



Project:	Research Centre	Meeting:	M179
Topic:	Research update	Agenda Item:	8.1
		Date:	3 February 2021
Contact(s):	Mark Shying mshying@asb.gov.au	Project Priority:	
		Decision-Making:	
		Project Status:	Report to Board

Objective of this paper

- 1 The objective of this agenda item is to report to the Board on significant Research Centre related activities. No action is required from the Board on the matters tabled in this update.

AASB Research Virtual Forum 2020

- 2 The AASB Virtual Research Forum 2020 was held on the 30th November 2020 with more than 900 attendees participating across the three sessions. The presentations from the two keynote speakers – Martin Lawrence and Ann Tarca – were well received and participants appreciated the Q&A opportunities. The same was true of the presentations from the three academic research teams:

Research title	Research team
Implementing AASB 16 Leases	Michael Davern, University of Melbourne Nikole Gyles (University of Melbourne) Dean Hanlon (Monash University) Furqan Shah (University of Melbourne)
Are Accounting Standards Understandable?	Bryan Howieson Janice Loftus Sabine Schuhrer (all University of Adelaide)
The use and usefulness of equity accounting	Mike Bradbury (Massey University) Tom Scott (Auckland University of Technology) Mehnaz Laura (Auckland University of Technology)

AASB Research Forum 2021

- 3 The organisation of the AASB Research Forum 2021 is well advanced. Upon the conclusion of the expression of interest for the research forum, the submissions went through an extensive review process by the Academic Advisory Panel. Following this, three teams were selected for the AASB Research Forum in 2021:

Research title	Research team
Does the presence of significant judgement complexity about OCI items impact the decisions of non-professional and professional investors? The case of 'Other Comprehensive Income'	Troy Yao (QUT) Tyge Kummer (QUT) Majella Percy (Griffith) Jenny Stewart (Griffith)
An evaluation of the impacts of the adoption of AASB 15 Revenue from Contracts with Customers	Le Ma Sebastian Onie Helen Spiropoulos Peter Wells (All UTS)
Decision Usefulness: A re-examination of the information needs of non-profit GPF users	Craig Furneaux (QUT) David Gilchrist (UWA)

- 4 The preliminary meetings with the three research teams were held in December 2020 and January 2021 to refine project scope and discuss administrative matters.

Academic Advisory Panel

- 5 A meeting of the Academic Advisory Panel meeting is scheduled for the 17th February 2021. Agenda items will include discussion on engagement with the academic community and an update on AASB Research Forums 2021 and 2022.

Research report completed in Q4 2020

- 6 The one research report completed in Q4 2020 and published on the AASB website is tabulated below. There are no more recent completions and publications.

Research report	Author(s)	Publication date
AASB Research Report 15 Review of Auditor Remuneration Disclosure Requirements	Kylie Dumble (AASB), Ao Li (AASB), Robert Keys (AASB)	December 2020

In progress academic research

- 7 The research report on Financial Reporting by Non-Corporate or Small Entities authored by Sue Wright (University of Technology, Sydney), Karen Handley (University of Newcastle) and Jeremy Niass (University of Newcastle) has been revised following review comments from AASB and is being finalised for publication.
- 8 The research report on The Impact of IFRS Adoption in Australia: Evidence from Academic Research authored by Nicholas Pawsey (Charles Sturt University) has been revised following review comments from AASB and is being finalised for publication.

Joint research with the Malaysian Accounting Standards Board (MASB) on transition requirements and practical expedients

- 9 The AASB and the MASB are working jointly on a project to examine the choices made by lessees when transitioning from IAS 17 *Leases* to IFRS 16 *Leases* and for the ongoing application of IFRS 16.

- 10 The purpose of the project is to identify any relevant lessons that might inform the application of other new and revised IFRS Standards, including the types of choices that should be made available to entities adopting a Standard to:
 - (a) facilitate the initial adoption of the Standard without undue cost or effort;
 - (b) facilitate the ongoing application of the Standard without undue cost or effort;
 - (c) not disadvantage users of the financial statements.
- 11 The research has the potential to help guide the IASB's thinking on future transition arrangements and ongoing practical expedients that can be required or permitted in future IFRS Standards without compromising the principles-based nature of those IFRS and without jeopardising users' needs.
- 12 It is proposed to conduct interviews with a selection of stakeholders in Australia and Malaysia including financial statement preparers – covering a spectrum of lessees, users of those financial statements and auditors of those financial statements.
- 13 Draft research instruments have been developed and are currently undergoing pilot testing.
- 14 Outreach using the research instruments is expected to occur in Q2 2021. As a guide, in each jurisdiction, we would expect to interview 20 preparers, 5 users and 5 auditors.
- 15 There are likely to be multiple outputs from the project, including:
 - (a) presentations at international standard setting forums such as the Asian-Oceanian Standard Setters Group, the International Forum of Standard Setters and World Standard Setters; and
 - (b) publication of a joint research paper.

Questions to the Board

Q1: Does the Board have any comments or suggestions re the research update?