



## CRIS: ASIC INDUSTRY FUNDING MODEL (2024–25)

This document is part of [ASIC's 2024–25 CRIS](#). It should be read in conjunction with the other documents that make up the CRIS, including the key terms.

### B Corporate sector

#### Key points

This document outlines:

- our work during 2024–25 to regulate the corporate sector—for our ongoing regulatory activities, see paragraphs 3–8, and for our strategic work, see Table 1;
- the estimated levies to recover our costs—for a summary of the estimated levies for each subsector, see Table 2; and
- more detailed breakdowns of estimated costs for each subsector—see Table 3–Table 9.

The estimated levies are a guide only. The final levies will be based on our actual cost of regulating each subsector in 2024–25.

### Overview of the corporate sector

- 1 The corporate sector consists of:
  - (a) companies, including:
    - (i) listed corporations;
    - (ii) unlisted public companies;
    - (iii) large proprietary companies; and
  - (b) certain members of our regulated population that provide professional services:
    - (i) auditors of disclosing entities;
    - (ii) registered company auditors; and
    - (iii) registered liquidators.
- 2 Small proprietary companies are not included as a subsector in the *ASIC Supervisory Cost Recovery Regulations 2017* (Cost Recovery Levy

Regulations) because we recover our regulatory costs for this subsector through the \$4 increase to the annual review fee for proprietary companies, which was introduced in July 2018. This minimises the regulatory burden on small proprietary companies by ensuring they only pay one fee each year. This is a registry fee and is not charged within the Australian Government Charging Framework. However, we have included our estimated costs for regulating small proprietary companies in the CRIS to provide transparency on our work in this sector.

Note: The \$4 increase is subject to indexation and applies to all proprietary companies. We will reduce our levy for large proprietary companies by \$5 in 2024–25 to allow for what they will pay through the increase to the annual review fee.

## Our ongoing regulatory work

- 3 We use the full suite of our regulatory tools ([ASIC Annual Report 2023–24, Chapter 2](#)) to promote integrity in this sector in order to bring about sound consumer outcomes. This includes, where appropriate, taking enforcement action to address misconduct. This action may span several years.
- 4 Our focus is on promoting sound corporate conduct and enforcing the law to minimise and respond to misconduct. Our work includes supervision and surveillance that targets corporate governance practices, corporate transactions and disclosures. This includes:
  - (a) surveillance of, and reviewing, public corporate finance activity, reports of misconduct and governance-related conduct. We primarily review activity and conduct by listed companies to maintain an informed market and reduce harms to investors; and
  - (b) reviewing financial reports of listed entities and other public interest entities on a risk basis.
- 5 In relation to auditors, our ongoing focus is on audit quality and the consistency of audit execution to support the integrity of financial reporting. This includes:
  - (a) reviewing audits of listed entities and other public interest entities on a risk basis, focusing on asset values, provisions and revenue; and
  - (b) engaging with the largest six audit firms to promote enhanced audit quality.
- 6 Our work in relation to registered liquidators seeks to ensure that they fulfil their statutory duties and roles as fiduciaries diligently and independently. We continue to influence better outcomes in the insolvency space by:
  - (a) providing information to the public about corporate insolvency in Australia and regulation of registered liquidators;

- (b) using information collected from online forms to inform our guidance to industry on compliance with their obligations;
- (c) engaging with Treasury on policy issues relevant to existing and proposed corporate insolvency law; and
- (d) providing new and updated guidance (regulatory guides, information sheets and FAQs) to registered liquidators on key regulatory issues about how ASIC proposes to administer the law.

- 7 We continue to engage with external stakeholders and manage our relationships with them through, for example:
- (a) ongoing liaison meetings with key stakeholders—including through our advisory panels—on a range of matters (e.g. corporate governance, corporate finance, accounting and auditing policy, technical issues and insolvency); and
  - (b) quarterly newsletters on our regulation of corporate finance and our response to novel relief applications, and on corporate insolvency issues.
- 8 The level of our regulatory activity in each subsector in the corporate sector depends on our assessment of the level of potential harm posed by the subsector. For example, we dedicate a significantly larger amount of our regulatory effort to listed corporations, compared to small proprietary companies, because misconduct by listed corporations has the potential to cause greater harm to investors and to fair, strong and efficient financial markets.

### Strategic work in this sector

- 9 ASIC’s [Corporate Plan 2024–25](#) outlines our strategic priorities for the next four years and our planned actions for 2024–25.
- 10 Our strategic priorities inform our [2025 enforcement priorities](#) which communicate our intent to industry and indicate where we will direct our resources and expertise.
- 11 Table 1 sets out our strategic work in the corporate sector in 2024–25.

Note: In Table 1, the strategic work may apply to the listed relevant subsectors, depending on prevailing circumstances. Our key actions for some strategic work can apply to multiple sectors and subsectors, particularly for our strategic priorities. This means there may be other relevant sectors and subsectors for this work outside the corporate sector.

**Table 1: Strategic work in the corporate sector (2024–25)**

Key activity	Key actions	Relevant subsector
Sustainable finance practices	<ul style="list-style-type: none"> <li>• Provide regulatory guidance to help entities comply with the Australian mandatory sustainability reporting obligations</li> <li>• Engage with industry and conduct targeted surveillance to promote enhanced sustainability-related disclosures and governance practices</li> <li>• Take action against misconduct, including greenwashing by entities</li> <li>• Engage with peer domestic and international regulators (such as the Council of Financial Regulators Climate Working Group and the International Organization of Securities Commissions (IOSCO) Sustainable Finance Task Force) on sustainable finance developments</li> </ul>	Listed corporations, unlisted public companies
Financial reporting and audit quality	<ul style="list-style-type: none"> <li>• Review the financial reports of listed entities, unlisted entities that are of public interest, previously grandfathered large proprietary companies and superannuation funds to improve financial reporting quality</li> <li>• Review audit files to promote audit quality</li> <li>• Review audit firms' adherence to ethical and independence standards to promote audit quality</li> <li>• Engage with audit firms to promote better quality</li> <li>• Provide guidance to better support industry when complying with financial reporting and audit obligations</li> </ul>	<p>Listed corporations, unlisted public companies</p> <p>Auditors of disclosing entities</p> <p>Registered company auditors</p>
Cyber and operational resilience	<ul style="list-style-type: none"> <li>• Conduct targeted surveillances to monitor cyber and operational resilience among our regulated entities</li> <li>• Engage with industry to promote good practices and support initiatives that enhance cyber resilience</li> <li>• Develop supervisory approaches for emerging operational risks, including artificial intelligence</li> <li>• Partner with other regulators to harmonise regulatory approaches and action</li> </ul>	Listed corporations, unlisted public companies
Design and distribution obligations	<ul style="list-style-type: none"> <li>• Take action against poor product design and distribution practices to reduce consumer harm and improve consumer outcomes</li> </ul>	Listed corporations, unlisted public companies
Digital technology and data	<ul style="list-style-type: none"> <li>• Invest in our use of data and digital technology to become a leading digitally enabled and data-informed regulator</li> <li>• Use data and technology to more quickly and accurately identify poor market disclosure and other harms, and to support improved decision making</li> <li>• Develop supervisory approaches for emerging operational risks, including artificial intelligence</li> </ul>	Listed corporations

Key activity	Key actions	Relevant subsector
Contributing to the development of the beneficial ownership regime	<ul style="list-style-type: none"> <li>• Provide input and technical advice to support the Australian Government's proposed introduction of a beneficial ownership regime</li> <li>• Undertake planning and technical preparatory work in readiness for implementation of the proposed regime</li> </ul>	Listed companies, unlisted public companies, large proprietary companies, small proprietary companies
Focusing on better outcomes from reports lodged by registered liquidators	<ul style="list-style-type: none"> <li>• Engage with external stakeholders on options to obtain better outcomes from reports lodged by registered liquidators</li> <li>• Update regulatory guidance to better support industry when complying with the obligation to report possible offences and misconduct</li> <li>• Make changes to ASIC's internal processes to improve our collection and use of information reported by registered liquidators</li> </ul>	Small proprietary companies Registered liquidators
Assetless Administration (AA) Fund	<ul style="list-style-type: none"> <li>• Use the AA Fund to provide registered liquidators with funding, that is otherwise unavailable, to: <ul style="list-style-type: none"> <li>– pursue relevant matters to identify and report on potential serious misconduct (including illegal phoenix activity); and</li> <li>– take action to recover assets of the company dissipated through misconduct</li> </ul> </li> </ul>	Small proprietary companies
Targeting gatekeeper misconduct	<ul style="list-style-type: none"> <li>• Take action against gatekeepers, including auditors and liquidators, where they have failed to meet the standards required of them</li> </ul>	Registered company auditors Registered liquidators
Acting against non-lodgement of financial reports	<ul style="list-style-type: none"> <li>• Take action against public companies, large proprietary companies, registrable superannuation entities and AFS licensees who do not comply with obligations to lodge financial reports</li> </ul>	Listed public companies, unlisted public companies, large proprietary companies
Acting against misconduct that impacts small businesses	<ul style="list-style-type: none"> <li>• Take action in relation to conduct affecting small business, including in response to illegal phoenix activity</li> <li>• Continue to work with the ATO's Phoenix Taskforce to target illegal phoenix activity and address other issues in the small business sector</li> </ul>	Small proprietary companies

## Summary table of estimated industry funding levies for the corporate sector

**Table 2: Estimated industry funding levies for the corporate sector**

Subsector	Definition	Estimated cost recovery amount	Number of entities	Levy metric and description	Minimum levy	Graduated levy threshold	Estimated levy
Listed corporations	Entities that, at any time in the financial year, are a listed corporation	\$59.197m	2,097	<p><b>Market capitalisation</b></p> <p>An entity <i>listed</i> at the end of the financial year must multiply:</p> <ul style="list-style-type: none"> <li>the price for the entity's main class of securities at the time the market closes on the last trading day of the financial year; and</li> <li>the number of securities in that class at that relevant time</li> </ul> <p>An entity <i>unlisted</i> at the end of the financial year (but listed in the financial year) must multiply:</p> <ul style="list-style-type: none"> <li>the last price for the entity's main class of securities on the day before the entity stops being listed; and</li> <li>the number of securities in that class at that relevant time</li> </ul> <p>Note: Exempt foreign entities under the ASX listing rules will only be required to pay a levy in relation to their securities held in Australia</p>	\$4,000	<p>\$5m market capitalisation (minimum levy threshold)</p> <p>\$20bn market capitalisation (maximum levy threshold)</p>	Minimum levy of \$4,000 plus \$31.59 per \$1m of market capitalisation above \$5m. Maximum levy of \$717,967, for entities with a market capitalisation of greater than \$20bn
Unlisted public companies	Entities that, at any time in the financial year, are a public company that is not listed	\$3.027m	14,725	Flat levy	Not applicable	Not applicable	\$206

Subsector	Definition	Estimated cost recovery amount	Number of entities	Levy metric and description	Minimum levy	Graduated levy threshold	Estimated levy
Large proprietary companies	Entities that, at any time in the financial year, are a large proprietary company	\$9.861m	11,377	Flat levy  Note: To ensure large proprietary companies are not overcharged, the actual levy will be reduced by \$5 to allow for the \$4 increase in the annual review fee paid by proprietary companies	Not applicable	Not applicable	\$867
Small proprietary companies	Entities that, at any time in the financial year, are a small proprietary company	\$38.065m	3,349,956	Costs recovered via an increase in the annual review fee for proprietary companies	Not applicable	Not applicable	Not applicable. Recovered via the annual review fee
Auditors of disclosing entities	Entities that, at any time in the financial year, are or have consented to be an audit entity for a disclosing entity with quoted securities	\$7.025m	121	<b>Audit fee revenue</b>  The total of the fees paid or payable to the entity in the financial year for the auditing and review of financial reports that relate to: <ul style="list-style-type: none"> <li>• a disclosing entity with quoted securities; or</li> <li>• an entity controlled by a disclosing entity with quoted securities</li> </ul> Note: Whether a disclosing entity controls another entity is decided in accordance with Australian Accounting Standard <a href="#">AASB 10 Consolidated financial statements</a>	Not applicable	No threshold	\$100 per \$10,000 of revenue
Registered company auditors	Entities that, at any time in the financial year, are a registered company auditor	\$3.140m	3,017	Flat levy	Not applicable	Not applicable	\$1,041

Subsector	Definition	Estimated cost recovery amount	Number of entities	Levy metric and description	Minimum levy	Graduated levy threshold	Estimated levy
Registered liquidators	Entities that, at any time in the financial year, are a registered liquidator	\$4.034m	675	<p><b>Number of external administration appointments and notifiable events</b></p> <p>The sum of:</p> <ul style="list-style-type: none"> <li>the number of specified appointments under Ch 5 of the Corporations Act accepted by the entity that financial year and in an earlier financial year if the entity is still acting at the start of the financial year for which the levy is to be calculated (see reg 20(3)(a)–(b) of the Cost Recovery Levy Regulations);</li> <li>the number of specified notifiable events entered on ASIC’s <a href="#">Published notices website</a> by the entity (see reg 20(3)(c)); and</li> <li>the number of documents lodged with ASIC by the entity for: <ul style="list-style-type: none"> <li>a notice of the outcome of a proposal to pass a resolution without a meeting;</li> <li>an executed deed of company arrangement (see reg 20(3)(d)); and</li> <li>a restructuring plan that has been made</li> </ul> </li> </ul>	\$2,500	No threshold	Minimum levy of \$2,500 plus \$29.70 per appointment and notifiable event



## Detailed breakdown of estimated costs of regulating each subsector in the corporate sector

- 12 We have provided a breakdown of the costs for each subsector in the corporate sector. It also includes the cost of regulating the subsector in the previous year. For more information about the actual costs for 2023–24, see [our annual dashboard and summary of variances documents](#) on our website.

### Corporations

#### Listed corporations

- 13 ASIC's cost of regulating the subsector in 2023–24 was \$57.4 million. The estimated cost of regulating the subsector for 2024–25 is \$59.2 million: see Table 3.

**Table 3: Estimated costs to regulate listed corporations**

Expense	Estimated cost
Supervision and surveillance	\$9.984m
Enforcement	\$26.988m
Other regulatory activities	
<i>Industry engagement</i>	\$1.166m
<i>Education</i>	\$0.740m
<i>Guidance</i>	\$0.621m
<i>Policy advice</i>	\$1.303m
Indirect costs	
<i>Commission, legal services and risk management</i>	\$1.917m
<i>Digital, data and technology</i>	\$7.074m
<i>Corporate support</i>	\$3.324m
<i>Property and accommodation services</i>	\$4.312m
<b>Total operating expenditure</b>	<b>\$57.428m</b>
Allowance for capital expenditure	\$1.414m
Less costs funded by own-source revenue	(\$0.156m)
Adjustment for prior year under/(over) recovery	\$0.511m
<b>Total levy to recover costs</b>	<b>\$59.197m</b>

### Unlisted public companies

- 14 ASIC's cost of regulating the subsector in 2023–24 was \$4.1 million. The estimated cost of regulating the subsector for 2024–25 is \$3.0 million: see Table 4.

**Table 4: Estimated levies to recover costs to regulate unlisted public companies**

Expense	Estimated cost
Supervision and surveillance	\$0.341m
Enforcement	\$1.238m
Other regulatory activities	
<i>Industry engagement</i>	\$0.038m
<i>Education</i>	\$0.030m
<i>Guidance</i>	\$0.038m
<i>Policy advice</i>	\$0.083m
Indirect costs	
<i>Commission, legal services and risk management</i>	\$0.101m
<i>Digital, data and technology</i>	\$0.353m
<i>Corporate support</i>	\$0.134m
<i>Property and accommodation services</i>	\$0.211m
<b>Total operating expenditure</b>	<b>\$2.565m</b>
Allowance for capital expenditure	\$0.065m
Less costs funded by own-source revenue	(\$0.001m)
Adjustment for prior year under/(over) recovery	\$0.398m
<b>Total levy to recover costs</b>	<b>\$3.027m</b>

### Large proprietary companies

- 15 ASIC's cost of regulating the subsector in 2023–24 was \$10.3 million. The estimated cost of regulating the subsector for 2024–25 is \$9.9 million: see Table 5.

**Table 5: Estimated levy to recover costs to regulate large proprietary companies**

Expense	Estimated cost
Supervision and surveillance	\$0.713m
Enforcement	\$6.436m
Other regulatory activities	
<i>Industry engagement</i>	\$0.077m
<i>Education</i>	\$0.107m
<i>Guidance</i>	\$0.016m
<i>Policy advice</i>	\$0.106m
Indirect costs	
<i>Commission, legal services and risk management</i>	\$0.216m
<i>Digital, data and technology</i>	\$0.754m
<i>Corporate support</i>	\$0.314m
<i>Property and accommodation services</i>	\$0.449m
<b>Total operating expenditure</b>	<b>\$9.187m</b>
Allowance for capital expenditure	\$0.149m
Less costs funded by own-source revenue	(\$0.001m)
Adjustment for prior year under/(over) recovery	\$0.526m
<b>Total levy to recover costs</b>	<b>\$9.861m</b>

**Small proprietary companies**

16 ASIC's cost of regulating the subsector in 2023–24 was \$36.6 million. The estimated cost of regulating the subsector for 2024–25 is \$38.1 million: see Table 6.

**Table 6: Estimated levies to recover costs to regulate small proprietary companies**

Expense	Estimated cost
Supervision and surveillance	\$4.227m
Enforcement	\$16.768m

Expense	Estimated cost
Other regulatory activities	
<i>Industry engagement</i>	\$0.425m
<i>Education</i>	\$0.317m
<i>Guidance</i>	\$0.394m
<i>Policy advice</i>	\$0.576m
Indirect costs	
<i>Commission, legal services and risk management</i>	\$3.545m
<i>Digital, data and technology</i>	\$5.524m
<i>Corporate support</i>	\$2.070m
<i>Property and accommodation services</i>	\$3.293m
<b>Total operating expenditure</b>	<b>\$37.140m</b>
Allowance for capital expenditure	\$0.935m
Less costs funded by own-source revenue	(\$0.010m)
Adjustment for prior year under/(over) recovery	Nil
<b>Total costs</b>	<b>\$38.065m</b>

## Auditors

### Auditors of disclosing entities

17 ASIC's cost of regulating the subsector in 2023–24 was \$7.1 million. The estimated cost of regulating the subsector for 2024–25 is \$7.0 million: see Table 7.

**Table 7: Estimated levies to recover costs to regulate auditors of disclosing entities**

Expense	Estimated cost
Supervision and surveillance	\$1.705m
Enforcement	\$1.761m
Other regulatory activities	
<i>Industry engagement</i>	\$0.325m
<i>Education</i>	\$0.124m
<i>Guidance</i>	\$0.112m
<i>Policy advice</i>	\$0.291m

Expense	Estimated cost
Indirect costs	
<i>Commission, legal services and risk management</i>	\$0.322m
<i>Digital, data and technology</i>	\$1.166m
<i>Corporate support</i>	\$0.763m
<i>Property and accommodation services</i>	\$0.722m
<b>Total operating expenditure</b>	<b>\$7.288m</b>
Allowance for capital expenditure	\$0.222m
Less costs funded by own-source revenue	(\$0.485m)
Adjustment for prior year under/(over) recovery	Nil
<b>Total levy to recover costs</b>	<b>\$7.025m</b>

### Registered company auditors

18 ASIC's cost of regulating the subsector in 2023–24 was \$3.1 million. The estimated cost of regulating the subsector for 2024–25 is \$3.1 million: see Table 8.

**Table 8: Estimated levies to recover costs to regulate registered company auditors**

Expense	Estimated cost
Supervision and surveillance	\$0.671m
Enforcement	\$1.173m
Other regulatory activities	
<i>Industry engagement</i>	\$0.092m
<i>Education</i>	\$0.053m
<i>Guidance</i>	\$0.023m
<i>Policy advice</i>	\$0.079m
Indirect costs	
<i>Commission, legal services and risk management</i>	\$0.137m
<i>Digital, data and technology</i>	\$0.493m
<i>Corporate support</i>	\$0.258m
<i>Property and accommodation services</i>	\$0.299m
<b>Total operating expenditure</b>	<b>\$3.278m</b>

Expense	Estimated cost
Allowance for capital expenditure	\$0.090m
Less costs funded by own-source revenue	(\$0.376m)
Adjustment for prior year under/(over) recovery	\$0.148m
<b>Total levy to recover costs</b>	<b>\$3.140m</b>

## Registered liquidators

19 ASIC's cost of regulating the subsector in 2023–24 was \$7.5 million. The estimated cost of regulating the subsector for 2024–25 is \$4.0 million: see Table 9.

**Table 9: Estimated levies to recover costs to regulate registered liquidators**

Expense	Estimated cost
Supervision and surveillance	\$0.646m
Enforcement	\$1.517m
Other regulatory activities	
<i>Industry engagement</i>	\$0.134m
<i>Education</i>	\$0.062m
<i>Guidance</i>	\$0.062m
<i>Policy advice</i>	\$0.158m
Indirect costs	
<i>Commission, legal services and risk management</i>	\$0.145m
<i>Digital, data and technology</i>	\$0.511m
<i>Corporate support</i>	\$0.325m
<i>Property and accommodation services</i>	\$0.316m
<b>Total operating expenditure</b>	<b>\$3.877m</b>
Allowance for capital expenditure	\$0.099m
Less costs funded by own-source revenue	(\$0.001m)
Adjustment for prior year under/(over) recovery	\$0.058m
<b>Total levy to recover costs</b>	<b>\$4.034m</b>