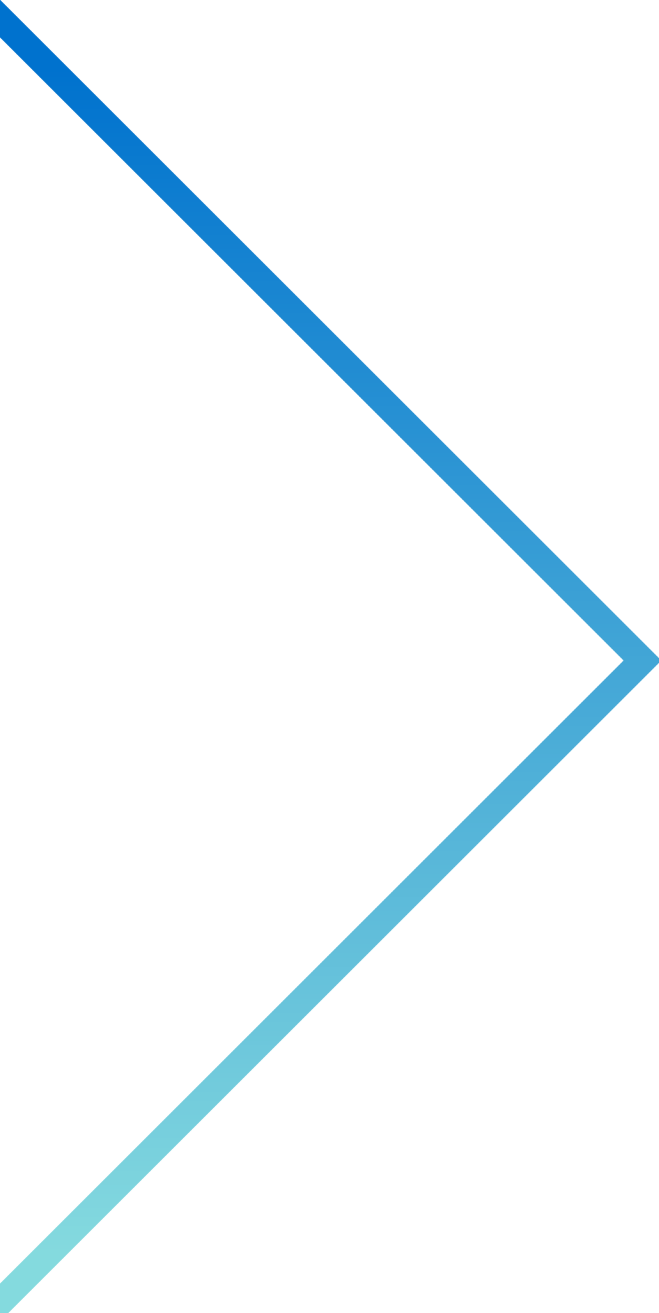




**ASIC**  
Australian Securities &  
Investments Commission



# Licensing and professional registration activities: 2023 update

**Report 772 | September 2023**

## **About this report**

This report is for AFS licensees, credit licensees, lawyers, service providers and financial services industry professionals that are interested in the licensing and professional registration functions of ASIC.

The report outlines key issues, new and proposed changes to licensing processes, and other work we have undertaken that affects licensees. It also provides information and data on licensing and registration applications from the 2022–23 financial year.

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## **About ASIC regulatory documents**

In administering legislation ASIC issues the following types of regulatory documents: consultation papers, regulatory guides, information sheets and reports.

## **Disclaimer**

This report does not constitute legal advice. We encourage you to seek your own professional advice to find out how the Corporations Act and other applicable laws apply to you, as it is your responsibility to determine your obligations. Examples in this report are purely for illustration; they are not exhaustive and are not intended to impose or imply particular rules or requirements.

# Overview

This report provides an update on ASIC's licensing and professional registration activities and our gatekeeping role in the financial services and credit industries. It outlines:

- › information on licensing and professional registration applications from the 2022–23 financial year (see pages 4–5)
- › key issues relating to our licensing and professional registration activities (see pages 6–7)
- › changes to Australian financial services (AFS) licensing and Australian credit licensing (credit licensing) (see pages 8–9), and
- › other work we have undertaken that affects licensees (see pages 10–12).

## Licensing and professional registration applications 2022–23

We received 1,272 licence applications this year, which represents a decline of approximately 13% over the previous year (1,469). This lower number is, in part, likely because there were no licensing reforms in 2022–23 that triggered a need for a new licence authorisation, as occurred last financial year.

We finalised 1,464 AFS licence and credit licence applications, which was 21% less than the previous financial year (1,859). However, it remains relatively consistent with the four-year average (1,510).

Our new and variation licence applications on hand as at 30 June 2023 (448) are down 34% compared to 30 June 2022 (681).

We did not meet four of our eight service charter objectives due to resource constraints and the flow-on effect of the high number of applications received in 2021–22 that we prioritised due to statutory timeframes. Despite this, the results were close to our service charter timeframes and, in most cases, achieved an improvement on 2021–22.

## Changes to our approach

We will continue to apply a risk-based approach to assessment. We devote more resources to assessing complex and higher risk applications to ensure only suitable persons and organisations are licensed and registered.

As a result of feedback received from the Financial Regulatory Assessment Authority (FRAA) and ASIC's Regulatory Efficiency Unit, during 2022–23 we adopted a number of changes to our work practices. The aim of these changes was to improve engagement and communication with applicants during the licensing assessment process without compromising decision-making quality.

In addition, during 2022–23 we implemented changes to our licensing approach to facilitate applications arising from:

- › changes to the regulation of litigation funding schemes, and
- › the commencement of the corporate collective investment vehicle (CCIV) regime.

# Licensing and registration applications: July 2022 to June 2023

## Summary of our performance

In the 2022–23 financial year, we:

- › granted 1,104 AFS licence and credit licence applications (24% decrease from 2021–22)
- › finalised 360 AFS licence and credit licence applications that were not granted – these were either refused by a delegate, voluntarily withdrawn or rejected for lodgement (13% decrease from 2021–22)
- › made a decision on 50% of AFS licence applications within 93 days (20 days faster than in 2021–22), on 70% within 152 days (one day faster than in 2021–22) and on 90% within 303 days (48 days worse than in 2021–22)
- › made a decision on 50% of credit licence applications within 14 days (26 days faster than in 2021–22), on 70% within 65 days (40 days faster than in 2021–22) and 90% within 213 days (33 days faster than in 2021–22)
- › registered 118 company auditors, while 29 applicants withdrew their applications
- › registered 44 approved self-managed superannuation fund (SMSF) auditors, while 18 applicants withdrew their applications, and
- › registered 29 liquidators and refused to register 4 applicants, while one withdrew their application.

See Figure 1 and Appendices 1 and 2 for further details on licensing applications, including the number of applications assessed, additional regulatory outcomes imposed, and the number of licensees, auditors and liquidators on ASIC's register as at 30 June 2023.

## Our performance against the service charter

The [ASIC service charter](#) sets out the standards we aim to achieve. In relation to our licensing function, we aim to decide whether to grant or vary an AFS licence or credit licence within 150 days of receiving a complete application in at least 70% of cases, and within 240 days in at least 90% of cases.

In the 2022–23 financial year, we finalised:

- › 75% of new AFS licence applications and 66% of AFS licence variation applications within 150 days
- › 88% of new AFS licence applications and 83% of AFS licence variation applications within 240 days
- › 91% of new credit licence applications and 81% of credit licence variations within 150 days, and
- › 93% of new credit licence applications and 87% of credit licence variation applications within 240 days.

Taking all new and variation applications for AFS licences and credit licences together, we finalised 75% of applications within 150 days and 87% within 240 days.

**Figure 1: Summary of licensing and registration outcomes (July 2022 to June 2023)**

<b>AFS LICENCE AND CREDIT LICENCE APPLICATIONS UNDER ASSESSMENT DURING PERIOD</b>	
<b>633</b>	applications for a new AFS licence
<b>805</b>	applications to vary an AFS licence
<b>292</b>	applications for a new credit licence
<b>222</b>	applications to vary a credit licence
<b>AFS LICENCES AND CREDIT LICENCES RESOLVED</b>	
<b>332</b>	new AFS licences granted (71% of finalised applications)
<b>149</b>	new credit licences granted (62% of finalised applications)
<b>867</b>	AFS and credit licence variation applications granted (82% of finalised applications)
<b>152</b>	new and variation applications for AFS licence and credit licences were not accepted for lodgement (10% of finalised applications)
<b>249</b>	new and variation applications for AFS licence and credit licences were withdrawn (either before or after lodgement) (14% of finalised applications)
<b>ADDITIONAL REGULATORY OUTCOMES</b>	
<b>AFS licence applications</b>	
<b>493</b>	additional regulatory outcomes achieved on approved applications (new and variation)
<b>47%</b>	of approved applications (new and variation) subject to at least one additional regulatory outcome
<b>Credit licence applications</b>	
<b>152</b>	additional regulatory outcomes achieved on approved applications (new and variation)
<b>58%</b>	of approved applications (new and variation) subject to at least one additional regulatory outcome
<b>PROFESSIONAL REGISTRATION (LIQUIDATOR, AUDITOR AND SMSF AUDITOR) ACTIVITIES</b>	
<b>191</b>	professional registrations approved
<b>51</b>	professional registrations withdrawn
<b>4</b>	professional registrations refused

**Note 1:** A single application may have more than one regulatory outcome.

**Note 2:** For further information about what we mean by 'regulatory outcomes', see paragraphs 66–68 of Report 433 *Overview of licensing and professional registration applications: July to December 2014* ([REP 433](#)).

**Note 3:** For a detailed explanation about how AFS and credit licensing and professional registration applications are determined – including rejection, approval, withdrawal and refusal – see paragraphs 53–64 of [REP 433](#).

**Note 4:** Information about [financial market licences](#) is available on ASIC's website.

# Key issues

## Understanding our role

ASIC's licensing and professional registration functions continue to provide an important gatekeeping role to the financial services and credit industries.

Our role is to ensure that we only grant a licence or registration to persons who:

- › are competent
- › are fit and proper
- › have appropriate human, technological and financial resources, and
- › can demonstrate that they are likely to comply with their licence or professional registration obligations.

The assessment of applications is not an automatic administrative process, as we subject each application to a risk rating and assess it on its particular facts.

When we assess applications, there are a number of factors that can affect how long an assessment will take. These include:

- › the quality of the application, and any additional information requested
- › the complexity of an applicant's business model and authorisations sought
- › any adverse intelligence about the applicant or its relevant personnel, and
- › competing ASIC priorities and the volume of applications under consideration.

## Feedback from the FRAA on Licensing's performance

The FRAA published its [first report](#), which includes its assessment of our licensing function, in August 2022.

The FRAA's overall assessment was that our licensing function is broadly effective, and the licensing team is capable within the constraints of current resourcing and technology systems.

The FRAA recommended that ASIC improve the effectiveness and capability of our licensing function by:

- › considering an initiative to enhance stakeholder engagement
- › upgrading our licensing portal, and
- › introducing a new workflow system to streamline and automate aspects of the licensing assessment process.

We have provided an update on those actions below.

In the 2023–24 Budget, the Australian Government announced its intention to reduce the frequency of the FRAA review cycle from every two years to every five years.

The next FRAA review of the effectiveness and capability of ASIC will commence in 2026.

## Improvements to stakeholder engagement during the application process

ASIC's Regulatory Efficiency Unit was established in November 2021 to promote better regulation by removing unnecessary frictions. In 2022–23 it undertook several initiatives to make it easier for stakeholders to interact with ASIC. This included looking at ways ASIC could enhance and engage more clearly and consistently with stakeholders.

One initiative focused on Licensing's approach to stakeholder engagement regarding AFS licence applications. The Regulatory Efficiency Unit tested additional engagement avenues for applicants, such as extra phone discussions and status updates. These were available both before submission of the application and during the course of assessment.

We offered applicants opportunities to meet to discuss novel or complex applications early in the assessment process, and to engage with ASIC about substantive information requests that an applicant may not have anticipated.

We have now incorporated these approaches as standard practice.

We will continue to monitor the impact of these changes, including through surveying applicants at the end of the AFS licensing process. Since the introduction of these surveys in October 2022, we have received 82 survey responses – 79% of respondents are either satisfied (23) or very satisfied (42) with the assessment process for their application.

The survey responses reinforce that applicants desire increased transparency and timeliness in the licensing assessment process. The responses also indicated that applicants welcome the opportunity for the licensing portal to make the experience more seamless and efficient.

### **Development of the new AFS licensing portal and assessment workflow**

We have been updating ASIC's application portals since 2017. We have already implemented changes to the portals for SMSF auditors (March 2019), applications for relief (July 2020) and market licences (June 2022).

In July 2022, we commenced work on building a new AFS licence application portal. During the year we met with AFS licensees and service providers to better understand the existing friction points with our application processes and seek feedback on potential improvements for the new portal.

The key improvements we identified to be implemented in the new portal include:

- › pre-filling the application form with information ASIC already holds
- › providing guidance within the application form
- › collecting required information upfront (to the extent possible) to reduce the number of requisitions, and
- › collecting relevant information in a structured format to improve assessment review, data analysis, and internal and external reporting.

Once the new AFS licensing portal is completed, we will proceed to redevelop our credit licence, company auditor and registered liquidator portals.

## **Human centred design process**

Human centred design is a problem-solving approach that places users (internal and external) at the centre of designing solutions. It considers what users need, and what is feasible and viable for the organisation.

ASIC's Human Centred Design (HCD) Hub provided input into how we might best redesign the licensing portal experience for both internal and external users.

The HCD Hub tested proposed concepts to improve the end-to-end AFS licence experience. The concepts include:

- › a centralised collation of information about applying for, varying and cancelling an AFS licence
- › a better structured, guided application process, and
- › a single dashboard for licensees or service providers to manage AFS licence related transactions.

As part of the testing, the HCD Hub conducted 23 external interviews and three rounds of external alpha phase testing with service providers and AFS licensees.

The HCD Hub will continue to work closely with the project team implementing the new AFS licensing portal.

## **How to engage with ASIC**

We remain committed to ongoing engagement and communication with service providers and licence applicants.

If you have any comments or concerns about the licensing process and how we engage with you during the process, please contact us at [ASICLicensingLiaison@asic.gov.au](mailto:ASICLicensingLiaison@asic.gov.au). We are particularly interested in feedback that will help us as we develop the new licensing portal and improve our processes.

Please note that we may not be able to respond to comments about specific licence applications or decisions. We have provided information on [how to make a formal complaint about ASIC](#) on our website.

# Changes to AFS and credit licensing

## Litigation funding schemes

Following the commencement of the new litigation funding regulations, these arrangements are now generally exempt from the managed investment scheme, AFS licensing, product disclosure and anti-hawking regimes in the *Corporations Act 2001* (Corporations Act): see the *Corporations Amendment (Litigation Funding) Regulations 2022*.

Consequently, we contacted the 11 AFS licensees authorised to provide litigation funding services. We sought confirmation of whether they wished to remove authorisations relating to litigation funding arrangements, or whether they wished to cancel their licence entirely.

Of the 11 AFS licences, we:

- › varied seven licences by way of an ASIC-initiated variation
- › varied one licence as part of a separate request initiated by the licensee, and
- › cancelled three licences after being advised they no longer required the licence.

## A facilitative approach to the CCIV regime transition

On 1 July 2022, a new legislative regime for CCIVs commenced. A CCIV is a new type of company that is used for investing and funds management.

In recognition of the similarities between CCIVs and managed investment schemes, ASIC considered that AFS licensees authorised to provide financial product advice about and/or deal in managed investment schemes are able to provide those financial services in relation to CCIVs. To facilitate AFS licensees' adoption of the new regulatory regime, we wrote to the 185 licensees that held relevant authorisations in managed investment schemes and offered to add an authorisation for 'securities in a CCIV' to their licences. Forty-one eligible licensees accepted this offer in 2022–23 (a total of 153 have accepted the offer over the last two financial years).

In addition, we updated Information Sheet 240 *AFS licence applications: Providing information for fit and proper people and certain authorisations* ([INFO 240](#)) to enable streamlined proofs for prospective CCIV-related applicants. We have also prioritised their assessment since 1 July 2022.

As at 1 July 2023, we have approved five applications from new corporate directors. Two are authorised in relation to retail CCIVs and wholesale CCIVs, and three are authorised in relation to only wholesale CCIVs.



## Debt management firms

Debt management firms wishing to provide services after 1 July 2021 must be licensed (unless they are operating under transitional arrangements): see the *National Consumer Credit Protection Amendment (Debt Management Services) Regulations 2021*.

The transitional arrangements allowed debt management firms to continue to provide their services without a credit licence authorisation for debt management services until ASIC determined their licence application.

As at 30 June 2023, we had:

- › received a total of 123 applications from firms seeking to be authorised to provide debt management services, and
- › granted 79 debt management services authorisations.

The rate of debt management services applications withdrawn and refused is approximately three times higher than the historical average for other credit licence applications. This result supports the objective of the legislative reforms – to ensure that only applicants that we have no reason to believe are likely to contravene their credit licence obligations are authorised to provide debt management services.

We continue to monitor and engage with the sector and have:

- › updated our Moneysmart website to help consumers [check whether a debt management firm is licensed](#)
- › continued to liaise with credit providers to remind them to only engage with licensed debt management firms, and
- › encouraged stakeholders to report any persons they suspect may be providing debt management services without the appropriate authorisation to [debtmanagement.enquiries@asic.gov.au](mailto:debtmanagement.enquiries@asic.gov.au).

## Foreign financial services providers

In 2020, ASIC revised the regulatory regime for foreign financial services providers (FFSPs). The regime enabled FFSPs to apply for an AFS licence under a streamlined licensing assessment process. Prior to 2020, and during the transition period, eligible FFSPs were entitled to rely on a licensing exemption.

On 7 August 2023, Treasury released an exposure draft introducing new legislative exemptions for FFSPs from holding an AFS licence. The [exposure draft and explanatory memorandum](#) are available on the Treasury's website. Additionally, on 8 August 2023, we extended FFSP's transitional relief from the requirement to hold an AFS licence for a further 12 months (to 31 March 2025).

As at 30 June 2023, we had approved 28 foreign AFS licences relying on [ASIC Corporations \(Foreign Financial Services Providers—Foreign AFS Licensees\) Instrument 2020/198](#) and paused the assessment of a further 13 applications at their request.

# Other licensing-related issues

## Greenwashing

In June 2022, we released Information Sheet 271 *How to avoid greenwashing when offering or promoting sustainability-related products* ([INFO 271](#)) aimed at product issuers preparing communications about sustainability-related products.

We also released Report 763 *ASIC's recent greenwashing interventions* ([REP 763](#)) in May 2023. REP 763 addresses how and why we took action against greenwashing, as well as the nature of the matters where we have intervened.

In the period covered by REP 763 (1 July 2022 to 31 March 2023), our regulatory intervention resulted in:

- › 23 corrective disclosure outcomes
- › 11 infringement notices issued, and
- › in one case, the commencement of civil penalty proceedings (see Media Release ([23-043MR](#)) *ASIC launches first court proceedings alleging greenwashing* (28 February 2023)).

## Consumer remediation

In September 2022, we published Regulatory Guide 277 *Consumer remediation* ([RG 277](#)) to help AFS licensees and credit licensees remediate their customers quickly and effectively.

We also updated [Making it right: How to run a consumer-centred remediation](#), which aims to help licensees with the day-to-day design and execution of consumer-centred remediations.

For more information, see Media Release ([22-260MR](#)) *ASIC publishes updated and expanded remediation guidance* (27 September 2022).

## Scams

In April 2023, we released Report 761 *Scam prevention, detection and response by the four major banks* ([REP 761](#)), which examines approaches taken by the major banks to prevent, detect and respond to scams. The aim of REP 761 is to help banks consider practices that may minimise the impact of scams on their customers.

Banking and other financial service businesses were encouraged to consider the findings outlined in the report. For an overview of the report's findings, see Media Release ([23-101MR](#)) *ASIC calls for improved approaches to scams as major bank customers report over \$550 million in scam losses* (20 April 2023).

## Reportable situations

From October 2021, AFS licensees and credit licensees were required to submit notifications about reportable situations to ASIC.

In April 2023, ASIC updated Regulatory Guide 78 *Breach reporting by AFS licensees and credit licensees* ([RG 78](#)).

The updates to RG 78 include:

- › clarifying the circumstances in which licensees may group multiple reportable situations into one report to ASIC
- › new guidance on the information to include when licensees describe a reportable situation, and
- › new guidance for licensees on ASIC's expectations when licensees are providing updates about a reported breach.

For more information, see Media Release ([23-106MR](#)) *ASIC releases updated guidance for licensees on reportable situations* (27 April 2023).

## Financial Accountability Regime

The Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry recommended that the Banking Executive Accountability Regime (BEAR) be extended to all APRA-regulated financial services institutions. The Financial Accountability Regime (FAR) is proposed to increase transparency and accountability across the financial services industry.

The [Financial Accountability Regime Bill 2023](#) and the [Financial Accountability Regime \(Consequential Amendments\) Bill 2023](#) were passed by Parliament on 5 September 2023.

The accountability obligations will first be extended to authorised deposit-taking institutions (ADIs) and their significant related entities, before later being extended to other APRA-regulated entities. This will involve four fundamental sets of obligations:

- › **accountability obligations** – accountable entities and accountable persons must conduct their business in a certain manner
- › **key personnel obligations** – accountable entities must nominate accountable persons to be responsible for all areas of their business operations
- › **deferred remuneration obligations** – accountable entities must defer at least 40% of variable remuneration for certain persons for a minimum of four years, and
- › **notification obligations** – accountable entities must provide ASIC and APRA with particular information about their business and accountable persons. Specified larger entities will be required to submit accountability statements and accountability maps.

## Payment system modernisation and crypto-assets

In June 2023, the Australian Government commenced [consultation on a new licensing framework for payment service providers](#), focusing on regulatory obligations that should be imposed under the licensing framework. This will include regulation of stored value facilities, including payment stablecoins.

Treasury also continues to develop its licensing regime for crypto-asset service providers. It released a [consultation paper on token mapping](#) in February 2023, which is available with submissions on Treasury's website.

From March to May 2022, the Australian Government sought feedback on a [proposed licensing regime for crypto-asset secondary service providers](#). A copy of the consultation paper and submissions, including ASIC's submission, is available on Treasury's website.

## Compliance with the design and distribution obligations

The design and distribution obligations aim to improve consumer outcomes by requiring issuers and distributors of financial and credit products to design, market and distribute products that meet consumer needs.

During the period, ASIC reviewed how superannuation trustees and investment product issuers are meeting the design and distribution obligations. The reviews found deficiencies in target market determinations (TMDs) for their products. Product issuers should clearly define their target markets and review triggers in TMDs using objective, specific and measurable parameters.

For information on ASIC's review of:

- › superannuation trustees' TMDs, see Media Release [\(22-236MR\)](#) *Super trustees urged to improve effectiveness of target market determinations* (29 August 2022).
- › investment product issuers' compliance with the obligations, see Media Release [\(23-115MR\)](#) *ASIC calls on investment product issuers to 'lift their game' on design and distribution obligations* (3 May 2023).

## Product intervention power

The product intervention power strengthens our consumer protection toolkit by equipping ASIC with the power to intervene where there is a risk of significant consumer detriment.

Our ability to exercise the product intervention power came into force in April 2019.

Since issuing our last update, we have:

- › made a product intervention order imposing conditions on the issuing of short term credit and continuing credit contracts to retail clients (see Media Release ([22-182MR](#)) *ASIC makes product intervention orders for short term credit and continuing credit contracts* (14 July 2023)), and
- › extended the product intervention order banning the issue and distribution of binary options to retail clients until 1 October 2031 (see Media Release ([22-243MR](#)) *ASIC's binary options ban extended until 2031* (5 September 2022)).

## Enhanced regulatory sandbox

The enhanced regulatory sandbox (ERS) allows people to test certain innovative financial services or credit activities without first obtaining AFS licence or credit licence.

As of 30 June 2023, three participants were using the ERS exemptions.

In 2022–23, we advised eight entities who sought to use the ERS exemptions that they were ineligible because we were not satisfied that they met one or more of the statutory requirements (fit and proper person, eligible services, net public benefit test, and innovation test).

For more information on the ERS exemptions, see Information Sheet 248 *Enhanced regulatory sandbox* ([INFO 248](#)). [Details of people currently using the ERS exemption](#) are available on our website.

Potential ERS exemption users are encouraged to contact the Innovation Hub at [innovationhub@asic.gov.au](mailto:innovationhub@asic.gov.au) before lodging a notification with ASIC.

## ASIC's industry funding model

In January each year, ASIC issues invoices on behalf of the Australian Government to industry to recover some of the regulatory costs that ASIC incurs. The Government established this industry funding model to ensure the funding of regulatory activities undertaken by ASIC is met by those creating the need for regulation, rather than the Australian taxpayer.

To provide transparency about our costs and how these costs are allocated to industry under the industry funding model, ASIC publish an annual cost recovery implementation statement (CRIS). The CRIS outlines our forecast regulatory costs and activities by subsector for each financial year and provides details on how ASIC allocated its costs in the previous year. The CRIS also provides industry with indicative levies for the following year to help them plan. The [2022–23 CRIS](#) is available on ASIC's website.

Licensees can use the data in the CRIS to estimate their invoice for next year, noting that the figures are subject to change.

Further information about the industry funding model is available on ASIC's website.

# Appendix 1: Licensing and registration data

This appendix provides licensing and registration data for the 2022–23 financial year.

**Table 1: Licence applications available for assessment (1 July 2022 to 30 June 2023)**

Type of application	Received or initiated before July 2022	Received or initiated	Finalised – approved	Finalised – not approved	Not finalised as at 30 June 2022
New AFS licence	213	420	332	138	163
Variation of AFS licence	315	490	509	77	219
New credit licence	83	209	149	90	53
Variation of credit licence	69	153	114	55	53
<b>Total</b>	<b>680</b>	<b>1,272</b>	<b>1,104</b>	<b>360</b>	<b>488</b>

**Note 1:** The 'Finalised – approved' column includes all applications that were approved during the 2022–23 financial year.

**Note 2:** The 'Finalised – not approved' column indicates applications that were rejected, withdrawn or refused during the 2022–23 financial year.

**Table 2: Outcomes of AFS licence applications finalised (1 July 2022 to 30 June 2023)**

Outcomes	New licence applications received before July 2022	New licence applications received in 2022–23	Licence variation applications received before July 2022	Licence variation applications received in 2022–23
Approved (without additional regulatory outcomes)	74	102	106	167
Approved (with additional regulatory outcomes)	72	84	132	104
Rejected for lodgement	5	72	0	19
Withdrawn before start of assessment	0	24	1	18
Withdrawn after start of assessment	25	11	24	14
Withdrawn after hearing	0	0	0	0
Refused after hearing	1	0	0	0

**Table 3: Outcomes of credit licence applications finalised (1 July 2022 to 30 June 2023)**

Outcomes	New licence applications received before July 2022	New licence applications received in 2022–23	Licence variation applications received before July 2022	Licence variation applications received in 2022–23
Approved (without additional regulatory outcomes)	23	26	20	42
Approved (with additional regulatory outcomes)	43	57	18	34
Rejected for lodgement	1	48	1	6
Withdrawn before start of assessment	2	21	5	18
Withdrawn after start of assessment	7	11	11	6
Withdrawn after hearing	0	0		
Refused after hearing	0	0	1	0

**Table 4: Number and type of additional regulatory outcomes for AFS and credit licence (new and variation) applications (1 July 2022 to 30 June 2023)**

Type of additional regulatory outcome	AFS licence	Credit licence
Key-person condition imposed	259	149
Authorisations changed – authorisations granted that were different from those sought by applicant, or authorisations refused	85	5
Authorisations changed – authorisations granted that were specific to that applicant (tailored authorisations)	119	2
Additional responsible manager appointed	24	1
Additional conditions imposed	6	2
<b>Total</b>	<b>493</b>	<b>159</b>

**Note 1:** A single application may have more than one regulatory outcome.

**Note 2:** When we decline to accept responsible managers nominated by the applicant, we are typically concerned that they do not have the knowledge and skills to meet the organisational competence obligations.

**Table 5: Number and reasons for suspensions and cancellations of AFS and credit licences (1 July 2021 to 30 June 2022)**

Licence type	Cancellation by ASIC	Cancellation on request	Suspension
AFS licence	45	260	24
Credit licence	31	179	2

**Table 6: Applications finalised within service charter timeframes**

Application type	Finalised in 150 days: 2021–22	Finalised in 150 days: 2022–23	Finalised in 240 days: 2021–22	Finalised in 240 days: 2022–23
New AFS licence	73%	75%	91%	88%
AFS licence variation	67%	66%	88%	83%
New credit licence	82%	91%	98%	93%
Credit licence variation	75%	81%	97%	87%

**Table 7: Professional registration activity (1 July 2022 to 30 June 2023)**

Registrant type	Application for registration	Registered	Withdrawn	Refused	Not finalised in period
Liquidator	26	29	1	4	9
Company auditor	147	118	32	0	5
SMSF auditor	64	44	18	0	9

## Appendix 2: The regulated population over time

The *Financial Services Reform Act 2001* (FSR Act) amended the Corporations Act by introducing the AFS licensing regime on 11 March 2002, with a transition period of two years (to 10 March 2004).

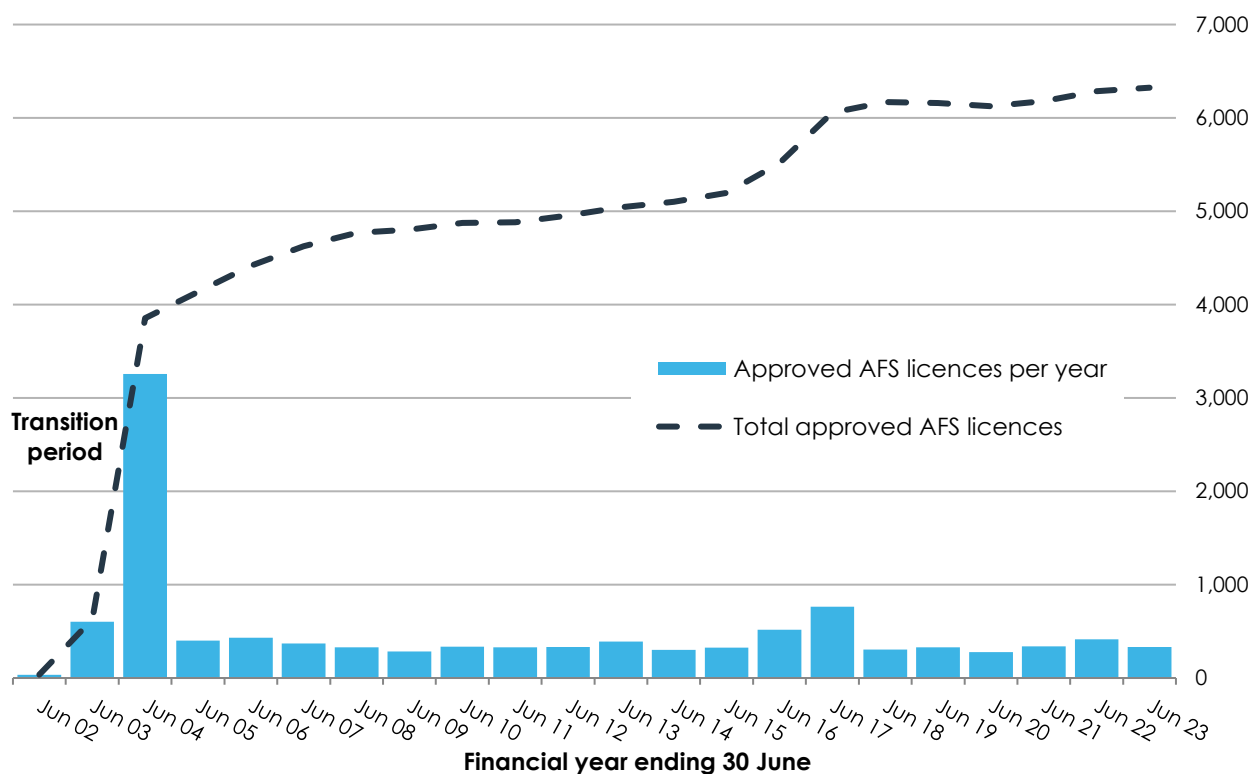
Since then ASIC's AFS and credit licensing and registration responsibilities have expanded as noted in Table 8.

**Table 8: ASIC's AFS and credit licensing and registration responsibilities**

Activity	Date ASIC assumed responsibility
Liquidator and company auditor registration	14 July 1989
AFS licensing	11 March 2002 (transition period ended 10 March 2004)
Credit licensing	1 July 2010
Approved SMSF auditor registration	1 January 2013

**Note:** ASIC's predecessor (the Australian Securities Commission) assumed responsibility for liquidator and company auditor registration under the *Corporations Act 1989*.

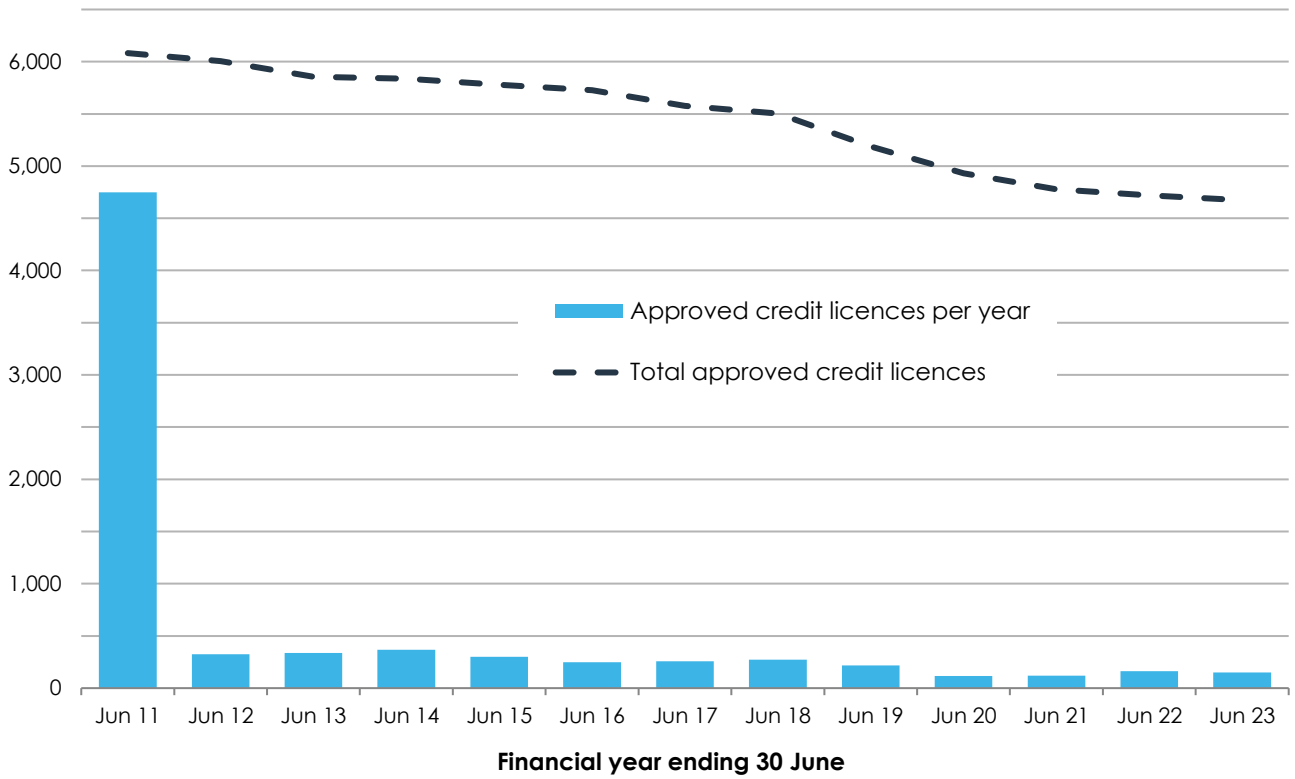
**Figure 2: AFS licences approved per financial year and total number of approved AFS licences**



**Note:** See Table 10 in Appendix 3 for the complete data used in this figure (accessible version).

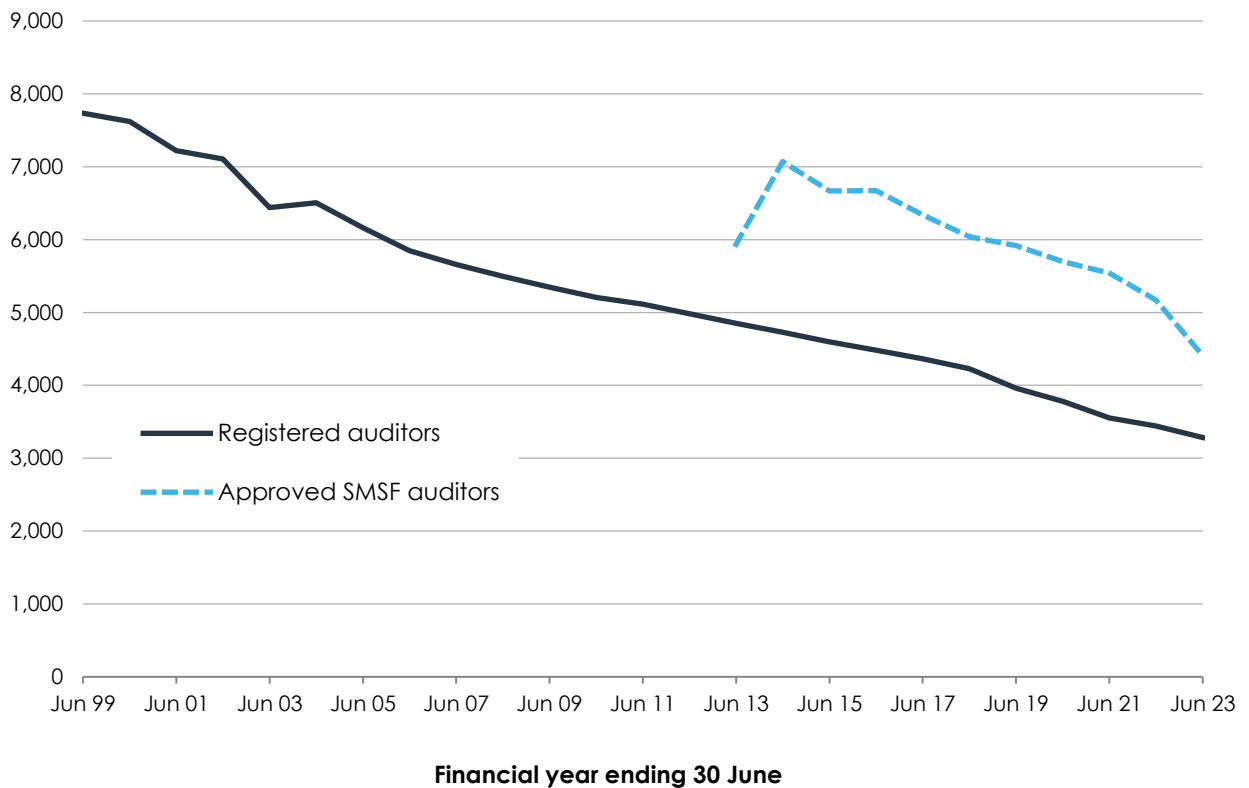


**Figure 3: Credit licences approved per financial year and total number of approved credit licences**



**Note:** See Table 11 in Appendix 3 for the complete data used in this figure (accessible version).

**Figure 4: Number of registered company auditors and approved SMSF auditors to 30 June 2022**



**Note:** See Table 12 in Appendix 3 for the complete data used in this figure (accessible version).

**Table 9: Number of registered liquidators**

Financial year ending 30 June	Registered liquidators
June 2016	707
June 2017	713
June 2018	663
June 2019	647
June 2020	630
June 2021	644
June 2022	638
June 2023	655

## Appendix 3: Accessible versions of figures

This appendix provides accessible data for the figures presented in Appendix 1.

**Table 10: AFS licences approved per financial year and total number of approved AFS licences**

Financial year ending 30 June	Approved AFS licences per year	Total approved AFS licences
June 2002	35	35
June 2003	601	626
June 2004	3,255	3,853
June 2005	401	4,135
June 2006	429	4,415
June 2007	369	4,625
June 2008	329	4,768
June 2009	285	4,803
June 2010	335	4,874
June 2011	329	4,883
June 2012	333	4,955
June 2013	389	5,043
June 2014	302	5,101
June 2015	323	5,198
June 2016	515	5,516
June 2017	764	6,058
June 2018	303	6,170
June 2019	327	6,159
June 2020	277	6,127
June 2021	339	6,179
June 2022	415	6,288
June 2023	332	6,325

**Note 1:** The data for the period ending 30 June 2004 reflects the end of the AFS licensing transition period on 10 March 2004.

**Note 2:** This is the data contained in Figure 2.

**Table 11: Credit licences approved per financial year and total number of approved credit licences**

Financial year ending 30 June	Approved credit licences per year	Total approved credit licences
June 2011	4,750	6,081
June 2012	325	6,004
June 2013	336	5,856

Financial year ending 30 June	Approved credit licences per year	Total approved credit licences
June 2014	360	5,837
June 2015	301	5,779
June 2016	248	5,726
June 2017	256	5,576
June 2018	273	5,503
June 2019	216	5,188
June 2020	117	4,930
June 2021	119	4,777
June 2022	163	4,720
June 2023	149	4,675

**Note:** This is the data contained in Figure 3.

**Table 12: Number of registered company auditors and approved SMSF auditors to 30 June 2023**

Financial year ending 30 June	Registered auditors	Approved SMSF auditors
June 1999	7,736	Not applicable
June 2000	7,623	Not applicable
June 2001	7,221	Not applicable
June 2002	7,109	Not applicable
June 2003	6,440	Not applicable
June 2004	6,506	Not applicable
June 2005	6,163	Not applicable
June 2006	5,848	Not applicable
June 2007	5,658	Not applicable
June 2008	5,495	Not applicable
June 2009	5,345	Not applicable
June 2010	5,207	Not applicable
June 2011	5,114	Not applicable
June 2012	4,985	Not applicable
June 2013	4,852	5,935
June 2014	4,729	7,073
June 2015	4,596	6,669
June 2016	4,483	6,671
June 2017	4,365	6,639
June 2018	4,226	6,039

Financial year ending 30 June	Registered auditors	Approved SMSF auditors
June 2019	3,962	5,917
June 2020	3,781	5,699
June 2021	3,553	5,540
June 2022	3,441	5,173
June 2023	3,285	4,410

**Note:** This is the data contained in Figure 4.