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ARTICLES

A Review of the Theoretical Foundations for the Continuous Disclosure Regime between Australia and China: Contributing Factors for Chinese Cross-border Listed Companies' Continuous Disclosure Performance in Australia? – *Belle Qi Guo*

Chinese companies are struggling to meet the continuous disclosure requirements of the ASX and have even been depicted as having poor corporate governance and transparency. Many get delisted from the ASX due to non-compliance in continuous disclosure or are rejected from listing because of continuous disclosure compliance concerns. This article reviews the historical, economic and political underpinnings of the securities markets to highlight the divergence in theoretical foundations of the continuous disclosure regimes in the two countries. The starting point is the evolution and underlying theoretical rationales of both continuous disclosure regimes, which sheds light on similarities and differences between the two jurisdictions, and is followed by a critical review of the implications of the divergence in theoretical foundations for the level of Chinese cross-border listed companies continuous disclosure compliance in Australia. The article concludes that such divergence is one of the factors causing Chinese cross-border listed companies' non-compliant continuous disclosure in Australia. 66

Charitable Companies and Related Party Transactions – *Rosemary Teele Langford*

In response to a recommendation by the Panel reviewing the Australian Charities and Not-for-profits legislation, the Federal Government has announced that charities will be required to disclose related party transactions. The problem of related party transactions is a common theme in the ACNC's compliance reports. This article critically analyses the issue of related party transactions within the Australian charities sphere, as well as potential reforms. It concludes that reporting of such transactions is the most sensible first step but that further attention should be given to the contours of such reporting. 91

An Analysis of ASIC Enforcement against Auditors and Liquidators – *Ian Ramsay and Miranda Webster*

The Australian Securities and Investments Commission (ASIC) has emphasised the importance of its enforcement role in relation to auditors and liquidators. However, there is little detailed analysis of what enforcement action ASIC has undertaken against auditors and liquidators. Using several sources (ASIC enforcement reports, ASIC media releases, ASIC regulation of registered liquidator reports, and reports of the Companies Auditors Disciplinary Board and its predecessor), the authors analyse ASIC enforcement outcomes against auditors and liquidators between July 2011 and December 2019. The findings include: (1) a particularly strong emphasis by ASIC on negotiated enforcement outcomes and administrative remedies rather than court based outcomes; (2) within these negotiated outcomes, a strategy to employ undertakings regarding professional education

and independent review of the auditor’s or liquidator’s practice with the objective of improving the practice; (3) a particular enforcement focus on self-managed superannuation fund auditors; and (4) very limited use by ASIC of the Companies Auditors Disciplinary Board. 112

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