictable and vary from year to year, depending on the outcome of litigation and investigations.	15,935	1,193	Statement of Comprehensive Income, Court cost recoveries
Surplus/(Deficit)			
The key driver for the turnaround in the result since the budget is the timing of expenditure relating to new measures, including the RegistryConnect program and several other measures that have been impacted by delays in finalisation of legislation. This variance has also been impacted by higher court cost recoveries.	53,605	151	Statement of Comprehensive Income, Surplus/(Deficit)
Financial assets			
The decrease in Cash and cash equivalents is mainly driven by strong utilisation of the ESA due to several significant matters during the year.	(36,968)	(38)	Statement of Financial Position, Cash and cash equivalents
The increase in Trade and other receivables is mainly due to the operating surplus resulting in less cash being drawn down from the OPA.	88,245	77	Statement of Financial Position, Trade and other receivables

EXPLANATIONS OF MAJOR VARIANCES	VARIANCE TO BUDGET		
	\$'000	%	AFFECTED LINE ITEMS
Non-financial assets			
The increase in Buildings is mainly due to the fitout of the Traralgon office following the return of Registry from the Australian Taxation Office (ATO) which was not included at the time of publishing the 2024–25 budget. This increase has also been impacted by the 2024–25 asset revaluation and right-of-use (ROU) lease re-measurements.	17,168	14	Statement of Financial Position, Buildings
The decrease in Computer software is mainly due to ASIC's move towards cloud and software as a service arrangements rather than traditional software additions.	(14,185)	(80)	Statement of Financial Position, Computer software
The increase in Prepayments is mainly due to ASIC's move towards cloud computing resulting in a greater number of subscriptions, and a decrease in ASIC's prepayment threshold in 2024–25.	14,329	82	Statement of Financial Position, Prepayments
Payables			
The increase in Suppliers payable is mainly due to invoices relating to the property upgrades associated with the Registry Telephony project and other accruals raised relating to the return of Registry functions to ASIC that were not included in the budget due to the timing of its publication.	15,439	76	Statement of Financial Position, Suppliers
The decrease in Other payables is mainly due to the unwinding of revenue related to court enforceable undertakings in 2024–25 and a reduction in bonuses payable following changes to ASIC's new Enterprise Agreement that were not included in the budget due to the timing of its publication.	(20,416)	(54)	Statement of Financial Position, Other payables

EXPLANATIONS OF MAJOR VARIANCES	VARIANCE TO BUDGET		
	\$'000	%	AFFECTED LINE ITEMS
Provisions			
The increase in Employee provisions is mainly due to an increase in ASIC's average staffing levels, driven by filling of vacancies and the transfer of employee entitlements from the ATO following the return of the Registry functions to ASIC.	15,924	22	<i>Statement of Financial Position,</i> Employee provisions
Operating activities – Cash received			
The increase in Cost recoveries is due to higher-than-budgeted court cost recoveries for the ESA and ASIC's core enforcement activities. These recoveries are unpredictable and vary from year to year, depending on the outcome of litigation and investigations.	15,935	1,193	<i>Cash Flow Statement,</i> Cost recoveries
Operating activities – Cash used			
The increase in s74 receipts transferred to the OPA is mainly due to the higher-than-budgeted court cost recoveries and the decrease in goods and services receivable.	17,337	100	<i>Cash Flow Statement,</i> Section 74 receipts transferred to the OPA

Administered Schedule of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2025

	NOTES	2025 \$'000	2024 \$'000	ORIGINAL BUDGET \$'000
NET COST OF SERVICES				
Expenses				
Grants – insolvency practitioners		6,068	5,578	5,247
Impairment loss allowance on other assets	2.1A	118,311	129,299	70,390
Claims for unclaimed money	2.1B	226,284	266,498	235,301
Settlement expenses	2.1C	9,685	–	–
Promotional costs for Moneysmart initiatives		439	595	614
Suppliers – other administered		1,118	1,203	1,124
Total expenses		361,905	403,173	312,676
LESS:				
Own-source revenue				
Taxation revenue				
Fees		1,233,317	1,138,917	1,154,176
Compensation scheme of last resort (CSLR) levies		24,088	240,858	48,350
Supervisory cost recovery levies		67,159	67,654	67,729
Total taxation revenue		1,324,564	1,447,429	1,270,255
Non-taxation revenue				
Supervisory cost recovery levies		270,342	248,456	319,071
Fees and fines	2.2A	351,429	365,949	272,406
Unclaimed money lodgements	2.2B	436,167	480,768	360,862
Total non-taxation revenue		1,057,938	1,095,173	952,339
Total revenue		2,382,502	2,542,602	2,222,594
Net contribution by services		2,020,597	2,139,429	1,909,918

The above statement should be read in conjunction with the accompanying notes.

Administered Schedule of Assets and Liabilities

AS AT 30 JUNE 2025

	NOTES	2025 \$'000	2024 \$'000	ORIGINAL BUDGET \$'000
ASSETS				
Financial assets				
Cash and cash equivalents		1,629	1,525	1,525
Supervisory cost recovery levies receivable	4.1A	342,266	330,854	389,629
CSLR levies receivable	4.1B	6	81,670	48,447
Other taxation receivables	4.1C	221,175	205,623	210,029
Other non-taxation receivables	4.1D	3,633	3,633	–
Trade and other receivables	4.1E	11,917	10,938	11,181
Total assets administered on behalf of the Government		580,626	634,243	660,811
LIABILITIES				
Payables and provisions				
Suppliers and other payables	4.2A	62,386	60,542	51,512
Unclaimed money provisions	4.2B	682,929	618,656	632,513
Provision for fee indexation		68,097	–	–
Total liabilities administered on behalf of the Government		813,412	679,198	684,025
Net assets/(liabilities)		(232,786)	(44,955)	(23,214)

The above statement should be read in conjunction with the accompanying notes.

Administered Reconciliation Schedule

FOR THE YEAR ENDED 30 JUNE 2025

	NOTES	2025 \$'000	2024 \$'000
Opening assets less liabilities as at 1 July		(44,955)	38,915
Net contribution by services			
Administered income		2,382,502	2,542,602
Administered expenses		(361,905)	(403,173)
Transfers (to)/from the Australian Government			
Appropriation transfers from the OPA:			
Special (unlimited) and ordinary appropriations			
Appropriation Act (No. 1)		11,241	10,367
Banking Act 1959 unclaimed money		98,713	105,773
Life Insurance Act 1995 unclaimed money		16,356	9,357
s77 of the PGPA Act		62,332	53,598
s74A of the PGPA Act		141	—
Total appropriation transfers from the OPA		188,783	179,095
Administered transfers to the OPA		(2,397,211)	(2,402,394)
Closing assets less liabilities as at 30 June		(232,786)	(44,955)

The above statement should be read in conjunction with the accompanying notes.

Administered Cash Flow Statement

FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$'000	2024 \$'000
OPERATING ACTIVITIES		
Cash received		
Fees, fines and supervisory cost recovery levies	1,836,493	1,757,114
CSLR levies	105,894	159,188
<i>Banking Act 1959</i> unclaimed money	230,492	294,447
<i>Corporations Act 2001</i> unclaimed money	136,268	141,525
<i>Life Insurance Act 1995</i> unclaimed money	69,407	44,796
Net GST received	57	–
Total cash received	2,378,611	2,397,070
Cash used		
Refunds paid to:		
Company shareholders	46,942	51,666
Deposit-taking institution account holders	98,714	105,781
Life insurance policy holders	16,355	9,358
Grants	6,456	5,130
Promotion expenses for Moneysmart initiatives	494	680
Suppliers	1,118	1,203
Net GST paid	–	74
Total cash used	170,079	173,892
Net cash from operating activities	2,208,532	2,223,178
Cash from OPA for:		
Appropriations	188,783	179,095
Less: Cash to OPA for:		
Fees, fines and supervisory cost recovery levies	1,855,085	1,762,437
CSLR levies	105,894	159,188
<i>Banking Act 1959</i> unclaimed money	230,492	294,448
<i>Corporations Act 2001</i> unclaimed money	136,268	141,525
<i>Life Insurance Act 1995</i> unclaimed money	69,407	44,796
GST refunds	65	–
Total cash to the OPA	2,397,211	2,402,394
Net increase/(decrease) in cash held	104	(121)
Cash and cash equivalents at the beginning of the reporting period	1,525	1,646
Cash and cash equivalents at the end of the reporting period	1,629	1,525

The above statement should be read in conjunction with the accompanying notes.

Administered Budget Variance Commentary

FOR THE YEAR ENDED 30 JUNE 2025

The following tables compare the budget as presented in the 2024–25 Portfolio Budget Statements with the 2024–25 final outcome, in accordance with Australian Accounting Standards. The budget is not audited. Explanations are provided for variances of +/- 10% and +/- \$40 million for own-source revenue, \$5 million for expenses and \$10 million for assets and liabilities, representing approximately 2% of the value of each relevant sub-total.

EXPLANATIONS OF MAJOR VARIANCES	VARIANCE TO BUDGET		AFFECTED LINE ITEMS
	\$'000	%	
Expenses			
The higher-than-budgeted Impairment loss allowance on other assets is mainly due to outstanding fees associated with entities entering deregistration.	47,921	68	Statement of Comprehensive Income, Impairment loss allowance on other assets
The variance in Other settlement expenses is the result of court determined settlement due to the original payment to ASIC being determined to have been made on the grounds of 'unfair preference' under s588FC of the Corporations Act 2001 (Cth).	9,685	100	Statement of Comprehensive Income, Other settlement expenses
Own-source revenue – Non-taxation revenue			
The decrease in Supervisory cost recovery levies compared to budget is due to ASIC's reported surplus position for 2024–25, as shown in the Departmental Statement of Comprehensive Income.	(48,729)	(15)	Statement of Comprehensive Income, Supervisory cost recovery levies
The increase in Fees and fines is due to fee indexation, growth in the Company Register and an increase in late payment fees. Fines revenue also includes court awarded costs that are unbudgeted as they are highly unpredictable.	79,023	29	Statement of Comprehensive Income, Fees and fines
Unclaimed money lodgements received under the Life Insurance Act were uncharacteristically high in value per record compared to budget, which was based on historical trends. Similarly, lodgements received for deregistered company assets under s601 of the Corporations Act were also higher-than-budgeted.	75,305	21	Statement of Comprehensive Income, Unclaimed money lodgements

EXPLANATIONS OF MAJOR VARIANCES	VARIANCE TO BUDGET		AFFECTED LINE ITEMS
	\$'000	%	
Financial assets			
The decrease in Supervisory cost recovery levies receivables is mainly due to the 2024–25 surplus on ASIC's departmental results.	(47,363)	(12)	Statement of Financial Position, Supervisory cost recovery levies receivables
The decrease in CSLR levies receivable is due to a timing difference between the estimated and actual issue of the levy.	(48,441)	(100)	Statement of Financial Position, CSLR levies receivable
Payables and provisions			
The increase in Suppliers and other payables compared to budget has arisen due to overpayments made to ASIC.	10,874	21	Statement of Financial Position, Suppliers and other payables
The increase in Unclaimed money provisions compared to budget is driven by the 2024–25 actuarial valuation of the provisions. These are inherently unpredictable. Refer to the Accounting Policy under Note 4.2B.	50,416	8	Statement of Financial Position, Unclaimed money provisions
Other provisions reflect ASIC's current obligation relating to the treatment of indexation for certain fees under the Corporations (Review Fees) Act 2003.	68,097	100	Statement of Financial Position, Other provisions

Notes to and forming part of the financial statements

FOR THE YEAR ENDED 30 JUNE 2025

Overview

Objectives of the Australian Securities and Investments Commission

ASIC is an independent Australian Government body operating under the *Australian Securities and Investments Commission Act 2001* (ASIC Act) to administer the *Corporations Act 2001*, and other legislation, throughout Australia.

ASIC collects and administers revenue under the *Corporations Act 2001* and the *National Consumer Credit Protection Act 2009* and prescribed fees set by the *Corporations (Fees) Act 2001*, the *Corporations (Review Fees) Act 2003*, the *National Consumer Credit Protection Act 2009*, the *Business Names Registration (Fees) Regulations 2022* and the *Superannuation Industry (Supervision) Act 1993*. In addition, ASIC collects revenue under the *ASIC Supervisory Cost Recovery Levy Act 2017*, the *ASIC Supervisory Cost Recovery Levy Regulations 2017*, the *Financial Services Compensation Scheme of Last Resort Levy Act 2023*, and the *Financial Services Compensation Scheme of Last Resort Levy (Collection) Act 2023*. This revenue is not available to ASIC and is remitted to the OPA. Transactions and balances relating to these fees are reported as administered items. Administered items are distinguished by shading in these financial statements.

ASIC is structured to deliver a single outcome, namely:

Improved confidence in Australia's financial markets through promoting informed investors and financial consumers, facilitating fair and efficient markets and delivering efficient registry systems.

ASIC's continued existence in its present form and with its present programs depends on Australian Government policy and continued funding from Parliament for ASIC's administration and programs.

The basis of preparation

The financial statements are general purpose financial statements and are required by section 42 of the PGPA Act.

The financial statements have been prepared in accordance with:

- a) Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR)
- b) Australian Accounting Standards and Interpretations – including simplified disclosures for Tier 2 entities under AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Taxation

ASIC is exempt from all forms of taxation except the Fringe benefits tax (FBT) and the Goods and Services Tax (GST).

Reporting of Administered activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the Administered Schedules and related notes.

Except where otherwise stated, administered items are accounted for on the same basis and use the same policies as departmental items, including the application of Australian Accounting Standards.

Events after the reporting period

No events occurred after the balance date that would affect the balances in the financial statements.

Note 1. Departmental financial performance

This section analyses ASIC's financial performance for the year ended 30 June 2025.

1.1 Expenses

	2025 \$'000	2024 \$'000
1.1A: Employee benefits		
Wages and salaries	255,826	229,364
Superannuation		
Defined benefit plans	9,772	9,719
Defined contribution plans	35,024	27,571
Leave and other entitlements	34,347	23,782
Separation and redundancies	1,403	3,018
Total employee benefits	336,372	293,454
1.1B: Suppliers		
Goods and services supplied or rendered		
Legal and forensic costs	69,003	43,544
Office, computer and software expenses	60,510	46,620
Contractors and secondees	41,166	30,897
Registry service fee ¹	14,540	1,503
Property-related outgoings	9,689	9,609
Other goods and services ¹	9,698	4,979
Travel	7,310	4,858
Bank fees	4,263	4,027
Postage and freight	3,356	548
Learning and development	4,449	4,016
Information costs	4,240	4,008
Communications	2,219	2,488
Consultancies	1,761	998
Security	1,341	1,346
Recruitment	1,137	772
Audit fees	310	360
Total goods and services supplied or rendered	234,992	160,573
Goods supplied	1,802	868
Services rendered	233,190	159,705
Total goods and services supplied or rendered	234,992	160,573

¹ The Other goods and services category has been disaggregated to show the registry service fee for the current and prior years, which was in place until the completion of phase two of the Machinery of Government (MoG) change.

	2025 \$'000	2024 \$'000
Other suppliers		
Short-term leases	148	40
Fringe benefits tax	168	95
Workers' compensation expenses	1,520	833
Total other suppliers	1,836	968
Total suppliers	236,828	161,541
1.1C: Finance costs		
Unwinding of restoration provision	143	112
Interest on lease liability	948	1,423
Total finance costs	1,091	1,535
1.2 Own-source revenue		
1.2A: Revenue from other Australian Government entities¹		
Australian Taxation Office (ATO)	3,549	4,843
Department of Foreign Affairs and Trade ²	387	231
Australian National Audit Office	–	31
Australian Competition & Consumer Commission	130	–
Total revenue from other Australian Government entities	4,066	5,105
1.2B: Other revenue		
Resources received free of charge		
Remuneration of auditors	310	360
Committee fees	52	51
Sublease income ²	2,705	2,753
Other ²	1,475	246
Total other revenue	4,542	3,410

1 Relates to operating and capital expenditure ASIC incurred on government programs funded directly by other Australian Government entities.

2 The Other category has been disaggregated to provide greater disclosure. Comparisons have been updated.

Accounting Policy

Rendering of services

Revenue from rendering of services is recognised when the resources have been purchased. Revenue is recognised when:

- ◆ the amount of revenue, stage of completion and transaction costs incurred can be reliably measured
- ◆ the probable economic benefits associated with the transaction will flow to ASIC.

Resources received free of charge

Resources received free of charge are recognised as revenue when, and only when, the fair value can be reliably determined, and the services would have been purchased had they not been donated. Use of these resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains, depending on their nature.

Note 2. Income and expenses administered on behalf of the Government

This section analyses the activities ASIC does not control but does administer on behalf of the government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

2.1 Administered – expenses

	2025 \$'000	2024 \$'000
2.1A: Impairment loss allowance on other assets		
Impairment of receivables	114,863	126,107
Waiver of fees and charges owing	3,448	3,192
Total impairment on other assets	118,311	129,299
2.1B: Claims for unclaimed money		
Claims – bank and deposit-taking institution account holders	98,714	105,781
Claims – company shareholders	46,942	51,666
Claims – life insurance policy holders	16,355	9,358
Adjustments to provisions ¹	64,273	99,693
Total claims for unclaimed money	226,284	266,498
2.1C: Settlement expenses		
Settlement – repayment of penalties ²	9,685	–
Total other claims	9,685	–

1. Refer to Accounting policy under Note 4.2B.

2. The settlement expense payment was a result of a court determined settlement due to the original payment to ASIC being determined to have been made on the grounds of 'unfair preference' under s588FC of the *Corporations Act 2001* (Cth).

Accounting Policy

Refer to Note 4.1 for the policy on impairment of receivables and fee waivers.

In determining whether a fee should be wholly or partly waived, ASIC considers the extent to which the company's officers or representatives contributed to the circumstances of the matter, in accordance with Part 7 of the Finance Minister's Delegation under s63 of the PGPA Act, and with s18 of the *Financial Services Compensation Scheme of Last Resort Levy (Collection) Act 2023*.

Administered expenses for refunds of unclaimed money under the *Banking Act 1959*, *Life Insurance Act 1995* and *Corporations Act 2001* are recognised by estimating the value of claims likely to be repaid in respect of unclaimed money ASIC collected as at the balance date. Estimation techniques bring an inherent risk of error and rely on assumptions about economic conditions such as the consumer price index (CPI), claimants' behaviour and recent historic information. At the reporting date, the amounts disclosed represent a best estimate of expenses incurred in the period. The methodology used to determine the value of probable claims is determined by an independent actuary. Successful claims are paid out of the provision account.

2.2 Administered – income

	2025 \$'000	2024 \$'000
Non-taxation revenue		
2.2A: Fees and fines		
Fines and penalties	244,471	267,211
Searches and information brokers' fees	93,288	84,402
Fees for service	13,670	14,336
Total fees and fines	351,429	365,949
2.2B: Unclaimed money lodgements		
<i>Corporations Act 2001</i> unclaimed money	136,268	141,525
<i>Banking Act 1959</i> unclaimed money	230,492	294,447
<i>Life Insurance Act 1995</i> unclaimed money	69,407	44,796
Total unclaimed money lodgements	436,167	480,768

Accounting Policy

All administered revenues are revenues relating to the course of ordinary activities ASIC managed on behalf of the government.

Administered revenue is generated from fees and fines under the following legislation:

- ◆ *Corporations (Fees) Act 2001*
- ◆ *Corporations (Review Fees) Act 2003*
- ◆ *National Consumer Credit Protection (Fees) Regulations 2010*
- ◆ *Business Names Registration (Fees) Amendment Regulation 2012 (No. 1)*
- ◆ *Superannuation Industry (Supervision) Act 1993*.

Administered fee revenue is recognised on an accrual basis when:

- ◆ the client or the client group can be identified in a reliable manner
- ◆ an amount of prescribed fee or other statutory charge is payable by the client or client group under legislative provisions
- ◆ the amount of the prescribed fee or other statutory charge payable by the client or the client group can be reliably measured.

Administered taxation revenue is recognised at its nominal amount due and an expense is recognised for impaired debts.

ASIC collects certain levies on behalf of the government. These comprise levies under the:

- ◆ *ASIC Supervisory Cost Recovery Levy Act 2017*
- ◆ *ASIC Supervisory Cost Recovery Levy Regulations 2017*
- ◆ *Financial Services Compensation Scheme of Last Resort Levy Act 2023*
- ◆ *Financial Services Compensation Scheme of Last Resort Levy (Collection) Act 2023*.

Administered revenue arising from levies is recognised on an accrual basis.

ASIC also receives non-taxation revenue from search fees, fines (including late fees, court fines, penalties and infringement notices) and unclaimed money. Unclaimed money revenue recognition is based on the annual amount of unclaimed money received by ASIC (inflows), less an estimate of future outflows. Unclaimed money revenue relates to lost money received under the *Banking Act 1959*, *Life Insurance Act 1995* and *Corporations Act 2001*. This revenue is not available to ASIC and is transferred to the OPA.

The collectability of debts is reviewed at the balance date. Provisions are made when collection of the debt is judged to be less, rather than more, likely.

Note 3. Departmental financial position

This section analyses ASIC's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in Note 6.

3.1 Financial assets

	2025 \$'000	2024 \$'000
3.1A: Cash and cash equivalents		
Cash in special accounts	58,262	88,677
Cash at bank	1,940	1,793
Total cash and cash equivalents	60,202	90,470

The closing balance of cash in special accounts does not include amounts held in trust (\$111.040 million in 2025 and \$60.111 million in 2024). See Note 5.2 for more information.

3.1B: Trade and other receivables

Goods and services receivables:

Goods and services	2,423	6,260
Total goods and services receivables (gross)	2,423	6,260
Less expected credit loss allowance	(2,179)	(3,486)
Total goods and services receivables (net)	244	2,774

Appropriation receivables:

Appropriation receivables	196,919	143,955
Total appropriation receivables	196,919	143,955

Other receivables:

Tax receivables from the ATO	6,003	4,800
Total other receivables	6,003	4,800
Total trade and other receivables (net)	203,166	151,529

Credit terms for goods and services were within 20 days (2024: 20 days).

Accounting Policy

Receivables

Trade and other receivables are classified as 'loans and receivables' and recorded at face value less any impairment. Trade receivables are recognised where ASIC becomes party to a contract and has a legal right to receive cash. Trade receivables are derecognised on payment.

Financial assets are assessed for impairment at the end of each reporting period. Allowances are made when collectability of the debt is no longer probable.

3.2 Non-financial assets

Reconciliation of the opening and closing balances of property, plant and equipment, and intangibles

	BUILDINGS \$'000	PLANT AND EQUIPMENT \$'000	COMPUTER SOFTWARE \$'000	TOTAL \$'000
As at 1 July 2024				
Gross book value	295,531	54,410	101,298	451,239
Opening balance adjustment ¹	60	–	–	60
Accumulated depreciation and impairment	(144,208)	(35,828)	(91,512)	(271,548)
Total as at 1 July 2024	151,383	18,582	9,786	179,751
Additions:				
By purchase or internally developed	10,256	4,243	482	14,981
ROU assets	2,146	–	–	2,146
Total additions	12,402	4,243	482	17,127
Depreciation and amortisation	(7,558)	(5,861)	(5,686)	(19,105)
Depreciation on ROU assets	(25,999)	–	–	(25,999)
Total depreciation and amortisation	(33,557)	(5,861)	(5,686)	(45,104)
Other movements:				
Impairments recognised in net cost of services	–	–	(549)	(549)
Disposals:				
Other	–	(235)	(410)	(645)
Revaluations and impairments recognised in other comprehensive income	5,368	1,308	–	6,676
Other movements ROU assets	2,711	–	–	2,711
Total as at 30 June 2025	138,307	18,037	3,623	159,967
Total as at 30 June 2025 represented by:				
Gross book value	315,158	48,467	86,332	449,957
Accumulated depreciation/ amortisation and impairment	(176,851)	(30,430)	(82,709)	(289,990)
Total as at 30 June 2025	138,307	18,037	3,623	159,967
Carrying amount of ROU assets	100,049	–	–	100,049

¹ Adjustment to ROU assets as a result of converting lease incentive fitout balance to rent abatement.

Accounting Policy

Assets are recorded at the cost of acquisition, except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it was located. This is particularly relevant to make good provisions taken up by ASIC, where there is an obligation to restore the premises to their original condition at the conclusion of the lease. These costs are included in the value of ASIC's property expenses with a corresponding provision for the make good recognised.

Lease ROU assets

Lease ROU assets are capitalised at the commencement date of the lease and comprise the initial lease liability amount less any lease incentives received. Lease ROU assets continue to be measured at cost after initial recognition.

Revaluations

Following initial recognition at cost, leasehold improvements, and plant and equipment (excluding ROU assets) are carried at the latest revaluation, less accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency, every three years, to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends on the volatility of movements in market values for the relevant assets. An independent valuation of ASIC's assets was undertaken as at 30 June 2025.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

Depreciation

All depreciable leasehold improvements, and plant and equipment assets are written down to their estimated residual values over their estimated useful lives to ASIC, using the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future, reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2025	2024
Leasehold improvements	Residual lease term	Residual lease term
Plant and equipment	2 to 80 years	2 to 80 years

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Impairment

All assets were assessed for impairment as at 30 June 2025. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment is made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the entity were deprived of the asset, its value in use is taken to be its current replacement cost.

Derecognition

An item of property, or of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Intangibles

ASIC's intangibles comprise software either purchased or internally developed for internal use. ASIC does not recognise an intangible asset when it does not control the software being configured or customised and these configurations or customisations do not create a resource controlled by ASIC that can be reliably measured.

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful life of ASIC's software is two to 10 years (2024: two to 10 years).

All software assets were assessed for indications of impairment as at 30 June 2025.

Accounting judgements and estimates

In the process of applying the accounting policies listed in this note, ASIC made assumptions or estimates in the following areas that have the most significant impact on the amounts recorded in the financial statements:

- ◆ The fair value of leasehold improvements, property, and plant and equipment (excluding ROU assets) is assessed at market value or current replacement cost as determined by an independent valuer and is subject to management assessment every year.
- ◆ ASIC reviews future economic benefits of assets annually and updates the useful life accordingly.

3.3 Payables

	2025 \$'000	2024 \$'000
3.3A: Suppliers		
Trade creditors and accruals	35,668	36,261
Total suppliers	35,668	36,261

Supplier payables are settled in accordance with the terms of the purchase order or contract and are expected to be settled within 12 months.

3.3B: Other payables

Prepayments received/unearned revenue	3,632	10,284
Salaries	12,905	8,696
Separations and redundancies	608	283
Other	233	466
Total other payables	17,378	19,729

3.4 Interest-bearing liabilities

Lease liabilities	126,558	151,444
Total leases	126,558	151,444

Total cash outflow for leases for the period ended 30 June 2025 was \$29.715 million (2024: \$23.438 million).

Maturity analysis – contractual undiscounted cash flows

Within one year	25,626	28,218
Between one to five years	98,229	106,239
More than five years	6,158	24,049
Total leases	130,013	158,506

Accounting Policy

For all new contracts entered into, ASIC considers whether the contract is, or contains, a lease. A lease as defined in AASB 16 *Leases* is a contract, or part of a contract, that 'conveys the right to control the use of an identified asset for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains, a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease (if that rate is readily determinable), or at the Department of Finance's incremental borrowing rate.

Subsequent to initial measurement, the liability is reduced for payments made and increased for interest. The liability is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the ROU asset, or in profit and loss, depending on the nature of the reassessment or modification.

3.5 Other provisions

	PROVISION FOR RESTORATION COSTS \$'000	PROVISION FOR SETTLEMENT COSTS \$'000	TOTAL OTHER PROVISIONS \$'000
As at 1 July 2024	3,345	7,626	10,971
Additional provisions made	–	4,508	4,508
Amounts used	–	(3,815)	(3,815)
Amounts reversed	–	(496)	(496)
Amounts revalued	1,796	–	1,796
Unwinding of restoration provision discount	143	–	143
Total as at 30 June 2025	5,284	7,823	13,107

Accounting Policy

Restoration costs

ASIC currently has two lease agreements (2024: two) for the leasing of premises where the lease contains provisions requiring ASIC to restore the premises to their original condition at the conclusion of the lease. The provision reflects the current best estimate of these future restoration costs, discounted to reflect the present value of the future payments.

Settlement costs

ASIC recognises a provision for the estimated costs that will be paid on settlement of current legal proceedings, based on its history of settlement costs.

Note 4. Assets and liabilities administered on behalf of the Government

This section analyses assets used to conduct operations and the operating liabilities incurred in relation to activities ASIC does not control but does administer on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those for departmental reporting.

4.1 Administered – financial assets

	2025 \$'000	2024 \$'000
4.1A: Supervisory cost recovery levies receivable¹		
Supervisory cost recovery levies receivable – taxation	73,020	70,361
Supervisory cost recovery levies receivable – non-taxation	279,278	269,182
Total supervisory cost recovery levies receivables (gross)	352,298	339,543
Less expected credit loss allowance		
Supervisory cost recovery levies	10,032	8,689
Total supervisory cost recovery levies receivables (net)	342,266	330,854
4.1B: CSLR levies receivable		
CSLR levies receivable	217	81,670
Total CSLR levies receivable (gross)	217	81,670
Less expected credit loss allowance		
CSLR levies	211	–
Total CSLR levies receivable (net)	6	81,670
4.1C: Other taxation receivables¹		
Fees and fines receivable	385,371	338,629
Total other taxation receivables (gross)	385,371	338,629
Less expected credit loss allowance		
Fees and fines	164,196	133,006
Total other taxation receivables (net)	221,175	205,623
4.1D: Other non-taxation receivables²		
Fines and penalties receivable	62,398	62,978
Total other non-taxation receivables (gross)	62,398	62,978
Less expected credit loss allowance		
Fines and penalties	58,765	59,345
Total other non-taxation receivables (net)	3,633	3,633
4.1E: Trade and other receivables		
Information brokers' fees	11,507	10,471
GST receivable	410	467
Total trade and other receivables (gross)	11,917	10,938

Taxation receivables are due from entities that are not part of the Australian Government. Credit terms for goods and services were within 30 days (2024: 30 days).

1. Prior-year comparisons have been changed to provide further disclosure of receivables.
2. New note added to provide further breakdown of non-taxation receivables.

Accounting Policy

Receivables

Administered receivables are recognised at their nominal value less an impairment allowance. Statutory receivables are not financial instruments and accordingly ASIC has assessed administered receivables for impairment under AASB 136 *Impairment of Assets*.

The impairment allowance is raised against receivables for any doubtful debts and any probable credit amendments and is based on a review of outstanding debts at the balance date. This includes examining individual large debts and disputed amounts with reference to historic collection patterns.

The impairment allowance expense is calculated using estimation techniques to determine an estimate of current receivables that are unlikely to be collected in the future.

Administered receivables that are irrecoverable at law or are uneconomic to pursue are written off under s11 of PGPA Rule 2014.

4.2 Administered – payables

	2025 \$'000	2024 \$'000
4.2A: Suppliers and other payables		
Supplier payables	–	55
Refund of fees payable	36,531	34,665
Unallocated money ¹	13,743	13,563
Grants payable ²	3,378	3,766
Other non-current payables ³	8,734	8,493
Total payables	62,386	60,542

All payables are for entities that are not part of the Australian Government.

All payables, with the exception of other non-current payables, are expected to be settled within 12 months. Settlement is usually made within 30 days.

1. Unallocated money is credits on debtor accounts less than 120 days old. The credits are either allocated or refunded.
2. Settlement is made according to the terms and conditions of each grant. This is usually within 30 days of performance and eligibility.
3. Other non-current payables are overpayments of fees where payments were made to ASIC in error. The settlement period is expected to be greater than 12 months as these are unidentified payments.

Accounting Policy

ASIC administers payments to registered insolvency practitioners to undertake preliminary investigations of suspected breaches of directors' duties and fraudulent conduct and to report the outcome of their findings to ASIC for further action as appropriate.

Grant liabilities are recognised to the extent that (i) the services required to be performed by the grantee have been performed or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made. When the government enters into an agreement to make these grants and services, but services have not been performed or criteria satisfied, this is considered a commitment.

	2025 \$'000	2024 \$'000
4.2B: Unclaimed money provisions		
<i>Banking Act 1959 claims</i>	363,390	327,057
<i>Corporations Act 2001 claims</i>	246,315	236,643
<i>Life Insurance Act 1995 claims</i>	73,224	54,956
Total unclaimed money provisions	682,929	618,656

Accounting Policy

Provisions

The provisions recognised in the Administered Schedule of Assets and Liabilities are the estimated claims payable from collections of unclaimed money ASIC administered as at the balance date. ASIC adopts a provision for future claims based on an independent valuation as at 30 June annually, calculated by an independent actuary, under AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Accounting judgements and estimates

The provision is estimated based on the unclaimed lodgements as at the balance date, using the historic claims pattern since 2002, March to March CPI rate of 2.40% (2024: 3.62%) and discount rate (10 year government bond rate) of 4.42% (2024: 4.51%).

The historical claims pattern for the *Banking Act 1959* of 63.1% (2024: 58.2%), *Corporations Act 2001* of 55.3% (2024: 51.8%), and *Life Insurance Act 1995* of 57.0% (2024: 51.3%) is applied to the outstanding unclaimed money balance as at 30 June 2025.

From 1 July 2013, compounding interest is applied to claims payments. The rates are based on actual legislated interest rates linked to movements in the CPI, using the March to March CPI from the previous year. This is applied from 1 July in the current year. Estimated future claims interest rates are based on economist expectations for inflation in the medium to long term.

The present value of estimated future claims over time has been discounted to a risk-free rate of interest based on government bond rates with similar terms to the expected claims. This is consistent with standard actuarial practice and required under AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Note 5. Funding

This section identifies ASIC's funding structure.

5.1 Appropriations

	2025 \$'000	2024 \$'000
5.1A: Annual appropriations ('Recoverable GST exclusive')		
Departmental		
Ordinary annual services ¹	582,841	510,833
Capital budget ²	4,557	19,826
Equity injections ³	–	3,866
Annual appropriation	587,398	534,525
Adjustments to appropriation ^{4,5}	43,440	11,504
Total appropriation	630,838	546,029
Appropriation applied		
Ordinary annual services	564,305	488,848
Capital budget	12,024	11,100
Equity injections	2,658	–
Total appropriation applied	578,987	499,948
Variance⁶	51,851	46,081
Administered		
Ordinary annual services	14,509	11,367
Annual appropriation	14,509	11,367
Appropriation applied		
Ordinary annual services	11,163	10,521
Total appropriation applied	11,163	10,521
Variance⁷	3,346	846

1 Includes \$56.253 million (2024: \$56.504 million) credited to the Enforcement Special Account (ESA). For further information, refer to Note 5.2.

2 Departmental capital budgets (DCBs) are appropriated through Supply Acts (Nos. 1, 3 and 5) and Appropriation Acts (Nos. 1, 3 and 5). They form part of ordinary annual services and are not separately identified in the Appropriation Acts. The prior-year figure includes \$19.461 million withheld under s51 of the PGPA Act or quarantined for administrative reasons. The funds were transferred to operating and were reappropriated through the *Appropriation Act (No. 3) 2023–2024*.

3 Prior-year figure includes \$3.866 million withheld under s51 of the PGPA Act or quarantined for administrative reasons. The funds were transferred to operating and were reappropriated through the *Appropriation Act (No. 3) 2023–2024*.

4 Includes s74 receipts totalling \$17.337 million (2024: \$8.779 million).

5 Includes s75 receipts totalling \$26.103 million (2024: \$2.725 million). For further information, refer to Note 8.2.

6 The variance in departmental appropriation applied is due to the timing of projects, including the RegistryConnect program and several other measures that have been impacted by delays in finalisation of legislation.

7 The variance in administered appropriation applied is due to i) \$1.760 million withheld under s51 of the PGPA Act or quarantined for administrative reasons and ii) the timing of expenditure for a new program announced in the 2024–25 Mid-Year Economic and Fiscal Outlook (MYEFO).

Accounting Policy

Revenue from the government

Amounts appropriated for departmental appropriations for the period (adjusted for any formal additions and reductions) are recognised as revenue from the government when ASIC gains control of the appropriation. Appropriations receivable are recognised at their nominal amounts.

Amounts notionally set aside for a special account are debited against departmental appropriations and credited to that special account annually under the *Appropriation Act (No. 1) 2024–2025*.

Equity injections

Amounts appropriated that are designated as 'equity injections' for a year (less any formal reductions) and DCBs are recognised directly in contributed equity in that year.

	2025 \$'000	2024 \$'000
5.1B: Unspent annual appropriations (‘Recoverable GST exclusive’)		
Departmental		
<i>Appropriation Act (No. 1) 2021–2022¹</i>	–	4,669
<i>Appropriation Act (No. 3) DCB 2021–2022²</i>	–	1,101
<i>Appropriation Act (No. 4) 2021–2022³</i>	–	1,778
<i>Supply Act (No. 1) DCB 2022–2023</i>	–	1,300
<i>Supply Act (No. 3) DCB 2022–2023</i>	–	9,970
<i>Appropriation Act (No. 2) 2022–2023⁴</i>	1,122	2,578
<i>Supply Act (No. 2) 2022–2023</i>	–	501
<i>Supply Act (No. 4) 2022–2023</i>	–	701
<i>Appropriation Act (No. 1) 2023–2024</i>	–	61,278
<i>Appropriation Act (No. 1) DCB 2023–2024⁵</i>	19,461	19,826
<i>Appropriation Act (No. 2) 2023–2024⁶</i>	3,866	3,866
<i>Appropriation Act (No. 3) 2023–2024</i>	–	69,055
<i>Appropriation Act (No. 1) 2024–2025⁷</i>	191,670	–
<i>Appropriation Act (No. 1) DCB 2024–2025</i>	4,168	–
<i>Appropriation Act (No. 3) 2024–2025</i>	3,021	–
Total Departmental	223,308	176,623

1 Includes \$4.669 million withheld under s51 of the PGPA Act or quarantined for administrative reasons. The funds were transferred to capital and were reappropriated through the *Appropriation Act (No. 3) 2021–2022*. This appropriation lapsed on 1 July 2024.

2 \$1.101 million unspent appropriation lapsed on 1 July 2024.

3 \$1.778 million unspent appropriation lapsed on 1 July 2024.

4 Includes \$1.122 million withheld under s51 of the PGPA Act or quarantined for administrative reasons. The funds were transferred to operating and were reappropriated through the *Appropriation Act (No. 3) 2024–2025*.

5 Includes \$19.461 million withheld under s51 of the PGPA Act or quarantined for administrative reasons. The funds were transferred to operating and were reappropriated through the *Appropriation Act (No. 3) 2023–2024*.

6 Includes \$3.866 million withheld under s51 of the PGPA Act or quarantined for administrative reasons. The funds were transferred to operating and were reappropriated through the *Appropriation Act (No. 3) 2023–2024*.

7 Unspent departmental appropriations include cash balances of \$1.940 million (2024: \$1.793 million).

	2025 \$'000	2024 \$'000
Administered		
<i>Appropriation Act (No. 1) 2021–2022¹</i>	–	1,103
<i>Supply Act (No. 1) 2022–2023</i>	–	1,110
<i>Supply Act (No. 3) 2022–2023</i>	940	3,663
<i>Appropriation Act (No. 1) 2023–2024</i>	3,565	6,391
<i>Appropriation Act (No. 3) 2023–2024</i>	–	305
<i>Appropriation Act (No. 1) 2024–2025^{2,3}</i>	8,360	–
<i>Appropriation Act (No. 3) 2024–2025</i>	1,950	–
Total Administered	14,815	12,572

1 \$1.103 million unspent appropriation lapsed on 1 July 2024.

2 Unspent administered appropriations include cash balances of \$0.305 million (2024: \$0.227 million). These amounts exclude special appropriation cash balances held at year end.

3 Includes \$1.760 million withheld under s51 of the PGPA Act or quarantined for administrative reasons.

5.1C: Special appropriations ('recoverable GST exclusive')

AUTHORITY	TYPE	PURPOSE	APPROPRIATION APPLIED	
			2025 \$'000	2024 \$'000
<i>s69 Banking Act 1959, administered</i>	Unlimited	ASIC is responsible for administering unclaimed money from banking and deposit taking institutions. ASIC receives special appropriations from the OPA (s69 of the <i>Banking Act 1959</i>) to refund amounts to banking and deposit-taking institution account holders.	98,713	105,773
<i>s216 Life Insurance Act 1995, administered</i>	Unlimited	ASIC is responsible for administering unclaimed money from life insurance institutions and friendly societies. ASIC receives special appropriations from the OPA (s216 of the <i>Life Insurance Act 1995</i>) to refund amounts to life insurance policy holders.	16,356	9,357
<i>s77 PGPA Act, Corporations Act 2001, National Consumer Credit Protection Act 2009, Business Names Registration (Fees) Regulations 2010 and Superannuation Industry (Supervision) Act 1993 (refunds of overpaid Corporations Act 2001 fees and charges), administered</i>	Unlimited	ASIC is responsible for administering and collecting Corporations Act fees and charges. All fees and charges are deposited into the OPA as received. Refunds of overpayments are appropriated under s 77 of the PGPA Act.	18,565	5,400
<i>s77 PGPA Act, Corporations Act 2001 (refunds of unclaimed money held under s1341 of the Corporations Act 2001), administered</i>	Unlimited	ASIC is responsible for administering unclaimed money under s1341 of the <i>Corporations Act 2001</i> .	43,767	48,198
Total			177,401	168,728

The following special appropriations were not drawn upon in the current or prior year:

Corporations Act 2001, ss.883D(4), 889J(4), 889J(5), 889K(4)

National Consumer Credit Protection Act 2009, s.115(2)

Superannuation Industry (supervision) Act 1993, s.231(4)

5.2 Special account

[RECOVERABLE GST EXCLUSIVE]	ENFORCEMENT SPECIAL ACCOUNT ¹		ASIC TRUST AND OTHER MONEYS SPECIAL ACCOUNT 2018 ²	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Balance brought forward from the previous period	88,677	78,625	60,111	38,096
Prior year adjustment to balance carried forward ³	1,753	—	—	—
Increases				
Appropriation for the reporting period	56,253	56,504	—	—
Other increases	6,621	17,205	58,138	29,843
Available for payments	153,304	152,334	118,249	67,939
Decreases				
Departmental				
Cash payments from the Special Account	(95,042)	(63,657)	—	—
Total departmental	(95,042)	(63,657)	—	—
Administered				
Cash payments from the Special Account	—	—	(7,209)	(7,828)
Total administered	—	—	(7,209)	(7,828)
Balance carried forward to the next period	58,262	88,677	111,040	60,111
Balance represented by:				
Cash held in entity bank accounts	—	—	111,040	60,111
Cash held in the OPA	58,262	88,677	—	—
	58,262	88,677	111,040	60,111

- Appropriation: s78 of the PGPA Act.**
Establishing instrument: s78 of the PGPA Act.
Purpose: The ESA is a departmental special account that was established by a determination of the Finance Minister on 23 August 2016 to fund ASIC's costs arising from the investigation and litigation of matters of significant public interest.
- Appropriation: s78 of the PGPA Act.**
Establishing instrument: s78 of the PGPA Act.
Purpose: The ASIC Trust and Other Moneys Special Account was established by a determination of the Finance Minister dated 23 February 2018, commencing on 31 March 2018:
 - to perform duties or exercise powers for and on behalf of the Commonwealth in relation to money and other property vested in or held on behalf of the Commonwealth as a trustee, including:
 - by making payments in relation to deregistered companies and property vested in the Commonwealth under Part 5A.1 of the Corporations Act
 - by making payments in relation to liabilities imposed on property vested in the Commonwealth under Part 5A.1 of the Corporations Act, or
 - by making payments in relation to expenses incurred by or on behalf of the Commonwealth as a trustee.
 - to perform functions or exercise powers in relation to money or other property held on behalf of or for the benefit of a person other than the Commonwealth, including:
 - in relation to money or other property held temporarily by ASIC as a consequence of investigations conducted by ASIC, legal proceedings to which ASIC is a party, deeds of settlement to which ASIC is a party, enforceable undertakings accepted by ASIC and court orders referring to ASIC
 - by making payments to or for the benefit of a person for whose benefit the money was held by ASIC

- (iii) making payments of amounts required or contemplated to be paid by ASIC in the course of an investigation
 - (iv) making payments to give effect to court orders, enforceable undertakings, settlements, transfers of assets, or other disbursements of money held by ASIC on behalf of a person other than the Commonwealth, or
 - (v) making payments in relation to expenses incurred in relation to holding and realising third-party assets, or locating and identifying any person for whose benefit an amount is held
 - (c) to perform functions and to exercise powers in relation to security bonds and security deposits lodged by registered liquidators, licensed securities dealers, licensed investment advisers and financial services licensees, including security bonds and security deposits lodged under s912B of the Corporations Act, and regulations 7.6.02AAA and 7.6.02AA of the Corporations Regulations, including by:
 - (i) discharging, returning or releasing a security bond or security deposit lodged with ASIC in whole or in part, or
 - (ii) making payments from security bonds or security deposits to compensate a person other than the Commonwealth who has suffered a pecuniary loss
 - (d) to repay an amount where a court order, Act or other law requires or permits the repayment of an amount received under clause 7
 - (e) to reduce the balance of the special account (and, therefore, the available appropriation for the special account) without making a real or notional payment.
3. The prior year adjustment relates to decreases in the special account which were not yet paid, and therefore should not have been classified as settled (paid) within the special account at that time

ASIC also has a Services for Other Entities and Trust Moneys (SOETM) special account – the Australian Securities and Investments Commission SOETM Special Account 2022, established under s78 of the PGPA Act. The SOETM account enables ASIC to continue to hold and expend amounts on behalf of persons or entities other than the Commonwealth. The SOETM account will typically be used to accommodate small amounts of miscellaneous money; for example, amounts received in connection with services performed for or on behalf of any persons or entities that are not agencies as prescribed under the PGPA Act, such as other governments. For the year ended 30 June 2025, the account had a nil balance and there were no transactions debited or credited to it during the current or prior reporting periods.

The closing balance of the ASIC Trust and Other Moneys Special Account 2018 includes amounts held in trust of \$111.040 million (2024: \$60.111 million).

5.3 Regulatory charging summary

	2025 \$'000	2024 \$'000
Amounts applied		
Departmental		
Appropriation applied	349,157	338,440
Total amounts applied	349,157	338,440
Expenses		
Departmental	349,157	338,440
Total expenses	349,157	338,440
Expenses		
Administered		
Fees for services	11,012	11,960
ASIC Supervisory Cost Recovery Levy	338,145	326,480
Total external revenue	349,157	338,440

Regulatory charging activities

On 20 April 2016, the Australian Government announced the introduction of an industry funding model for ASIC. Under this model, ASIC's regulatory costs are partially recovered from the industry sectors it regulates through a combination of:

- (a) general industry levies (cost recovery levies)
- (b) statutory industry levies
- (c) cost recovery fees (fees for service) for user-initiated, transaction-based activities where ASIC provides a specific service to individual entities.

ASIC's costs associated with regulatory activities are recovered from industry as outlined in ASIC's Cost Recovery Implementation Statement. These regulatory activities include:

- ◆ supervision and surveillance
- ◆ enforcement
- ◆ stakeholder engagement
- ◆ education
- ◆ guidance
- ◆ policy advice.

The most recent Cost Recovery Implementation Statement regarding the above activities is available on the ASIC website; see asic.gov.au/about-asic/what-we-do/how-we-operate/asic-industry-funding/cost-recovery-implementation-statement

5.4 Net cash appropriation arrangements

	2025 \$'000	2024 \$'000
Total comprehensive income/(loss) - as per the Statement of Comprehensive Income	22,879	31,104
<i>Plus:</i> depreciation/amortisation of assets funded through appropriations (DCB funding and/or equity injections) ¹	19,105	19,780
<i>Plus:</i> depreciation of ROU assets ²	25,999	21,095
<i>Less:</i> lease principal repayments ²	(28,767)	(22,015)
Net Cash Operating Surplus/(Deficit)	39,216	49,964

- 1 From 2010–11, the government introduced net cash appropriation arrangements where revenue appropriations for depreciation/amortisation expenses of non-corporate Commonwealth entities and selected corporate Commonwealth entities were replaced with a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.
- 2 The inclusion of depreciation/amortisation expenses related to ROU leased assets and the lease liability principal repayment amount reflects the impact of AASB 16 Leases, which does not directly reflect a change in appropriation arrangements.

Note 6. People and relationships

This section describes a range of employment and post-employment benefits provided to ASIC's people, and its relationships with other key people.

6.1 Employee provisions

	2025 \$'000	2024 \$'000
Annual leave entitlement	31,453	26,057
Long service leave entitlement	55,206	46,126
Separation and redundancy provision	–	217
Other	867	867
Total employee provisions	87,526	73,267

Accounting Policy

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits expected within 12 months of the end of the reporting period are measured at their nominal amounts.

Other long-term employee benefits are measured as the net total of the present value of the defined-benefit obligations at the end of the reporting period minus the fair value at the end of the reporting period of the plan assets (if any) from which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provisions for annual leave and long service leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time leave is taken. This includes ASIC's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the work of an independent actuary dated 9 April 2025. Actuarial reviews of long service leave are undertaken at least every five years. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Separation and redundancy

Provision is made for separation and redundancy benefit payments. ASIC recognises a provision for termination when it develops a detailed formal plan for terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

ASIC employees are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS Accumulation Plan (PSSap) or other superannuation funds held outside the Australian Government, including state-based superannuation schemes.

The CSS, PSS and state-based schemes are defined-benefit schemes. The PSSap is a defined-contribution scheme.

The liability for CSS and PSS defined benefits is recognised in the Australian Government's financial reports and is settled by the Australian Government in due course. This liability is reported in the Department of Finance administered schedule and notes.

ASIC makes employer contributions to its employees' defined-benefit superannuation schemes at rates determined by an actuary to be sufficient to meet the current cost to the government. ASIC accounts for the contributions as if they were contributions to defined-contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions.

Restructuring

ASIC recognises a provision for restructuring when strategic and operational priorities change, or when the government announces a funding measure that will result in a future reduction in functions, resources and staff, and the costs associated with these future reductions can be reliably estimated.

Accounting judgements and estimates

In applying the accounting policies listed in this note, ASIC made assumptions or estimates in the following area which has the most significant impact on the amounts recorded in the financial statements.

- ◆ Leave provisions involve assumptions based on the expected tenure of existing staff; patterns of leave claims and payouts; future salary movements; and future discount rates.

6.2 Key management personnel remuneration

Key management personnel (KMP) are those people who have direct or indirect authority and responsibility for planning, directing and controlling ASIC's activities. ASIC determines the KMP to be Commission members, the Chief Executive Officer, the Acting Chief Executive Officer, the Portfolio Minister and the Minister for Financial Services.

KMP remuneration is reported in the following table.

	2025 \$'000	2024 \$'000
Short-term employee benefits	3,603	3,333
Post-employment benefits	305	342
Other long-term benefits	67	–
Total KMP remuneration expenses¹	3,975	3,675

The total number of KMP included in the above table is seven (2024: nine).

¹ The above KMP remuneration excludes the Portfolio Minister's and the Minister for Financial Services' remuneration and other benefits. These are set by the Remuneration Tribunal and are not paid by ASIC.

6.3 Related party disclosures

Related party relationships

ASIC is an Australian Government controlled entity. Related parties to ASIC are the KMP, who are responsible for planning, directing and controlling ASIC's resources.

Transactions with related parties

Given the breadth of government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note.

ASIC transacts with other Australian Government controlled entities consistent with normal day-to-day business operations provided under normal terms and conditions, including payment of workers' compensation and insurance premiums, sub leasing office space and payment of superannuation contributions. These are not considered individually significant to warrant separate disclosure as related party transactions.

Note 7. Managing uncertainties

This section describes how ASIC manages financial risks within its operating environment.

7.1 Contingent assets and liabilities

	2025 \$'000	2024 \$'000
7.1A: Departmental contingent assets and liabilities		
Continent assets		
Balance from previous period	10,675	5,310
New contingent assets	10,210	9,477
Re-measurement	2,090	1,878
Assets realised	(5,929)	(5,855)
Assets relinquished	(785)	(135)
Total contingent assets	16,261	10,675
Contingent liabilities		
Balance from previous period	1,800	400
New contingent liabilities	1,850	1,800
Re-measurement	540	(62)
Liabilities realised	(1,500)	(338)
Total contingent liabilities	2,690	1,800
Net contingent assets	13,571	8,875

Quantifiable contingencies (ASIC Departmental)

The above table contains 24 matters (2024: 16 matters) where a contingent asset is disclosed in respect of cases where ASIC has received an award of costs in its favour; however, in these matters an agreement has not been reached with respect to the quantum payable to ASIC. ASIC has estimated that these matters represent a combined receivable of \$16.261 million (2024: \$10.675 million), which is disclosed as a contingent asset because realisation of this debt is not virtually certain.

The above table contains three matters (2024: three matters) where a contingent liability is disclosed in respect of a case where ASIC had costs awarded against it; however, in these matters an agreement has not been reached with respect to the quantum payable by ASIC. ASIC has estimated that this matter represents a payable of \$2.690 million (2024: \$1.800 million), which is disclosed as a contingent liability because realisation of this payable is not virtually certain.

Unquantifiable contingencies (ASIC departmental)

ASIC is party to many civil litigation matters arising out of its statutory duty to administer and enforce laws for which it is responsible.

Like any organisation, ASIC may, from time to time, be the subject of legal proceedings for damages brought against it or may receive notice indicating that such proceedings may be brought. In either case, ASIC, like any other party to civil litigation, may be required to pay the other party's costs if it is unsuccessful.

Civil litigation brought, or threatened to be brought, against ASIC as a defendant

At the date of this report, there are 11 matters (2024: eight matters) of this type where proceedings are current. Comcover has provided cover in respect of four of these claims.

Comcover has been notified of one further matter and the final matter is not covered by Comcover.

With respect to the 11 claims, it is more likely than not that ASIC will:

- ◆ successfully defend the actions instituted
- ◆ not be required to pay any damages.

Conversely, ASIC, like any other party to civil litigation, may be entitled to recover costs arising out of such litigation if it is successful. In addition to the matters specifically referred to in this note, ASIC has legal action pending in a number of other matters; however, due to uncertainty over the outcome of outstanding and pending court cases, the duration of court cases and the legal costs of the opposing party, ASIC is unable to reliably estimate its potential payments to – or potential cost recoveries from – opposing litigants. There may also be other matters where ASIC has received an award of costs in its favour; however, no contingent asset has been disclosed as recovery of the debt is not probable. There may also be other matters where no contingency has been quantified because the costs awarded for or against ASIC are estimated to be less than \$20,000 each.

Accounting Policy

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in this note. They may arise from uncertainty as to the existence of a liability or asset or may represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than unlikely.

	2025 \$'000	2024 \$'000
7.1B: Administered contingent liabilities		
<i>Banking Act 1959</i>	1,005,885	905,431
<i>Corporations Act 2001</i>	710,107	629,900
<i>Life Insurance Act 1995</i>	173,209	138,733
Total unclaimed money lodgements	1,889,201	1,674,064

Quantifiable administered contingencies - Banking Act, Life Insurance Act and Corporations Act administration

An independent actuary assessed the number of claims likely to be lodged with ASIC in respect of unclaimed money. ASIC adopted the actuary's calculation for the likely claims payable, reported in Note 4.2B.

The contingent liability represents an estimate of the principal unclaimed money lodged with ASIC, but where a successful claim is regarded as unlikely. No allowance has been made for the compounding interest, which is payable for a successful claim lodged from 1 July 2013, in accordance with legislated interest rates. The contingent liability is the difference between total unclaimed balances and the undiscounted future claim, excluding interest.

Unquantifiable administered contingencies

There are no unquantifiable administered contingent liabilities.

Accounting Policy

Administered contingent liabilities represent a repayment estimate of unclaimed money that is considered unlikely to be paid. There are no administered contingent assets as at 30 June 2025 (2024: nil).

7.2 Financial instruments

ASIC's financial assets consist of cash and goods and services receivable. Financial assets are recognised when ASIC becomes party to a contract and has a legal right to receive cash. Financial assets are derecognised when the contractual rights to cash flows expire or are transferred. ASIC classifies its financial assets as 'financial assets at amortised cost', with income recognised using the effective interest rate method.

Financial liabilities, consisting of trade payables, are initially measured at fair value net of transaction costs. Trade payables are recognised to the extent the goods and services have been received. Financial liabilities are derecognised upon payment.

Accounting Policy

Financial assets

In accordance with AASB 9 *Financial Instruments*, ASIC classifies its financial assets in the following categories:

- ◆ cash and cash equivalents measured at nominal amounts
- ◆ trade receivables measured at amortised cost.

The classification depends on both ASIC's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the entity becomes a party to the contract and, as a consequence, has a legal right to receive, or a legal obligation to pay, cash. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon the trade date.

Financial assets at amortised cost

Financial assets included in this category need to meet two criteria:

- ◆ The financial asset is held to collect the contractual cash flows.
- ◆ The cash flows are solely payments of principal and interest on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Effective interest method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

Impairment of financial assets

Financial assets are assessed for impairment at the end of each reporting period based on the simplified approach.

The simplified approach for trade debtors is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where it directly reduces the gross carrying amount of the financial asset.

Financial liabilities at amortised cost

Supplier payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

Note 8. Other Information

8.1 Current/Non-current distinction for assets and liabilities

	2025 \$'000	2024 \$'000
8.1A: Current/non-current distinction for assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash	60,202	90,470
Trade and other receivables	203,166	151,529
Prepayments	31,698	23,090
Total no more than 12 months	295,066	265,089
More than 12 months		
Buildings	138,307	151,323
Plant and equipment	18,037	18,582
Computer software	3,623	9,786
Total more than 12 months	159,967	179,691
Total assets	455,033	444,780
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	35,668	36,261
Other payables	17,378	19,729
Leases	24,746	26,760
Employee provisions	28,521	22,276
Other provisions	7,823	7,626
Total no more than 12 months	114,136	112,652
More than 12 months		
Leases	101,812	124,684
Employee provisions	59,005	50,991
Other provisions	5,284	3,345
Total more than 12 months	166,101	179,020
Total liabilities	280,237	291,672

2025
\$'0002024
\$'000**8.1B: Current/non-current distinction for assets and liabilities****Assets expected to be recovered in:****No more than 12 months**

Cash and cash equivalents	1,629	1,525
Supervisory cost recovery levies receivable	342,266	330,854
CSLR levies receivable	6	81,670
Other taxation receivables	221,175	205,623
Other non-taxation receivables	3,633	3,633
Trade and other receivables	11,917	10,938
Total no more than 12 months	580,626	634,243
Total assets	580,626	634,243

Liabilities expected to be settled in:**No more than 12 months**

Suppliers and other payables	53,652	52,049
Unclaimed money provisions	155,612	154,448
Provision for fee indexation	68,097	—
Total no more than 12 months	277,361	206,497

More than 12 months

Suppliers and other payables	8,734	8,493
Unclaimed money provisions	527,317	464,208
Total more than 12 months	536,051	472,701
Total liabilities	813,412	679,198

8.2 Restructuring

	2025 RETURN OF BUSINESS REGISTERS ¹ ATO \$'000	2024 RETURN OF BUSINESS REGISTERS ¹ ATO \$'000
FUNCTIONS ASSUMED		
Assets recognised		
Buildings – ROU assets	–	4,440
Buildings – leasehold improvements	–	2,070
Plant and equipment	–	242
Total assets recognised	–	6,752
Liabilities recognised		
Lease liabilities	–	4,636
Provision for employee entitlements ²	4,626	–
Provision for restoration obligations – leased premises	–	531
Total liabilities recognised	4,626	5,167
Net assets recognised³	(4,626)	1,585
Income assumed		
Appropriation income recognised by the receiving entity ⁴	26,103	2,725
Appropriation income recognised by the losing entity	–	22,775
Total income assumed	26,103	25,500
Expenses assumed		
Recognised by the receiving entity	–	1,987
Recognised by the losing entity	–	22,775
Total expenses assumed	–	24,762

1 On 28 August 2023, the government announced the cessation of the Modernising Business Registers program following an independent review. On 21 November 2023, the government determined to transfer responsibility for relevant registers from the ATO to ASIC.

2 Under s75 of the PGPA Act, a transfer of operating annual appropriation to fund the employee provisions was processed by the Department of Finance with an effective date of 1 July 2025 and so will be recognised in the 2025–26 financial statements.

3 For functions assumed in 2023–24, the net book values of assets and liabilities were transferred to ASIC for no consideration.

4 \$26.103 million was transferred to ASIC under s75 of the PGPA Act (2024: \$2.725 million).

8.3 Expenditure relating to statutory board

	2025 \$'000	2024 \$'000
Companies Auditors Disciplinary Board	500	446

Accounting Policy

ASIC is required to support the Companies Auditors Disciplinary Board. Employee and administrative expenditure incurred on behalf of the board are included in ASIC's Statement of Comprehensive Income.

8.4 Identified assets of deregistered companies vesting in ASIC

Section 601AD of the *Corporations Act 2001* provides that, on deregistration of a company, all the company's property vests in ASIC. ASIC takes a proactive approach to administering vested property and accounts for any proceeds on realisation of those assets in accordance with its statutory duties.

Vested assets are not available to ASIC and are not recognised in the financial statements. The table below represents only those known assets that have been identified.

	2025 QUANTITY	2024 QUANTITY
Class of asset		
Land	595	558
Shares	226	203
Other	194	198
Closing balance	1,015	959

Land comprises real property as described in the relevant Land Titles Registry. Shares comprise parcels of shares in both private and publicly listed companies and include those parcels held by the company as trustee. Other assets include property, such as intellectual property (e.g. trademarks), and mortgages.

8.5 Security deposits from dealers, investment advisers and liquidators

The *Corporations Act 2001* and the *Corporations Regulations 2001* require applicants for a dealer's or investment adviser's licence, and applicants for registration as a liquidator, to lodge a security deposit with ASIC. These deposits, stock, bonds or guarantees are not available to ASIC and are not recognised in the financial statements.

	2025 \$'000	2024 \$'000
Security deposits under Corporations Regulations 2001 regulation 7.6.02AA (dealers and investment advisers)		
Cash (at bank)	83	83
Inscribed stock	20	20
Bank guarantees	8,200	8,260
Closing balance	8,303	8,363
Security deposits under the Corporations Act 2001 s1284(1) (liquidators)		
Insurance bond	1,800	1,800
Closing balance	1,800	1,800