



International Accounting Standards Board: An Examination of the Main Financial and Accounting Topics Addressed in the Literature Related to the COVID-19 Pandemic

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Received: November 21, 2021

Accepted: November 29, 2021

Published: April 12, 2022

Keywords:

International Accounting Standards Board (IASB);
Literature;
COVID-19



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Abstract: *The International Accounting Standards Board (IASB) conducts very demanding and complex work to setting accounting standards. The outputs produced by this board and their acts have been scrutinized over the years, by practitioners and academics. This study aims to contribute to the knowledge on the role of IASB by unveiling the research trends addressing this group of accounting experts and its publications. Through the analysis of the bibliometric data related to COVID-19 issues, this study identifies the main topics addressed in the literature during this pandemic. The results contribute to assessing the research conducted in this field and for creating the future research agenda on addressing the role and impact of the IASB during health, social and economic crises.*

1. INTRODUCTION

The International Accounting Standards Board (IASB) plays an important role in designing, publishing and providing interpretative notes for International Financial Reporting Standards (IFRS). Since the beginning of this century, IASB and Financial Accounting Standards Board (FASB) started working together to reduce the divergence of accounting (Lozada, 2014).

In the process of developing standards, IASB is influenced by the content of the constituents' comment letters, in which the agreement or disagreement in regards to an accounting standard is stated (Mohsen & Fatemeh, 2021; Shields et al., 2019).

During the crisis, the role of regulatory institutions is magnified considering their role in providing regulation and guidelines for supporting organizations in overcoming the obstacles. The COVID-19 pandemic, like other crises, created the need for IASB to discuss some standards to adapt to the new context of accounting reports to make the financial statements of enterprises correctly reflect their financial position in light of the COVID-19 pandemic.

This study aims to contribute to the knowledge on the role of IASB by unveiling the research trends addressing this group of accounting experts and discussing the board concerning this crisis. Through the analysis of the bibliometric data related to COVID-19 issues, this study identifies the main topics addressed in the literature during this pandemic. The results contribute

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to assessing the research conducted in this field and for creating the future research agenda on addressing the role and impact of the IASB during health, social and economic crises.

2. LITERATURE REVIEW

IASB has been issuing public pronouncements on different accounting issues, namely fair value, but not always its conceptual framework project for financial reporting standards received support from professionals and scholars (Whittington, 2008).

IASB's role has also been addressed by scholars to understand the impact of FASB's experience in making accounting rules and the risks of the IASB being deadlocked or captured by hostile interests to business (Dye & Sunder, 2001).

Dick and Walton (2007) suggested an IASB agenda for a decade in several areas: business combinations and consolidations, financial statements presentation, revenue cognition, pension obligations, leasing, or liabilities and equity.

The COVID-19 pandemic created several accounting report problems, namely the ones related to the lease contracts. In response to this problem, IASB issued amendments to the IFRS16 (Mohamed Amine & Mohamed, 2021), but other challenges must be part of the research agenda and IASB agenda.

3. METHODOLOGY

The scientific publications in the sample were obtained using the Scopus database, in which bibliometric data was collected based on the results of the query applied, following similar studies' methodology (Santos et al., 2020). The search query applied was:

(TITLE-ABS-KEY ("2019-nCoV" OR "COVID-19" OR "Coronavirus Disease 2019" OR "Novel Coronavirus Pneumonia" OR "NCP" OR "2019 novel coronavirus" OR "SARS-CoV-2" OR "2019 Novel Coronavirus Diseases" OR "novel coronavirus" OR "pneumonia") AND TITLE-ABS-KEY ("IASB" OR "International Accounting Standards Board"))).

The search returned 3 papers peer-reviewed, as detailed in Table 1.

Table 1. Identification of the scientific papers in the sample

Authors	Title	Year
Moscariello N., Pizzo M.	Practical expedients and theoretical flaws: the IASB's legitimacy strategy during the COVID-19 pandemic	2021
Teixeira A.	Accounting for leases – lessons from COVID-19	2021
Pham Q.T., Ho X.T., Nguyen T.P.L., Pham T.H.Q., Bui A.T.	Financial reporting quality in pandemic era: case analysis of Vietnamese enterprises	2021

Source: Own research

Considering the sample size, a systematic review of the literature was conducted, in which manual content analysis is applied, applying the methodology used in previous studies (Santos & Laureano, 2021). A qualitative and quantitative analysis of the bibliometric data is also presented.

4. RESULTS

The number of publications addressing the role of IASB in the context of the COVID-19 pandemic is very low. During the first year of the pandemic, no study was published. The three publications are dated from 2021. Studies conducted by collective teams prevail. The articles are published in the Journals of Emerald Group and Taylor and Francis.

Moscariello and Pizzo (2021) analyze the IASB's response to the COVID-19 pandemic. By applying qualitative and deductive approaches, these authors prove that there is a growing reliance on practical expedients in IFRS to maintain the IASB's output legitimacy. Based on their results, practical expedients were found as a best practice to increase the standards' flexibility and strengthen the IASB's ability to respond to the European political bodies' concerns. In this sense, the authors suggest that practical expedients might reduce new IFRS transition costs and assist IASB in dealing with the broader economic impact of unexpected systemic crises.

Table 2. Details about the scientific papers in the sample

Authors	Research goals	Methods	Scientific contribute
(Moscariello & Pizzo, 2021)	Analyse the IASB's response to the COVID-19 crisis	Qualitative process-tracing approach, inductive historical narratives and deductive reasoning	The role of practical expedients strengthens the acceptance of IFRS. Some new strategies are pointed out for being adopted by the IASB to preserve its legitimacy in the EU.
(Teixeira, 2021)	Analyse the process of leasing standards changes developed by IASB and FASB	Content analysis of the IASB and FASB discussions and staff papers	Weaknesses in how the IASB and FASB developed their leases standards are highlighted, contributing to improving practices in the process of changing accounting standards.
(Pham et al., 2021)	To measure the financial reporting quality in the enterprises during COVID-19 pandemic	A case study and a survey to the Vietnam enterprises	Three factors (pandemic, big4, and internal control effectiveness) significantly affect the financial reporting quality of the enterprises, which may support predictive models of the value of the enterprises.

Source: Own research

Teixeira (2021) explores weaknesses in how the IASB and FASB developed their leases standards in response to the COVID-19 pandemic. The new standards suspended some features of the leasing requirements. This author argues that the relief from the requirements to lessees is not robust enough to cope with a shock to the economic system as a consequence of the crisis, highlighting weaknesses in leases standards. This author's findings reflect future IASB and FASB discussions on the adaptation of accounting standards in response to the crisis.

Finally, Pham et al. (2021) address the financial reporting quality (FRQ) scale identified by IASB in 2010. These authors do not specifically explore the role of IASB, but instead the importance of the referred scale. By evaluating the FRQ of enterprises in the pandemic era, these authors identify three factors that significantly affect that scale: the pandemic, the big4 or non-big4 status, and internal control effectiveness.

The scientific research already published shows areas of improvement for IASB in regards to the accounting standards alterations. The timid research on the role of IASB during this pandemic reveals that researchers must take attention to this theme in future research.

5. FUTURE RESEARCH DIRECTIONS

Scholars focus on analysing accounting standards alterations promoted by IASB but no studies explore accounting areas in which IASB should have acted during the pandemic. Additionally, more quantitative research could be important to collect massive data on the perception of the enterprises on the benefits of the IASB decision.

6. CONCLUSION

In this study, a systematic literature review is conducted to know the academic contributions addressing the IASB role in the context of the COVID-19 pandemic. The results show that the peer-reviewed articles published in 2020 and 2021 are very timid. Only three publications were found in the Scopus database.

Scholars analyse the IASB's response to the COVID-19 crisis, the leasing standards changes (IFRS16), and explore financial reporting quality during the COVID-19 pandemic. Recommendations on other critical areas are not provided, namely the ones arising from “*financial market volatility and erosion, deteriorating credit, liquidity concerns, increasing unemployment, broad declines in consumer discretionary spending, increasing inventory levels, reductions in production because of decreased demand, layoffs and furloughs, and other restructuring activities*” as pointed out by IASplus (2021).

IASB's ability to respond to the challenges companies face in this crisis would be magnified in case academics look at this field and address other themes than those unveiled in this study.

ACKNOWLEDGMENT

The work by Márcia Santos was financed by FCT - Fundação para a Ciência e Tecnologia, I.P., under the project FCT UIDB/04466/2020 and UIDP/04466/2020. Furthermore, the author thanks the Instituto Politécnico de Setúbal, Instituto Universitário de Lisboa and ISTAR-IUL, for their support.

The work by Rui Dias was financed by FCT - Fundação para a Ciência e Tecnologia, I.P., under the project FCT UIDB/04007/2020. Furthermore, the author thanks the Instituto Politécnico de Setúbal, Universidade de Évora and CEFAGE-UE, IIFA, for their support.

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