



<b>Project:</b>	<b>Australian Financial Reporting Framework</b>	<b>Meeting</b>	AASB December 2017 (M161)
<b>Topic:</b>	<b>Facilitation of a research project</b>	<b>Agenda Item:</b>	8.3
<b>Contact(s):</b>	Christine Helliard <a href="mailto:chelliard@asb.gov.au">chelliard@asb.gov.au</a> +61 3 9617 7628	<b>Project Priority:</b>	High
		<b>Decision-Making:</b>	Low
		<b>Project Status:</b>	Planning

## Introduction and objective of this paper

- 1 The objective of this paper is to obtain Board approval to provide assistance to a research team to help advance the Financial Reporting Framework project.

## Background

- 2 Our Advisory panel member Brad Potter was involved in AASB Research Report 1 Application of the Reporting Entity Concept and Lodgement of Special Purpose Financial Statements. After the introduction of RDR Brad's team looked at a similar sample of companies to examine whether the choice of financial reporting had changed in response to RDR, but found that the number of companies switching their disclosure was relatively small. The team now wish to follow up these findings and discern why some companies choose to switch reporting regime and why others continue to report in the same manner. In particular they are seeking to explore the factors that influence preparers' choice of reporting format, whether proprietary cost considerations affect reporting decisions, and whether certain disclosures required under particular accounting standards affect the choice of financial reporting. The results of this project would be helpful in advancing the AASB's own Australian Financial Reporting Framework project.
- 3 To facilitate the research, the team would like the AASB's assistance in contacting companies and obtaining introductions to be able to arrange interviews and possibly help the response rate of a questionnaire survey. The Board can provide assistance in a number of ways: (i) providing contacts; (ii) reviewing research instruments and providing feedback; and (iii) helping conduct the fieldwork. There is always a risk of attaching our name to a project but the team are well respected, have a good research background and a prior history with us that should minimise any risk. The Board may be requested to provide introductions, but we will of course meet any privacy act requirements before releasing any contact details.

### **Staff recommendation**

- 4 The Board should support the research team by providing contacts and reviewing research instruments to ensure will address the board's key issues needing feedback..

### **Question for Board members**

- Q1 Do Board members support the provision of assistance to the research team?
- Q2 To what extent should assistance be provided?