



9 February 2026

Australian Securities and Investments Commission
Lodged via email: rri.consultation@asic.gov.au

Dear Sir/Madam

ASIC CS 42 Proposed update to ASIC's guidance on Regulatory Guidance (RG) 43 *Financial reports and audit relief*

The Institute of Public Accountants (IPA) welcomes the opportunity to provide comments on CS 42.

General comment

IPA commends ASIC in its ongoing commitment to simplify financial, markets and corporate regulations and guidance documents. We have observed the improvements in other Regulatory Guidance, such as RG 280 *Sustainability Reporting*, are well structured and have easy to understand content.

The update to RG 43 in CS 42 proposes revisions that are also well structured and written in a more concise, simpler and clearer manner. We find, in particular, the:

- Relocation, consolidation, simplification and clarification of the guidance make it easier to understand and apply.
- "Note" paragraphs and additional examples provide a user of the revised RG 43 with an understanding of ASIC's expectations and how it exercises its powers for a particular matter.

IPA therefore, is of the view that the proposed changes to the guidance in CS 42 are sufficiently clear to meet the needs of users.

Specific comment

Our comments to the specific changes in the CS 42 are in Attachment 1.

For any questions relating to this submission, please contact [REDACTED]
[REDACTED], Institute of Public Accountants at [REDACTED]

Yours sincerely

[signed [REDACTED]]

[REDACTED]

[REDACTED]

Institute of Public Accountants

Attachment 1 – IPA’s comments to specific changes in CS 42

Table: Summary of changes

Topic No.	Topic	Proposed changes	IPA Comments
1	Title of guide	Changes title of RG 43 <i>Financial reporting and audit relief</i>	IPA supports the changes, as the it is a more accurate title.
	Section A		
2	Overview of record keeping and annual reporting requirements	Adds a summary of the financial reporting, sustainability reporting and audit requirements, including for corporate collective investment vehicles (CCIVs), registrable superannuation entities (RSEs) and notified foreign passport funds.	IPA supports the inclusions, as they provide a good overview on an important area of an entity’s need for proper record keeping and annual reporting requirements.
3	The objectives of the financial reporting and audit requirements	Simplifies and streamlines the guidance.	IPA supports the revisions, as they are written in a concise, simplified and easier to understand manner.
	Section B		
4	Eligibility for relief	<p>Consolidates and simplifies guidance in Sections A and B and extends it to include guidance on CCIVs and RSEs.</p> <p>Clarifies that although we have the power to grant relief from the obligation to keep financial or sustainability records, we are very unlikely to do so.</p> <p>Notes ASIC’s other discretionary powers to provide individual relief under sections 342AA, 342AB and 342A of the <i>Corporations Act 2001</i> (Corporations Act). Also notes guidance in Regulatory Guide 280 <i>Sustainability reporting</i> (RG 280) about satisfying relief criteria for relief applications from the sustainability reporting and audit requirements.</p>	<p>IPA supports the revisions for the same reasons as those stated in Topic No.3.</p> <p>Additionally, we find the text in the “Note” paragraphs, such as the text below of:</p> <p>“Note: Despite our power to grant relief from record keeping requirements in Pt 2M.2, we are very unlikely to ever grant relief from the requirements to keep financial records or sustainability records” (RG43.9) and</p> <p>“Note: Individual relief is made by way of an ‘order’ under s340 and is not gazetted.” (RG43.10).</p> <p>We find the additional notes provides a user of RG43 with an understanding of ASIC’s expectations and how it exercises its powers for a particular matter.</p>

Topic No.	Topic	Proposed changes	IPA Comments
5	Our general approach to relief applications	Consolidates and simplifies guidance in Sections A and D and provides further examples of conditions that may be imposed on individual relief and circumstances where we may decide not to grant individual relief for an indefinite period.	IPA supports the consolidations and simplifications.
6	ASIC relief	Moves Table 1 from Section C, retaining the associated ASIC guidance and updating this list to include legislative instruments providing class relief that have been made since RG 43 was last issued. Moves guidance for disclosing entities about relief under section 111AT of the Corporations Act from Section C.	IPA supports the relocation and revisions for Table 1. In particular, the inclusion of the legislative instrument relating to the class of relief.
7	Retrospective relief	Moves guidance from Section D, adding examples of when we are unable to provide retrospective relief and when we may be able to grant prospective relief.	IPA supports the relocation and inclusion of examples, which we find useful.
8	No-action letters	Moves guidance from Section D, adding examples of when we are unlikely to provide a no-action letter.	IPA supports the revisions for the reasons as stated in Topic No.7.
9	Late lodgements	Clarifies that entities that lodge their reports late without relief may still face further action or penalties (e.g. prosecution or an infringement notice), even if they have paid late lodgement fees.	IPA supports the clarifications.
	Section C		
10	Discretionary power to grant individual relief	Consolidates and simplifies guidance in Sections A and B, extending guidance to CCIVs and RSEs. Notes guidance in RG 280 and that we will also consider the implications of financial reporting relief on any sustainability reporting obligations. Also notes other implications of relief. Simplifies guidance from Section B about the principles for assessing relief applications and presents this information in Table 2. Adds 'conduct or compliance history of applicant' as a principle we will consider. Clarifies we will consider these principles in relief applications generally.	IPA supports the consolidation and simplification of the guidance for this topic. In particular, the consideration of the: <ul style="list-style-type: none"> • Factors in Table 2 when determining whether ASIC should exercise its discretion for relief • Financial reporting and sustainability reporting obligations, given the interconnectedness of the reports and • History of the applicant's conduct or compliance.

Topic No.	Topic	Proposed changes	IPA Comments
11	Relief for when compliance would make the report misleading	Moves and simplifies guidance in Section B. Adds examples about when we are unlikely to provide relief, clarifying that we do not accept that modified auditor opinions make a report misleading.	IPA supports the relocation, simplifications and inclusion of examples that ASIC will rarely view the criterion in RG 43.36 will be satisfied.
12	Relief for when compliance would be inappropriate in the circumstances	Moves and simplifies guidance in Section B. Adds examples about when we are unlikely to provide relief. Retains reference to Re Mazda Australia Pty Ltd and ASC (1992) 8 ACSR 613— all other caselaw has been removed from RG 43 to simplify guidance.	IPA supports the proposed changes.
13	Relief for when compliance would impose unreasonable burdens	Consolidates guidance in Sections B and C. Simplifies and clarifies examples of ASIC's approaches to these applications and presents these examples in a table. Table 3 includes new examples: <ul style="list-style-type: none"> • in the context of corporate restructures following a merger or acquisition; • to clarify we will generally not give relief from the obligation to keep financial records, noting guidance in Regulatory Guide 174 Relief for externally administered companies and registered schemes being wound up (RG 174) at RG 174.31; • about relief provided to Australian companies in a dual-listed company (DLC) arrangement. This guidance incorporates and updates the guidance in Regulatory Guide 29 Financial reporting by Australian entities in dual listed company arrangements (RG 29). We propose to withdraw RG 29 after the updated RG 43 is published; • to clarify we will generally not give relief that is inconsistent with an ASIC or shareholder direction; • to clarify that we will generally not grant relief where an auditor has not sufficiently planned its processes; and • to clarify the extent of our powers to facilitate different reporting periods. Includes guidance about information that applications for relief based on competitive disadvantage or change of reporting period should address.	IPA supports the proposed changes, particularly those in Table 3, which contains examples of ASIC's approaches to relief applications based on the 'unreasonable burdens' relief criterion. We find the information presented in the table to be concise, simple to understand and therefore useful. We also note the "Specific types of applications" section (page 21) to be much simpler and clearer compared to the existing equivalent requirements in RG 43.

Topic No.	Topic	Proposed changes	IPA Comments
	Section D		
14	Application requirements	Moves and simplifies guidance in Section C, clarifying that applications must be submitted through the ASIC Regulatory Portal and that applicants should allow sufficient time for ASIC to consider their application.	IPA supports the proposed changes.
15	Application fees	Moves guidance in Section C, adding information about the calculation of fees and payment options through the ASIC Regulatory Portal.	IPA supports the proposed changes.
16	When an application is unsuccessful	Adds guidance about what happens when applications are unsuccessful.	IPA supports the proposed changes.