



# AASB Research Forum 2022

## Call for academic expressions of interest

*Today's Research, Tomorrow's Impact*

### What is the AASB Research Forum?

The AASB Research Forum is one of the AASB's premier annual events for sharing ideas and views on emerging financial reporting topics.

The Forum provides an opportunity for presentation of topical financial reporting academic research to key industry stakeholders. The Forum usually consists of presentations from a number of academic research teams, feedback and discussion from a panel of industry executives together with audience questions.

The 2020 Virtual AASB Research Forum had over 500 attendees, illustrating the industry's interest in thought-provoking academic research as it relates to financial reporting standards and practices. The Forum delivered timely, engaging topics that are relevant for stakeholders, and by extension, spark dialogue about the way we develop standards and how they might be improved.

With the 2021 AASB Research Forum proceedings underway, we are now calling for *Expressions of Interest* from academics who wish to undertake research that will produce actionable insights for the AASB's consideration and present their research at the 2022 AASB Research Forum.

***The findings of your academic research have the power to influence tomorrow's decisions for the greater benefit of the international and Australian accounting industry and economy.***

The AASB is seeking academic research that provides practical recommendations for standard-setters and encourages academics to be bold in their recommendations. Academics help inform the AASB about the future of financial reporting and the areas where standard-setting activities are needed.

More information about previous forums can be found on the [AASB website](#).

### What are the benefits to academics of undertaking research for the AASB Research Forum?

The format of the AASB Research Forum provides a number of key opportunities for academic research findings to demonstrate industry impact, including:

- ✓ **Attendance and participation by IASB and AASB Board Members.** Previous AASB Research Forum presenters have been asked to present their findings at key international standard-setting meetings, such as the IASB's Accounting Standards Advisory Forum.
- ✓ The research will be exposed to a **large network of key industry executives**, including up to 500 participants in the live audience and thousands more through the AASB's engaged database, social network, and industry partnerships.
- ✓ **The potential to impact current and future standard-setting projects.** Relevant research findings will provide input into future standard-setting projects, highlighting the potential for real-world outcomes for the International and Australian accounting environment.

## Who is the audience?

The audience consists of a wide range of academics and executives from the for-profit and not-for-profit sectors, the majority of whom will be impacted by your research findings. These include users, preparers, auditors, and regulators of financial statements, as well as Australian and international accounting standard-setters.

## What research areas is the AASB interested in?

Research projects can be forward-looking and can either address topics not yet on standard setters' agendas or provide input to issues currently being discussed and reviewed. Research is required for all sectors (for-profit, not-for-profit, public and private) and all entity sizes.

The AASB is interested in – but are not limited to – the following research areas (see the Appendix for full description):

- post-implementation reviews of Standards;
- external reporting beyond financial statements;
- improvements to and new areas of financial reporting;
- behavioural aspects of decision making on financial reporting and standard-setting;
- technological advances in systems;
- the Australian Financial Reporting Framework; and
- current standard setters' topics.

## **How to submit your Expression of Interest**

*Expressions of Interest* must be relevant to stakeholders in the for-profit and not-for-profit (either public or private) sectors and adhere to the following format:

1. **Paper title**
2. **Names of researchers, institutions they represent**
3. **Synopsis** – please submit a maximum of 200 words on each of the following:
  - why the research is important;
  - the research that will be undertaken, including:
    - research aims
    - proposed research questions
    - methodology;
  - possible assistance from the AASB (if required); and
  - the relevance of possible conclusions from the research to inform the AASB’s standard-setting activities and its strategic objectives.

Should your application be successful, further details about research paper requirements which must be addressed in order for the AASB to have actionable insights will follow. For example:

- including reviews and discussions about your topic’s related literature;
- data collection;
- research findings; and
- the real-world implications for accounting practitioners and industry stakeholders.

Expressions of Interest should be submitted no later than **5.00 pm, Monday 30 August 2021**, to the AASB Research Director via [research@asb.gov.au](mailto:research@asb.gov.au).

## Appendix – Research areas suggested by the AASB

This Appendix outlines possible research questions and areas that the AASB considers relevant to its current and possible future standard-setting work program. Applicants are not limited to the suggestions but are encouraged to consider and build on them.

### 1. Post-implementation reviews of Standards:

The following new IFRS Standards have been issued in Australia recently, with **post-implementation reviews** to be undertaken by the IASB in several years time. Input into the financial impact of adopting the new standards, how users have benefited from the new standards, and issues experienced by preparers and users would be timely.

- AASB 9 *Financial Instruments*
- AASB 17 *Insurance Contracts*

Australian-specific standards have also been issued recently, and the AASB would value the same information as above in relation to costs, benefits and challenges. Imminent domestic post-implementation reviews are:

- AASB 1056 *Superannuation Entities*

Domestic post-implementation reviews start in 2022 :

- AASB 1058 *Income of Not-for-Profit Entities* (preliminary results by June 2022)
- AASB 1059 *Service Concession Arrangements: Grantors*
- AASB 10 Appendix E *Consolidated Financial Statements Australian Implementation Guidance for Not-For-Profit Entities*
- AASB 12 Appendix E *Disclosure of Interests in Other Entities Australian Implementation Guidance for Not-For-Profit Entities*

The AASB will also conduct domestic post-implementation reviews in the future for:

- AASB 2020-2 *Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities* (2024-2025)
- AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (2024-2025)

### 2. External reporting beyond financial statements:

Are there other areas that users and governments may want entities to report publicly? For example:

- Do users need non-financial information, such as information about [sustainability reporting](#), **emerging risks (e.g. climate change)**, **forward-looking information on future net cash inflows**, or **service performance reporting (for not-for-profit entities)** to enable economic decision making?
- What are common **voluntary disclosures** made by entities? For example, are entities providing climate-related disclosures without being required by standards or other regulations (such as ASIC Regulatory Guides)? If so, why do entities provide voluntary disclosure? Is voluntary disclosure indicative of user needs?

- How should external reporting beyond financial reporting be **mandated and enforced** to be effective for users? Should there be a framework/standards? Should it be a voluntary or mandatory requirement, and if mandatory, for which types of entities? Who should regulate the information?

### 3. Improvements to and new areas of financial reporting:

- Should there be improvements to accounting and reporting for natural resources, [extractive activities](#) or intangibles? Are these better dealt with in financial statements or in supporting information such as [management commentary](#)?
- Are entities obtaining/performing valuations on assets/liabilities that do not meet the recognition criteria in accounting standards, such as internally-generated intangible assets?
- With the increase in social enterprise, co-operative and mutual entities, how should they be treated for financial reporting purposes – are these entities for-profit or not-for-profit entities?
- Are there any challenges in applying current accounting standards to account for crypto-assets/liabilities? Is there any need for a new standard on crypto-assets/liabilities or digital assets/liabilities?
- Looking forward from a public sector perspective, how should we account for inter- and intra-generational transfers and reporting (e.g. the liability of the workers of tomorrow to pay for the upkeep of the workers of today)?

### 4. Behavioural aspects of decision making in financial reporting and standard-setting

- The IASB recently issued its exposure draft [IASB ED/2021/3 Disclosure Requirements in IFRS – A Pilot Approach](#), which proposes a principle-based approach for disclosure requirements for the future IFRS standards. The proposal intends to encourage the application of judgements in disclosure decisions:
  - Would principle-based disclosure requirements provide more useful and relevant information to users? Would principle-based disclosure requirements effectively reduce boilerplate information in financial reporting? Would principle-based disclosure requirements provide a sufficient basis for auditors and regulators to determine whether an entity has applied sufficient judgement?

### 5. Technological advances in systems

- With more and more business carried out online, new ways of doing business (e.g. blockchain and smart contracts) may have a fundamental impact on the way financial accounting and reporting are recorded and processed, together with the related assurance issues.
  - What, if anything, would need to change in the current suite of accounting and disclosure standards to facilitate a transition to a new global business and transaction model?
- Aligned with this is the availability of software such as XBRL that tags data and is used extensively by some regulators across the globe as major users of financial information.
  - Why are some regulators and other users, such as investors, not also requiring entities to use this technology?
  - Is there something else that would enable users to more easily compare and analyse financial data, and what would it look like?
  - Are current taxonomies useful, and should there be something else to replace them?

## 6. The Australian Financial Reporting Framework

- What are user needs for NFP entities? How do user needs differ between the NFP/FP sectors, and why?
- Do the benefits of using fair values in the public sector outweigh the costs?
- In the public sector, is there too much duplication of reporting at the individual entity level, consolidated level and the whole of government accounts?

## 7. Current standard-setters topics

The AASB, IASB and IPSASB currently have a number of ongoing projects for which research would be useful. For example:

- [Goodwill and impairment](#)
- [Cryptocurrencies and related transactions](#)
- [Provisions](#)
- [Dynamic risk management](#)
- [Exchange and non-exchange revenue and expenses](#)
- [Financial instruments with characteristics of equity](#)
- [Infrastructure and heritage assets](#)
- [Variable and contingent consideration](#)
- [Commodity loans and related transactions](#)
- User perspective on **Remuneration reporting**

See more on the [AASB Work Program](#), [IASB Work Plan](#), [IASB Research Pipeline](#) and [IPSASB Work Plan](#).

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Visit the [AASB website](#) for further information