

## ***ASIC further extends financial reporting and amends “no action” position for AGMs***

Source: [Australian Securities Investments Commission](#) (ASIC)

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### **Abstract:**

The Australian Securities and Investments Commission (ASIC) previously [extended](#) financial reporting deadlines and [issued](#) a “no action” position on Annual General Meetings (AGMs) for public companies. ASIC has now:

- given a further 1-month extension to the deadline for financial reporting under Chapters 2M and 7 of the Corporations Act 2001 (Cth); and
- amended its “no action” position so that the 2-month extension for AGMs apply to all public companies with financial year ends of 31 December 2019 to 7 July 2020.

**For more information about COVID-19, see the [LexisNexis Information Hub COVID-19](#)**

### **Further extension to financial reporting deadlines**

As a result of ASIC’s extension:

- unlisted entities can take one additional month to lodge financial reports for year ends from 31 December 2019 to 7 July 2020; and
- listed entities can take one additional month to report for full year and half-year financial reports for 21 February 2020 to 7 July 2020 balance dates. (The 7 July 2020 date accommodates entities that use a provision in the Corporations act that allows their financial year to be changed by plus or minus 7 days each year).

An instrument extending the deadlines is expected to be registered on the [Federal Register of Legislation](#) by the end of next week.

Listed entities should inform the market when they rely on the extended period for lodgement. They should also note lodgement dates for their Appendix 4E.

For entities with balance dates after 7 July 2020, ASIC will continue to monitor how market conditions and COVID-19 developments are affecting their financial reporting and AGM obligations.

The extended deadlines will only apply where the normal reporting deadline has not already passed by the time that the relief instrument is registered. In addition, the relief will not apply to foreign companies registered with

### **Amendment to “no action” position to AGMs**

ASIC has amended its “no action” position on AGMs to extend its 2-month extension for AGMs to apply to all public companies with financial year ends of 31 December 2019 to 7 July 2020. Those companies now have seven months to hold their AGMs in reliance on ASIC’s “no action” position. Previously the “no action” position applied only to public companies with a 31 December 2019 financial year end.

### **Key takeaways**

- Although the financial reporting deadlines extensions apply, entities should still consider the information needs of shareholders, creditors and other users of their financial reports in

deciding when to lodge their financial reports within the permitted timeframe. Entities should also check financial reporting requirements under borrowing covenants or other legal obligations, and seek amendments where necessary.

- Companies with the capabilities to hold virtual meetings may decide instead to hold virtual AGMs as a result of the Treasurer's [Corporations \(Coronavirus Economic Response\) Determination \(No. 1\) 2020 \(Cth\)](#) (which expires on 5 September 2020). These companies should have regard to ASIC's [guidelines](#) for virtual meetings.

A copy of ASIC's media release is [here](#).