



Revised deadlines for unlisted entities at June 2022

ASIC provides relief for unlisted entities only in light of current conditions

On 22 July 2022, the Australian Securities and Investments Commission (ASIC) [announced](#) that it would extend reporting deadlines for June 2022 unlisted entity financial reports. An [amending instrument](#) was subsequently made on 7 September 2022:

- The one month extension is available for unlisted entities with reporting dates from 24 June 2022 to 7 July 2022 (both inclusive) and applies to:
 - Lodgement of financial reports with ASIC under Chapter 2M of the *Corporations Act*
 - Lodgement of profit or loss and balance sheets by Australian financial services licensees under Chapter 7 of the *Corporations Act 2001*
 - Holding of an annual general meeting (AGM)
 - Sending of financial reports to members
 - Related deadlines such as those that apply to groups of wholly-owned entities and reporting by Australian financial services licensees
- Unlike in prior periods, grandfathered proprietary companies have not been provided with a one month extension to complete the audit of the financial statements if they wish to take advantage of lodgement relief, as a consequence of the recent legislation removing the lodgement relief for these entities
- ASIC expects the extended deadlines will assist with any pressures on resources for financial reporting and audits of smaller entities and provide adequate time for the completion of the audit process considering challenges presented by COVID-19 conditions and entities presenting consolidated financial statements for the first time.

The ASIC relief responds to resourcing issues for the June reporting period and is limited to unlisted entities for reporting periods ending on or around 30 June 2022, but excludes grandfathered proprietary companies due to legislative restrictions

Clarity in financial reporting

Revised deadlines for unlisted entities at June 2022

Background

On 22 July 2022, ASIC [announced](#) that it would extend reporting deadlines for June 2022 unlisted entity financial reports. Subsequently, on 7 September 2022, ASIC made [ASIC Corporations \(Amendment\) Instrument 2022/719](#) to give legal effect to the announcement.

ASIC expects the extended deadlines will assist with any pressures on resources for financial reporting and the audits of smaller entities and provide adequate time for the completion of the audit process considering challenges presented by COVID-19 conditions. With the current uncertain economic environment, there may also be a need to make more difficult judgements on asset values, provisions and disclosures which could put further pressure on completion of financial reports.

The reporting extensions only apply to **unlisted entities**. Therefore, listed entities will not have access to automatic deferral relief, but could apply to ASIC if they choose to do so.

The one-month extension to lodge financial reports with ASIC applies to unlisted entities with reporting dates from 24 June 2022 to 7 July 2022 (both inclusive).

This means that:

- Unlisted disclosing entities and unlisted registered schemes will have four (rather than three) months to lodge their financial reports required by Chapter 2M of the *Corporations Act 2001* with ASIC
- Other unlisted entities reporting under Chapter 2M will have five (rather than four) months to lodge their financial reports with ASIC
- Unlisted Australian financial services licensees will have an additional month to lodge the profit or loss and balance sheets (and other associated information) required under Chapter 7 of the *Corporations Act 2001*. The deadlines depend on whether the licensee is a body corporate or not, and if a body corporate, whether it is an unlisted disclosing entity or registered scheme or not).

Consequential amendments give a one month extension to other deadlines, e.g. the sending financial reports to members, for groups of wholly-owned entities reporting under a deed of cross guarantee and for compliance plan audits for registered schemes.

Unlisted public companies have been given an additional month to hold AGMs, so that such meetings must be held within six months of the reporting date (an increase from the normal five months, but less than the seven month relief given earlier in the COVID-19 pandemic). Unlisted public companies taking advantage of the extension will still need to send their financial reports to members at least 21 days before the AGM.

The table on the following page outlines the revised dates applicable for unlisted entities for financial reporting periods ending on 30 June 2022.

Entities seeking to take advantage of the relief should ensure any extended reporting timetable adopted does not impact other legislation or relevant agreements. For instance, an entity's financing facilities may require the provision of audited financial statements within a stated timeframe after the end of a financial year. Where this is the case, the entity may need to arrange a waiver under the relevant agreement to ensure compliance with those facilities.



Deadlines for listed entities

The ASIC one month extension does not apply to listed entities. Accordingly, listed entities will be required to comply with the normal deadlines applicable under the *Corporations Act 2001* and ASX Listing Rules (or other exchange requirements). Individual entities may also be able to apply for relief to ASIC and/or the ASX.

A summary of the deadlines applicable to listed entities can be found in our [Tier 1 models and reporting considerations](#) publication.

Clarity in financial reporting

Revised deadlines for unlisted entities at June 2022

Deadlines applicable to grandfathered proprietary companies

Unlike the one month extensions given by ASIC in previous periods, [ASIC Corporations \(Amendment\) Instrument 2022/719](#) does not include a consequential amendment to [ASIC Corporations \(Exempt Proprietary Companies\) Instrument 2015/840](#) to permit grandfathered proprietary companies an extra month to have their financial reports audited.

On 4 August 2022, the Senate passed amendments put forward by the Greens to an unrelated Bill which has the effect of removing the lodgement relief for the grandfathered exempt proprietary companies under the *Corporations Act 2001*. The amendments were reconsidered by the House later that day and passed. Accordingly, the amendments (enacted through [Treasury Laws Amendment \(2022 Measures No. 1\) Act 2022](#)) became law on Royal Assent and apply to financial years ending on or after commencement (10 August 2022).

The legislative amendments give effect to the lodgement changes by repealing *ASIC Corporations (Exempt Proprietary Companies) Instrument 2015/840* and prohibiting ASIC from giving similar relief to entities within its scope. *ASIC Corporations (Amendment) Instrument 2022/719*, which gives effect to the reporting deadline extensions, had not been made by the date *ASIC Corporations (Exempt Proprietary Companies) Instrument 2015/840* was repealed. As a result, there are legal restrictions preventing ASIC from giving legal effect to a one month extension for the audit of the financial statements of grandfathered proprietary companies relying on the repealed instrument to obtain relief from lodging their June 2022 financial statements (as the instrument remains in effect for this period). ASIC has released an addendum to its original [media release](#) confirming that *Treasury Laws Amendment (2022 Measures No. 1) Act 2022* “prevents ASIC from making a class order that would continue the exemption for 24 June to 7 July 2022 year ends of companies that use the extended reporting deadlines granted by ASIC”.

As a result, the one month extension is not available to grandfathered proprietary companies wishing to take advantage of lodgement relief and such entities should ensure they comply with the requirements of *ASIC Corporations (Exempt Proprietary Companies) Instrument 2015/840* as was in force before it was repealed. This requires the financial statements for the financial year to “have been audited before the deadline for reporting to members for that year”. In other words, such entities will have to send their audited financial statements to members within four months of the reporting date to avail themselves of lodgement relief. Where grandfathered proprietary entities wish to take advantage of the one month extension, they can do so, but will then be required to lodge their financial reports with ASIC.

Reporting deadlines for 30 June 2022 reports for unlisted entities

Core financial reporting obligations

Obligation	Usual deadline	Revised deadline	New date for 30 June 2022 reporting periods
Full-years			
Lodgement of audited annual financial report with ASIC ¹			
• Unlisted disclosing entities	3 months	4 months	31 October 2022
• Other unlisted entities	4 months	5 months	30 November 2022
Reporting to members – unlisted public companies	Earlier of 21 days before AGM or 4 months	Earlier of 21 days before AGM or 5 months	Earlier of 21 days before AGM or 30 November 2022
Reporting to members – proprietary companies	4 months	5 months	30 November 2022

¹ The amendments in [Treasury Laws Amendment \(Registries Modernisation and Other Measures\) Act 2020](#) auto-commenced on 22 June 2022 and have the effect of transferring registry functions and powers from ASIC to the ‘Registrar’ (the Australian Tax Office (ATO)), as well as other changes to modernise the registry law. It was intended that the Registrar would assume legal responsibility for registry functions and powers with the progressive transfers of the registers onto the new Australian Business Registry Services (ABRS) platform in line with the Modernising Business Registers (MBR) program delivery. [Corporations Act – Transitional Registry Operations Data Standard](#) allows actions to be taken through ASIC notices, forms, or systems or any other means by which the action would have been done by ASIC prior to the commencement of the instrument. More information can be found on the [ATO’s website](#).

Clarity in financial reporting

Revised deadlines for unlisted entities at June 2022

Obligation	Usual deadline	Revised deadline	New date for 30 June 2022 reporting periods
Holding of AGM – unlisted public companies	5 months	6 months	3 January 2023 ²
Half-years			
Lodgement of audited or reviewed half-year financial report – unlisted disclosing entities	75 days	105 days	13 October 2022

Other reporting obligations

Obligation	Usual deadline	Revised deadline	New date for 30 June 2022 reporting periods
Lodgement of profit and loss statement and balance sheet by AFS licensees under Chapter 7 of the <i>Corporations Act 2001</i> :			
• Bodies corporate (unlisted disclosing entities)	3 months	4 months	31 October 2022
• Other unlisted bodies corporate	4 months	5 months	30 November 2022
• Not bodies corporate	2 months	3 months	30 September 2022
Sending of the audited financial report to members by grandfathered proprietary companies under <i>ASIC Corporations (Exempt Proprietary Companies) Instrument 2015/840</i>	4 months	n/a ³	31 October 2022 ³
Preparation of consolidated financial statements under <i>ASIC Corporations (Wholly-owned Companies) Instrument 2016/785</i> ⁴	4 months	5 months	30 November 2022
Audit of the compliance plan of a registered scheme	3 months	4 months	31 October 2022

Conclusion

Entities need to ensure they comply with reporting deadlines in the current reporting season and be aware that deferral arrangements at June 2022 only apply to unlisted entities and only in respect of reporting dates from 24 June 2022 to 7 July 2022 (both inclusive).

² Where a deadline under the *Corporations Act 2001* falls on a Saturday, Sunday or public holiday, section 36(2) of the *Acts Interpretations Act 1901* permits the deadline to be met on the next day that is not a Saturday, Sunday, or public holiday. 31 December 2022 is a Saturday, and accordingly, the deadline must be met by the next day that is not a Saturday, Sunday, or public holiday (being 3 January 2023, as Monday 2 January 2023 is a public holiday).

³ For more information, see 'Deadlines applicable to grandfathered proprietary companies' on page 3.

⁴ *ASIC Corporations (Amendment) 2022/719* and *ASIC Corporations (Amendment) Instrument 2021/976* amend *ASIC Corporations (Wholly-owned Companies) Instrument 2016/785* to allow five months as the "relevant time" for the purposes of the instrument, and accordingly is available for both listed and unlisted entities. However, listed entities are still required to comply with the normal deadlines under the *Corporations Act 2001* and accordingly, would not be able to take advantage of the extended relief in practical terms.

Clarity in financial reporting

Revised deadlines for unlisted entities at June 2022

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