



Project:	Research Centre	Meeting:	M185
Topic:	Research update	Agenda Item:	10.1
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Project Priority:	N/A
Decision-Making:	N/A
Project Status:	Report to Board

Objective of this paper

- 1 The objective of this agenda item is to provide the Board updates on:
 - (a) the recent key AASB Research Centre activities that occurred since the November 2021 Board meeting; and
 - (b) ongoing and upcoming research projects.
- 2 There are no decisions that need to be made by the Board as part of this update.

Summary of recent research activities

2021 and 2022 AASB Research Forum

- 3 The 2021 AASB Research Forum was held on Monday 29 November 2021. As agreed with the forum's university partner, University of New South Wales (UNSW) Business School, the forum was delivered virtually due to the COVID-19 pandemic.
- 4 The forum attracted 174 registrations, with a maximum attendance of 101 attendees on the day.

Session/Presentation	Research team	Facilitator	Panelists	Number of attendees
Keynote speaker 1: Dr Keith Kendell (AASB Chair)	N/A	N/A	N/A	101
An evaluation of the impacts of the adoption of AASB 15 <i>Revenue from Contracts with Customers</i>	Le Ma Sebastian Onie Helen Spiropoulos Peter Wells (All UTS)	Alison White	Sean Hughes Martin Lawrence Tracey Driver	101

Presentation prominence: Does it matter to non-professional investors? The case of 'Other Comprehensive Income'	Troy Yao (QUT) Tyge Kummer (QUT) Majella Percy (Griffith) Jenny Stewart (Griffith)	Toby Langley	David Wilson Marc Smit Rob Sharma	77
Decision Usefulness: A re-examination of the information needs of non-profit GPFER users	Craig Furneaux (QUT) David Gilchrist (UWA) Andrew West (QUT) Yuyu Zhang (QUT)	David Holland	Gary John Caitriona Fay Cameron Power Matthew Hall	64
Keynote speaker 2: Professor Ann Tarca (IASB member)	N/A	N/A	N/A	44

- 5 The 2022 AASB Research Forum will be tentatively held on Monday 5 December 2022.
- 6 As noted at the November 2021 meeting, after conducting an extensive review process that included the involvement of the AASB Academic Advisory Panel (AAP), three research teams were selected to present their papers at the upcoming 2022 AASB Research Forum. A number of AASB Academic Advisory Panel members (i.e. academic consultants) will provide support and advice to the research teams, such as whether the research methodology is reasonable or whether the draft research paper is suitable for the broad audience. [Appendix A](#) summarises the research titles, research teams and academic consultants.
- 7 Staff plan to hold the 2022 AASB Research Forum using a hybrid model (i.e. face-to-face and virtual conference) with networking functions at various major cities. More details will be provided when closer to the event.

Ongoing and upcoming research projects

Staff Paper on *Intangible Assets: Reducing the Financial Statements Gap Through Improved Disclosures*

- 8 At the November 2021 13th Asian-Oceanian Standard-setters Group (AOSSG) annual meeting, staff presented a progress report and preliminary findings of the staff paper. Feedback received from AOSSG members was positive:
 - (a) IASB member, Ann Tarca, commented that using the disclosure objectives approach from IASB's Disclosure Initiative pilot project is encouraging;
 - (b) the China Accounting Standards Committee agreed that the staff paper should focus on the disclosures of unrecognised internally generated intangible assets before considering the challenging issues related to measurement and recognition of intangible assets;
 - (c) the Malaysian Accounting Standard Board commented that an overriding disclosure principle under IAS 1 paragraph 31 should be considered by entities for disclosures of intangibles. The paragraph requires entities to provide additional disclosure when compliance with the specific requirements in IFRS Standards is insufficient to enable users of financial statements to understand the impact of particular transactions,

other events and conditions on the entity's financial position and financial performance; and

- (d) the Korea Accounting Standards Board (KASB) commented that:
- (i) there is a general consensus that information about intangible assets is important for users of financial statements;
 - (ii) there are practical challenges in identifying, measuring and valuing a wide range of different kinds of intangible assets; and
 - (iii) a better accounting standard addressing intangible assets is warranted.

9 The AASB sub-committee¹ is reviewing the draft report, which is expected to be published in Q1 2022.

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

10 At the 13th Annual AOSSG meeting, MASB and AASB staff presented findings to date on applying the practical expedients available under IFRS 16 *Leases* on 'transition' and 'ongoing basis'. The project has involved surveying listed company financial statement preparers, auditors and users in Malaysia and Australia to ascertain which practical expedients have been applied, their reasons, and their impacts on users. The project aims to identify helpful principles for providing practical expedients in future Standards that result in cost-beneficial outcomes for all stakeholders. Feedback received will also contribute to the post-implementation review of IFRS 16. More interviews will be conducted in Q1-Q2 2022, and the report is expected to be finalised in H2 2022.

2022 AASB Dialogue Series

- 11 Starting in H1 2022, staff will conduct the *2022 AASB Dialogue Series*, a new initiative that aligns with AASB strategic objectives 3, 4, 6 and 7².
- 12 The objective of the AASB Dialogue Series is to provide for stakeholders insightful discussion and education on emerging accounting or external reporting topics that are most relevant to AASB work. Each Dialogue will run for an hour, involving a presentation and a panel discussion. The series will be held virtually for the public to attend.
- 13 More details will be provided closer to the event.

AASB Working Papers Series

- 14 Staff are planning to launch the AASB Working Paper Series in Q1 2022, a new initiative to encourage researchers to work on research projects relevant to AASB work. This initiative aligns with AASB strategic objectives 3, 4, 6 and 7.
- 15 The AASB Working Paper Series will publish and disseminate current research or monographs relevant to AASB work on accounting and external reporting matters. Researchers are welcome to submit their working papers to the AASB Research Centre, with a synopsis that summarises research findings and explain why the working paper is relevant to the AASB work. A review process will be established for paper acceptance, and accepted papers will be published on an AASB webpage alongside the [SSRN](#)³ platform, which the AASB Research Centre manages. Publishing in the AASB Working Paper Series does not preclude authors from publishing in other books or peer-review journals. These working papers, in

¹ The sub-committee members are Dean Hanlon, Keith Kendall, Stephen Taylor and Toby Langley.

² See [Appendix B](#) for the AASB strategic objectives.

³ SSRN is a platform that disseminates working papers. It will assign a project editor to work with the AASB Research Centre designate to assemble and disseminate organisationally branded research as an e-journal. Stakeholders can subscribe to the e-journal at no cost.

most cases, are “work in progress” that could be published in scholarly peer-reviewed journals.

Question to the Board

Does the Board have any comments or questions regarding the research update?

Appendix A: 2022 AASB Research Forum Papers

Research title	Research team	Academic consultants*
AASB Practice Statement 2 <i>Making Material Judgements: Its impact on firms' reporting and assurance practice on climate-related risk within and beyond financial statements, and capital markets</i>	Kevin Thai (RMIT) Yang Xu (UQ) Kathleen Herbohn (UQ)	Baljit Sidhu Tom Scott
Exploring the Horizons of Financial Reporting	Michael Davern (UoM) Dean Hanlon (Monash) Ram Subramanian (CPA Australia) Nikole Gyles (AASB) Brad Potter (UoM) Janice Gu (UoM)	Bryan Howieson Karen Handley
Improving the Visibility of Soil Health in Corporate Reporting	Nick Pawsey (CSU) Francisco Ascu (Federation) Ben Wills (Federation)	Brad Potter Lee Moerman

* Members of AASB Academic Advisory Panel

Appendix B: AASB Strategic Objectives

1. Develop, issue and maintain principles-based, Australian accounting and reporting standards and guidance that meet the needs of external report users (including financial reports) and are capable of being assured and enforced. For 'publicly accountable' entities maintain IFRS compliance; for others, use IFRS Standards (where they exist), and transaction neutrality (modified as necessary), or develop Australian-specific standards and guidance.
2. With the AUASB, play a leading role in reshaping the Australian external reporting framework by working with regulators to develop objective criteria on:
 - who prepares external reports (including financial reports)
 - the nature and extent of assurance required on these external reports.
3. Actively influence IASB, IPSASB standards and other international accounting and external reporting standards and guidance, by demonstrating thought leadership and enhancing key international relationships.
4. Attain significant levels of key stakeholder engagement, through collaboration, partnership and outreach.
5. Influence initiatives to develop standards and guidance that meet user needs for external reporting integral to financial reporting.
6. Monitor and respond to, or lead on, emerging issues impacting the development of accounting and external reporting standards and guidance, including changing technologies.
7. Develop guidance and education initiatives, or promote development by others, to enhance consistent application of accounting and external reporting standards and guidance.