

Explanatory notes: Australian Securities and Investment Commission (ASIC)

What ASIC does

ASIC is Australia's corporate, markets and financial services regulator and ensures that Australia's financial markets are fair and transparent, supported by confident and informed investors and consumers. ASIC provides services to investors, consumers and businesses; including businesses within the automotive industry.

ASIC provides general advice on how to run a business (as does ACCC, the Australian Small business and Family Enterprise Ombudsman and business.gov.au) but is more focused on business registration and company compliance with government financial and registration requirements. This means that the ASIC provides advice on the following:

Running your business

<http://www.asic.gov.au/for-business/registering-a-business-name/>

This section of the website explains the following issues that need consideration when starting up a business and/or company and includes tools and resources for your assistance:

What business structure should you chose

<http://www.asic.gov.au/for-business/your-business/your-business-structure/>

For example, a business structure such as a sole trader, partnership or a trust, or a company which is more complex than a business. The main difference between a company and a business is that a company is much more complex as it has a separate legal entity including a board of directors.

Are you eligible to operate a business

<http://www.asic.gov.au/for-business/your-business/are-you-eligible-to-operate-a-business/>

There are a number of restrictions on who can start or register business. For example, you cannot be bankrupt or been convicted of certain crimes.

How to protect yourself

<http://www.asic.gov.au/for-business/your-business/protecting-yourself/getting-your-money-back/>

ASIC provides registers so you can find out whether the people, businesses or companies you are dealing with are legitimate or unregistered. It also shows how you can protect your company name or get your money back if the business you are trading with owes you money.

Guidance how to start, run and close a small business

<http://www.asic.gov.au/for-business/your-business/small-business/>

General support is provided on running a small business.

Innovation hub

<http://www.asic.gov.au/for-business/your-business/innovation-hub/>

ASIC provide support for automotive businesses who want to provide innovative automotive products and how to access this support.

Registering a business name

<http://www.asic.gov.au/for-business/registering-a-company/>

This section provides information (including a video and step by step instructions) on how to register a business name with ASIC so that no one else can use your brand for their benefit. To register a business name you also must have an Australian Business Number (ABN) which can be obtained using the following link. <http://www.asic.gov.au/for-business/registering-a-business-name/before-you-register-a-business-name/australian-business-number/>

Registering a business name requires the payment of a fee. For example:

- \$35 for one year
- \$82 for three years

Registering a company name

<http://www.asic.gov.au/for-business/registering-a-company/>

This section provides information (including step by step instructions and information on things you need to consider) on how to register a business name with ASIC. It costs \$479 to register a company and \$395 to change its name.

Running a company

<http://www.asic.gov.au/for-business/running-a-company/>

Running a company is more complex than running a business and you must keep any required books and records (i.e. providing annual statements) and pay relevant fees to ASIC. It cost \$254 per year to renew a proprietary company and \$1,201 for a publically registered company.

You can also appoint a Registered Agent to receive information from ASIC and lodge documents on behalf of your company.

Renewing your business name

<http://www.asic.gov.au/for-business/renewing-your-business-name/how-to-renew-your-business-name/>

Business names require renewal and if not renewed they may be cancelled. To renew a business name you are required to make a payment to ASIC.

- \$35 for one year
- \$82 for three years

A link is provided to assist to assist you renew your business name and steps on how to do it.

Link to renew your business name:

https://asicconnect.asic.gov.au/public/faces/renewal;jsessionid=3colaF9LP6uuv5AUQxPmuFvcPdvILav6JeADpLJRqPyRkZsz5dqi!-63176372?_adf.ctrl-state=112b3muh3h_1&_afLoop=11827977162277483&_afWindowMode=0&_afWindowId=null

Changing your company details

<http://www.asic.gov.au/for-business/changes-to-your-company/>

If you make any changes to you company, you must register these changes with ASIC on-line. Changes may include:

- Change Company addresses.
- Appoint and cease company officeholders.
- Add or remove ultimate holding company.
- Change share structure.
- Appoint or cease members.

This section of the website provides step by step instructions on how to change your company's details including links to online registration and access and fees required to do so. Late fees apply.

Cancelling your business name

<http://www.asic.gov.au/for-business/cancel-your-business-name/>

Steps to cancel a business are outlined in this section. Please note, that if you want to transfer your business name to a new owner, you must perform a transfer transaction in ASIC connect.

<http://www.asic.gov.au/for-business/transfer-your-business-name/>

Closing your company

<http://www.asic.gov.au/for-business/closing-your-company/>

Even if your company has stopped trading, it's still registered with ASIC. This means that you must still meet the legal obligations of a company, including paying the annual review fee.

You can either voluntarily deregister a company or you can wind up a company. You cannot deregister the company if it owes money, or if it is insolvent (i.e. being bankrupt). Winding up a company is required if you have more than \$1000 in assets and involves selling the company's assets and distributing the proceeds amongst creditors and shareholders.