



Newsletter

2025 | 3

14th Accounting Research Workshop

The biannual Accounting Research Workshop (ARW), jointly organized by the Universities of Basel and Zurich, was held at the University of Zurich from June 19th to 20th, 2025. The workshop was co-chaired by Hui Chen, Robert Göx, and Ulf Schiller. Pierre Jinghong Liang (Carnegie Mellon University, Tepper School of Business) and Nadya Malenko (Boston College, Carroll School of Management) gave keynote speeches on current research topics in accounting. Former DART student Stefan Schantl presented recent joint work with CAR's Alfred Wagenhofer, who also gave a presentation of a collaborative paper with Robert Göx. Current DART students Lisa Bodlos-Walcher, Klaus Haider and Kerstin Trummer, CAR's Theresa Wittreich, and former CAR member Martin Klösch also had the opportunity to present their papers and to network with the participants, including researchers from Asia, Europe, and the US.

Overall, the Accounting Research Workshop offered a great environment to discuss, exchange, and develop new research ideas.

GEABA: XXIV. Symposium at WHU



From September 11th to 12th the WHU - Otto Beisheim School of Management in Vallendar hosted the XXIV. Symposium of German Economic Association of Business Administration e.V. (GEABA). The event marked the 25th anniversary conference, with CAR's Peter-J. Jost and Michael Kopel

among the founding members of GEABA. Several CAR researchers, alumni and Ph.D. students participated in the event.

DART student Nicole Rauch presented her paper "Disclosure Policies of Nonprofit Organizations Competing for Donations", co-authored with Michael Kopel. The paper was discussed by Dirk Simons, whose comments, along with further suggestions from the audience, provided valuable input for improving the paper. Michael Kopel served as discussant for the paper "Profit-sharing in a Free Entry Cournot Oligopoly". Former DART student Felix Niggemann (University of Zurich), who received the Best Paper Award, presented his paper "Revealing Client Names in Inspection Reports: Effects of PCAOB Transparency on Audit Quality and Private Litigation", co-authored with DART Alumna Negin Attar-Niggemann (University of Zurich) and Volker Laux (University of Texas at Austin). DART Alumna Sandra Kronenberger (Johannes Gutenberg University Mainz) presented her working paper "Board Composition and Implicit Team Incentives".

Besides participating in highly productive research sessions, the congress attendees also joined a number of social events and connected with international researchers.

DART courses and Lunch Workshops

During the summer term CAR again hosted workshops and courses with international scholars. Peter-J. Jost (WHU - Otto Beisheim School of Management and CAR) held a Ph.D. course on "Financial Economics" at the end of April. He also presented his current working paper "Benefits of delegating decision authority: an incentive contracting perspective" during a lunch workshop. Maximilian A. Müller (University of Cologne) held an empirical Ph.D. course on "Current Research in Accounting and Finance" in June and presented his working paper "Targeting Transparency: Early Evidence on Mandatory Adoption of European Sustainability Reporting Standards" in a lunch workshop during his stay.

Defense of Benedikt Sieghartsleitner

Benedikt Sieghartsleitner successfully defended his Doctoral thesis "Tax Avoidance and Auditing" on July 3rd, 2025, at the University of Graz, supervised by Silke R nger and David Windisch. His dissertation consists of five empirical papers in the field of auditing and international taxation. The first paper studies the mandatory disclosure of audit matters (ISA 701) and its implications for investors and auditors. The second paper examines the EU restrictions on auditor-provided tax services and their impact on audit outcomes. The third paper investigates the relationship between multinational corporations' tax haven subsidiaries and audit fees, as well as the role of country-by-country reporting. The fourth paper shows the effectiveness of controlled foreign corporation (CFC) rules in limiting tax haven activities. The fifth paper analyzes the impact of CFC rules on investment in low-tax countries.



Sieghartsleitner with R nger and Windisch after he successfully defended his Doctoral thesis.

Analysts' Cash Flow Forecasts and the Underreaction to Earnings Forecast Revisions (ABR)



In their paper titled „Analysts' Cash Flow Forecasts and the Underreaction to Earnings Forecast Revisions," forthcoming in Accounting and Business Research (ABR), CAR's David Windisch and Pietro Perotti (University of Bath) examine how cash flow forecasts influence the market's reaction to analysts' earnings forecast revisions and, in particular, the post-earnings

forecast revision drift. They find that the market's initial reaction to earnings forecast revisions is stronger and that the stock price drift is significantly reduced when cash flow forecasts are available. These findings suggest that cash flow forecasts provide investors with valuable information, reducing information uncertainty and improving the processing of earnings news embedded in analysts' earnings forecast revisions. The study offers new insights into the post-earnings forecast revision drift and highlights the usefulness of cash flow forecasts.

AFRAC Comment Letter – Amended ESRS Exposure Draft July 2025

EFRAG is currently revising the ESRS Set 1 to reduce the reporting burden to companies, as proposed in the Omnibus I package released by the European Commission in February 2025. The draft amended ESRS were released for public comments in the end of July and after a two-month comment period.

The draft aims to reduce the complexity of ESRS Set 1 and enhance accessibility and user-friendliness, while maintaining the quality of sustainability reporting. In this process, EFRAG relied on six top-down simplification strategies and levers, alongside a bottom-up review of all required datapoints. This resulted in a 57% reduction in the mandatory datapoints to be reported if considered material. The overall length of the standards was also reduced by 55%. Yet, the reporting burden to companies is likely to be reduced by a lower percentage.

In August and September 2025 there was a public consultation period, in which stakeholders had the opportunity to provide detailed feedback on the draft amended ESRS. The Austrian standard setter AFRAC also took part in this consultation and submitted a comment letter. It was developed in three subgroups of the Working Group on Sustainability Reporting, co-chaired by CAR's Alfred Wagenhofer. Moreover, Theresa Wittreich (CAR post-doc) was substantially involved in the preparation of the comment letter.

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