

Impact of COVID-19 on Accounting Research, Practice and Education

The COVID-19 outbreak and the related lockdowns have significantly affected activities of business organizations resulting in supply chain disruptions, decrease in consumer spending, loss of significant clients, closures of locations, staff lay-offs, work restrictions, volatility in the value of financial instruments, inability to raise financial sources. It is evident that the pandemic has created accounting and reporting implications as well - challenging financial and management accountants, auditors and accounting educators. This monograph aims at addressing impacts of COVID-19 pandemic on accounting research, practice and teaching.

The most crucial problems deal with the valuation and future realization of assets. The accountants need to assess whether the COVID-19 has led to asset impairment and use appropriate impairment models. Another point is that accountants have to take into consideration results of the events appearing after the reporting date due to decisions made in response to the COVID-19 outbreak. They are expected to make necessary disclosures about these events as well as about material uncertainties that cause reasonable doubts on the entity's ability to continue as a going concern.

The pandemic has also propelled the need for robust and transparent non-financial disclosures to stakeholders and highlighted the necessity of timely updates regarding the current and future COVID-19 impacts on the corporate business activity.

Furthermore, "*COVID-19 has required organizations to be increasingly agile, particularly in the use of budgets and other management accounting techniques*" (Sprakman, 2020). Thus, management accountants need to consider whether corporate plans and budgets, including potential government assistance, would be able to mitigate the negative impacts of the pandemic.

Then, auditors also faced challenges in their work as a result of the pandemic. Firstly, in the risk assessment procedure, the auditors are supposed to consider preliminary management evaluation regarding the entity's ability to continue as a going concern and any changes to the entity's internal control system due to COVID-19. Another more mundane problem is related with auditor's access to sufficiently appropriate audit evidence. Due to the movement restrictions the auditors in most, if not all cases, could not visit an audited company's premises. This might have caused some practical challenges for obtaining physical forms of evidence (ACCA, 2020).

Finally, the ongoing COVID-19 crisis forced accounting teachers and students to shift to an online teaching, learning, and assessment environment with little or no forward notice. This new situation might be stressful for both sides and was related to "*the suddenness of the changes and unclear goals; lack of institutional guidance; lack of familiarity with/competence in online learning platforms and tools; concerns for students' well-being; technology related problems*" (Sangster et al 2020, p. 446). On the other hand, it has driven several questions about students' preferences for, and satisfaction with, different forms of learning, the impact of different delivery modes on student engagement, alienation, performance and achievements (Sangster et al 2020).

We hope that this monograph will make a valuable insight into the current situation of accounting environment and stimulate changes for returning to post-COVID new normality.

ACCA, 2020, *The Impact of Covid-19 on Audit and Assurance – Challenges and Considerations*, <https://www.accaglobal.com/gb/en/cam/coronavirus/audit-covid19.html>

Sangster A., Stoner G., Flood B., 2020, *Insights into Accounting Education in a COVID-19 World*, Accounting Education, Vol. 29, No. 5, pp. 431-562.

Spraakman G., 2020, *Ramifications of Covid-19 on Management Accounting Teaching and Research*, Journal of Accounting & Organizational Change, Vol. ahead-of-print No. ahead-of-print.

Dr hab. Joanna Dyczkowska, prof. UEW