



**2020**

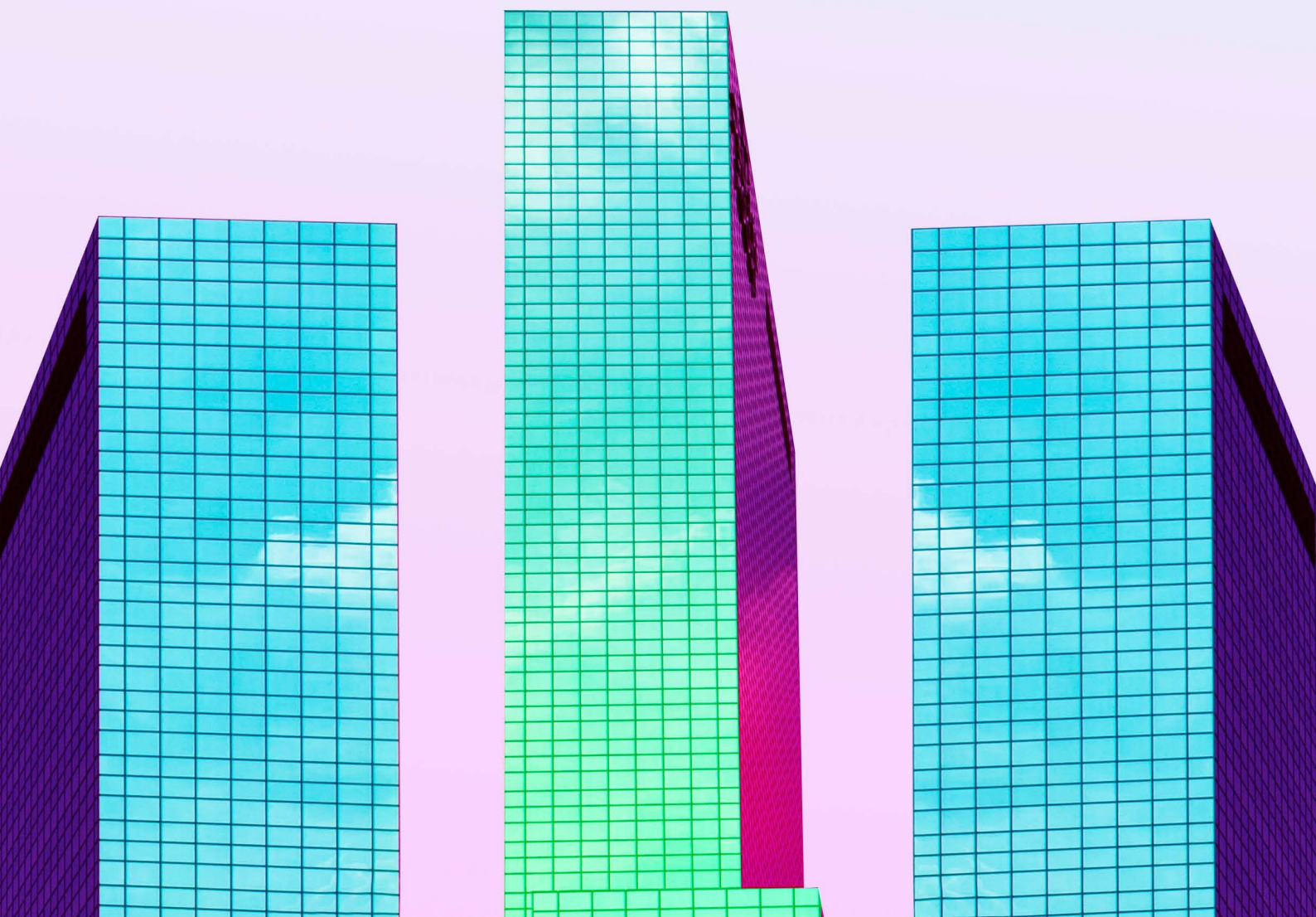
## **ANNUAL REPORT**

**Financial year ending 30 June 2020**

**FINANCIAL RESEARCH NETWORK LTD (FIRN)**

**ACN 629 620 668**

**ABN 33 629 620 668**



## Our Corporate Details

<b>Name</b>	Financial Research Network Ltd
<b>Registered Office</b>	Level 11, Suite 11.01 60 Castlereagh Street Sydney NSW 2000 Walker Wayland
<b>Date</b>	25 October 2018
<b>Website</b>	<a href="https://www.firn.org.au/">https://www.firn.org.au/</a>
<b>A.C.N</b>	629 620 668
<b>A.B.N</b>	33 629 620 668
<b>ACNC Registration</b>	Registered as a charity, with GST concession and income tax exemption
<b>Principal Place of Business</b>	UTS Business School Building 8 Room 07.039, 14-28 Ultimo Road, Ultimo Nsw 2007
<b>Auditor 2020</b>	Wali Aziz, Walker Wayland
<b>Insurance Broker</b>	<p>Cooper Professional Risks Pty Ltd T/as CPR Insurance Services PO Box 180, Grange QLD 4051 Tel: 07 3123 1137 Fax: 07 3102 9294 Email: <a href="mailto:mandy@cprinsurance.com.au">mandy@cprinsurance.com.au</a></p> <p>Dual Insurance Policy Number: P_AL/0/275319/20/L-6 Period of Cover: From 31/05/2020 to 31/05/2021 Premium \$ 1,336.52</p>
<b>Contribution in Winding Up</b> <p>The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. On 30 June 2020, the total amount that members of the Company are liable to contribute if the Company wound up is \$10.</p>	

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## **About FIRN**

### **The Company's Objectives from the constitution:**

The long-term mission of the Company is to enhance the quality and reputation of the research carried out by its Members through the implementation of a set of strategies and initiatives agreed upon by the directors acting as a Board.

The Board has articulated the company's vision as follows:

### **Vision**

FIRN is the premier network for Australia and New Zealand financial economics researchers. FIRN facilitates high quality, influential research that informs national and international thought and practice. FIRN is inclusive of all researchers from universities that offer research programs across the various topic areas of finance.

### **Mission**

To enhance the quality and reputation of the research carried out by its members through the implementation of a set of strategies and initiatives agreed upon by the Directors acting as a Board.

### **Goals**

1. Create networking outcomes and activities that are effectively achieved through a collective approach by FIRN researchers;
2. Promote FIRN's research excellence worldwide;
3. Develop female researchers;
4. Foster the next generation of finance academics, researchers, and policymakers by providing an innovative and challenging environment for the development and dissemination of ideas;
5. Facilitate the effective communication and exchange of research knowledge between FIRN members;
6. Provide thought leadership and expertise across the financial research sector;
7. To be a sustainable and financially efficient entity.

### **Initiatives:**

1. Organise an Annual conference and research-intensive meetings;
2. Co-ordinate a National PhD Program;
3. Develop a program of Women's events including networking, mentoring and skills;
4. Engage internationally renowned academics to work with FIRN;
5. Facilitate a National job market and Early Career Researcher (ECR) events;
6. Communicate with members through an up-to-date website, newsletters, and network events;
7. Engage externally with potential members and other stakeholders;
8. Run a program of academic events.





## Section 2: Governance

## **Board Members' Experience, Qualifications, and Special Responsibilities: Section 300(10)**



**Prof Christine Helliard (Paterson)**  
**Foundation Director & Board Chair**

Dates Acted 1.7.19-30.6.20: Whole Year

PhD in Risk, Derivatives and Management Control, University of Dundee

Affiliations: Member of The Institute of Chartered Accountants in England and Wales; The Institute of Chartered Accountants of Scotland; Chartered Accountants Australia and New Zealand. Honorary member of CPA Australia

<https://people.unisa.edu.au/Christine.Helliard>



**Prof David Michayluk**  
**Foundation Director**

Dates Acted 1.7.19-30.6.20: Resigned 14 October 2019

PhD in Finance at Louisiana State University

Affiliations: Chartered Accountant (CA) and Certified Public Accountant (CPA).

<https://www.uts.edu.au/staff/david.michayluk>



**Prof Kathleen Walsh**  
**Foundation Director, Managing Director and President.**

Dates Acted 1.7.19-30.6.20: Whole year

PhD in Finance from the Australian Graduate School of Management UNSW.

<https://www.uts.edu.au/staff/kathleen.walsh>

## **Board Members' Experience, Qualifications, and Special Responsibilities: Section 300(10)**



**Prof Robert Durand**  
**Director**

Dates Acted 1.7.19-30.6.20: Appointed 14 October 2019

PhD in Finance from Murdoch University

Affiliations: Committee Member - Financial Planning  
Education Council

<https://staffportal.curtin.edu.au/staff/profile/view/Robert.Durand/>



**Assoc Prof Elvira Sojli**  
**Director**

Dates Acted 1.7.19-30.6.20: Appointed 14 October 2019

PhD in Finance from Warwick Business School,  
University of Warwick

<https://sites.google.com/site/esojli/>



**Assoc Prof Joakim Westerholm**  
**Director**

Dates Acted 1.7.19-30.6.20: Appointed 14 October 2019

PhD in Finance from the Swedish School of Economics and Business  
Administration (Hanken), in Helsinki, Finland.

Affiliations:  
Treasurer Finland Australia Chamber of Commerce Inc

<https://business.sydney.edu.au/staff/joakim.westerholm>

## Company Secretary

### **Prof Kathleen Walsh**

**Foundation Director, Managing Director and President.**

Dates Acted (if not for whole year): Resigned 8.7.19

PhD in Finance from the Australian Graduate School of Management UNSW.

<https://www.uts.edu.au/staff/kathleen.walsh>



### **Prof Larelle Chapple**

**Company Secretary**

Dates Acted (if not for whole year): Appointed 8.7.19

SJD from Queensland University of Technology

Affiliations: Graduate member, AICD; Executive committee Corporate Law Teachers Association; Executive committee Fellowships Fund Inc; Legal practitioner admitted to the Supreme Court of Queensland

<https://staff.qut.edu.au/staff/larelle.chapple>

## Director Attendance: Section 300(10)

<b>Board Member</b>	<b>8.7.19</b>	<b>14.10.19</b>	<b>26.2.20</b>	<b>8.4.20</b>	<b>20.5.20</b>	<b>Total</b>	<b>Eligible to attend</b>
Prof Christine Helliar (Paterson)	1	1	1	1	1	5	5
Prof David Michayluk	1	-	-	-	-	1	1
Prof Kathleen Walsh	1	1	1	1	1	5	5
Prof Robert Durand	1	1	1	1	1	5	5
Assoc Prof Elvira Sojli	1	1	1	1	1	5	5
Assoc Prof Joakim Westerholm	1	1	x	1	1	4	5



## **Executive Team**



**Assoc Prof Mark Humphery-Jenner**  
**Treasurer**

Dates Acted (if not for whole year): Appointed 20.5.20

PhD - UNSW, PhD - Tilburg University, PhD - Leiden University.

<https://www.business.unsw.edu.au/our-people/markhumphery-jenner>



**Prof Garry Twite**  
**Vice-President: Education**

Dates Acted (if not for whole year): Appointed 20.5.20

<https://fbe.unimelb.edu.au/our-people/staff/finance/garry-twite>



**Assoc Prof Jacquelyn Humphrey**  
**Vice-President: Women**

Dates Acted (if not for whole year): Whole Year

PhD in Finance from the University of Queensland

<https://business.uq.edu.au/profile/572/jacquelyn-humphrey>

## **Executive Team Cont.**

### **Prof Kathleen Walsh**

#### **President**

Dates Acted (if not for whole year): Whole year

PhD in Finance from the Australian Graduate School of Management UNSW.

<https://www.uts.edu.au/staff/kathleen.walsh>

### **Prof Larelle Chapple**

#### **Treasurer**

Dates Acted (if not for whole year): Resigned 20.5.20

SJD from Queensland University of Technology

Affiliations: Graduate member, AICD; Executive committee Corporate Law Teachers Association; Executive committee Fellowships Fund Inc; Legal practitioner admitted to the Supreme Court of Queensland

<https://staff.qut.edu.au/staff/larelle.chapple>

### **Prof J Spenser Martin**

#### **Vice-President: Education**

Dates Acted (if not for whole year): Deceased 9.10.19

PhD from the Wharton School of Finance and Commerce at the University of Pennsylvania

FIRN notes with sadness Spencer's sudden passing 9.10.19

### **Dr Victoria Clout**

#### **Vice-President: Engagement**

Dates Acted (if not for whole year): Resigned 10.1.20

PhD in accounting from the Queensland University of Technology

<https://www.business.unsw.edu.au/our-people/victoriacout>



## **Section 3: Reports**

## **FIRN Chairperson's Report 2020**

The year to June 2020 has been challenging for our organisation, but I am pleased to report that the governance structure and operational activities of our company are working well. The Board has been busy working with the executive team, especially in the last half of the year, to ensure that Financial Research Network Ltd (FIRN) is on a steady footing for the future, despite the difficult times that we have all been experiencing.

We have seen a few changes in the leadership team who attend the board, with David Michayluk formally standing down as director and Mark Humphery-Jenner taking on the role of treasurer from Larelle (Ellie) Chapple, who continues as our company secretary. The board would like to thank both David and Ellie for their hard work and effort on behalf of Financial Research Network Ltd. We have also seen changes in the executive, with Victoria Clout standing down from the Engagement portfolio. We thank Victoria for her contributions to Financial Research Network Ltd. The Board would like to thank the executive and especially the President, Kathy Walsh, for their professional and dedicated service to Financial Research Network Ltd.

The COVID-19 pandemic clearly had an impact on Financial Research Network Ltd during 2020. Directors have a duty to review and revise the strategy, mission and vision of the organisation, and this has been especially true in the present circumstances. To that end, the board has met regularly during 2020, on average every 6 weeks, to discuss the pandemic and our response to the crisis. As the President's report highlights in more detail, several activities were moved online, and others were curtailed or cancelled. Identifying current and future risks has been the focus of attention, especially planning the steps that we need to take in the future.

Just after the year end, in July 2020, the board had an all-day strategy meeting, facilitated by DXP Consulting, to set out processes and consider the future. At this meeting our mission, vision, goals, and objectives were re-examined and sharpened, a Board Charter as well as a Code of Conduct were formulated and approved. Succession planning for both the board and the executive team were also discussed. We also set out our key risks and how to mitigate these, and we are working on a set of performance measures that will ensure that the organisation achieves its mission and goals. Although ambitious, we are setting in place all the processes that are needed for an organisation with a bright and successful future.

A handwritten signature in blue ink that reads "C.V. Helliar". The signature is written in a cursive style and is underlined with a single horizontal stroke.

**Prof Christine Helliar,  
Chair of the Board**





## **FIRN President's Report 2020**

Much has changed in the world since the last annual report and at the time of writing most of our network are still unable to travel beyond state borders. I am immensely proud of our members' response to the crisis and the way Financial Research Network Ltd adapted by innovating the suite of offerings to ensure that we maintain our supportive network. I would like to extend my sincere thanks to our leadership team for working together through this time and ensuring FIRN's strong commitment to finance research and a supportive research culture.

While we have had to cancel or postpone our face to face meetings, we introduced some exciting new initiatives to keep us connected. We are particularly aware that the impact of Covid-19 may be more severe for early career researchers (ECRs), PhD students and female researchers, and we have structured specific initiatives to support them. These programs provide networking, education and research development opportunities (details in the VP reports).

### **Research Meetings:**

The Banking & Financial Stability Meeting was held in July 2019 at the ANU. The meeting featured keynote speakers Professor Manju Puri from Duke University and Prof Christopher James from the University of Florida. The 7th Melbourne Asset Pricing Meeting was held in October 2019 at the University of Melbourne. The meeting featured keynote speaker Prof Kerry Back (Rice University). All 2020 research meetings were postponed until 2021 due to social distancing restrictions. FIRN is very grateful for our partners at the University of Melbourne, the Australian National University, the university of Technology Sydney and the University of Adelaide. for co-hosting these important research events.

### **Annual Conference:**

The FIRN annual conference and PhD Symposium was held in Byron Bay in November 2019. It was a huge success with high quality research presentations and relaxed networking opportunities.

The best paper prizes were awarded to Phong Ngo, ANU, for the use of innovative data (Rozetta Institute), Mark Humphery-Jenner, UNSW, for the best corporate governance paper (Australian Journal of Management) and Kristle Romero Cortes, UNSW, for the overall best paper (International Journal of Managerial Finance). While we had to postpone the 2020 annual conference, we have booked the 2021 Annual Conference for Hamilton Island (circumstances permitting) from 17-19 November 2021, along with the 2021 PhD Symposium on 16 November, 2021.

### **AFA Australian FIRN Wine Reception:**

The AFA event was held at the San Diego Wine and Culinary Center in January 2020 and was a great success. We extend our thanks to the organisers and the sponsors (Monash University, University of Melbourne, University of Sydney, the Australian National University, University of Queensland, University of Technology Sydney and UNSW). The event was very well attended. We also used this event to honour our dear, departed friend, Spencer Martin and thank Prof Mike Gallmeyer for his wonderful tribute.

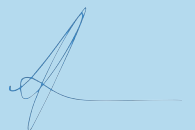
### **Virtual Seminars:**

FIRN co-hosted a Virtual Seminar Series with the large FIRN member institutions. The series hosted high quality domestic and international speakers and was open to all faculty and PhD students at FIRN member institutions. We also extended the seminar series to our AFAANZ colleagues and some international networks. The seminars are hosted and moderated by our member institutions via zoom, and attendees can participate using the chat windows. The FIRN virtual seminar series began in May and has now been extended indefinitely. We would like to thank our large institutional members for supporting this initiative. FIRN events attracted over 1,200 registrants and acknowledge the following speakers:

<b>Month</b>	<b>Presenter</b>	<b>Member Host</b>
May	Jeffrey Pontiff, Boston College	UNSW
May	Cara Vansteenkiste, UNSW	FIRN Women
May	Thierry Foucault, HEC Paris	UNSW
May	Peter Bossaerts, Melbourne	The University of Melbourne
June	David Reeb, NUS	The University of Queensland
June	Ekaterina Volkova, Melbourne	FIRN Women
June	Chuan Yang Hwang, Nanyang Technical University	The University of Technology Sydney
June	Zahi Ben-David, Ohio State University	The University of Queensland

FIRN activities would not be possible without the excellent work of the executive. I would like to extend my thanks to Jacquie Humphrey who has not only worked tirelessly on the women's program but has introduced a number of exceptional ECR events, which have been very well received. I would also like to thank Garry Twite for his leadership on the education program, including a very swift move to online delivery. I am very grateful for the wise council of Ellie Chapple in her roles as secretary and treasurer and extend a heartfelt thank you to Mark Humphery-Jenner for stepping into the treasurer role in May 2020. I would also like to thank the FIRN board of Christine Helliard (Chair), Robert Durand, Elvira Sojli and Joakim Westerholm who have given FIRN great guidance and oversight.

Together we have strengthened FIRN's commitment to a research network and thrived under very trying external factors.



**Prof Kathy Walsh**  
**President**



## **FIRN Vice-President: Women**

FIRN offers a range of activities that aim to help female researchers – particularly early career researchers. In the 2019-20 financial year, FIRN Women held two in person events, and then launched a series of online events.

### **Financial Year Activities 2019-2020:**

FIRN Women held a workshop with Prof Nathalie Moyon (The University of Colorado, Boulder) at UNSW in July 2019. The event included an interview with Nathalie followed by a robust question and answer time. The theme of the event was “The importance of networking”.

The final event for the 2019 academic year was a research workshop co-hosted with RMIT in November. This workshop involved ten presentations from early career women, followed by a mentoring session where presenters received feedback from a senior mentor and a peer. FIRN would like to thank RMIT for their support of this event and in particular May Hu, who was instrumental in the success of the event.

Phase 2 of the FIRN Women mentoring program was launched, which involved early career women being matched with a senior academic in the same research area. The mentoring involves feedback on research papers. FIRN Women would like to thank everyone who has been involved in the mentoring program, and in particular the FIRN members who have acted as mentors.

In early 2020, FIRN Women created a directory of senior female academics, and featured interviews with a number of female professors in our network. It was great getting to know the senior women in our community a little better through this initiative. The interviews can be found on the FIRN Women Facebook page, and the directory is on our website.



We were disappointed to have to cancel our flagship conference for 2020. We were to have Prof Kai Li as our keynote presenter but hope to be able to host Kai in the future.

Instead of the conference, FIRN Women hosted one female early career researcher to present each month in the FIRN Virtual Seminar Series. Thanks to Cara Vansteenkiste (UNSW) Ekaterina Volkova (University of Melbourne) who presented high-quality papers in May and June, respectively. From May, FIRN Women launched informal monthly catchups via zoom. The purpose of these catchups was to help women in FIRN to stay connected, network and share tips during this time when we cannot meet in person. Each catch-up is organized around a theme. Thank you to all the women who have dialled-in for these catchups.

One of the issues that was raised in the first FIRN Women informal catch-up is the inconsistent way in which Covid-19 impacted academics, and specifically how women with children have been particularly adversely affected. FIRN Women consequently commissioned a report which collated the current research into this issue. The report can be found on our website.

FIRN thanks all our members who have participated in FIRN Women activities and appreciates your continued support.

### **FIRN Early Career Researchers (ECR):**

FIRN recognises that restrictions imposed due to Covid-19 has had an impact on the ability to network, gain feedback and skills which would otherwise occur during workshops and conferences. We were concerned that the ECRs in our community would be particularly affected by this. Consequently, FIRN launched a series of workshops for ECRs, which were co-hosted by member institutions.

### **Financial Year Activities 2019-2020:**

Our first ECR workshop was co-hosted with RMIT and the topic was “How to get your work published: tips from journal editors?”. Thank you to the panel - Jonathan Batten (RMIT), Millicent Chang (University of Wollongong) and Rose Liao (Rutgers university) who provided very helpful tips and insights into the publication process.

### **Plans for the Remainder of 2020:**

The second half of 2020 saw a second workshop on “Responding to Reviewers and Dealing with Rejection” with a panel comprising Shaun Bond (University of Queensland), Carole Comerton-Forde (UNSW) and Danika Wright (University of Sydney). This workshop is co-hosted with Curtin University.

Talis Putnins (UTS) will run a workshop on “Crafting the crucial “front-end” of a paper” in September 2020.

FIRN would like to thank all of the participants and speakers at these events. We would like to particularly acknowledge and thank Banita Bissoondoyal-Bheenick (RMIT), Robert Durand (Curtin) and Talis Putnins (UTS) for co-hosting these workshops.

**Dr Jacquelyn Humphrey**  
**Vice-President: Women**





## **FIRN Vice-President: Education 2020**

The FIRN education program offers elite PhD courses across Australia to support students at member institutions. The subjects are of an international standard and are generously offered at no cost by member institutions. We would like to thank the PhD presenters for kindly donating their time and expertise. We would also like to thank these presenters for the time and effort they provided in moving these courses on-line during the COVID-19 crisis. Under normal circumstances, FIRN also hosts two master classes per year where eminent international academics run classes in block mode for PhD students and Early career researchers. However, the bans on international travel during the COVID-19 crisis meant that we cancelled the two master classes for 2020. The education program is rounded out with a PhD symposium and a job market at the FIRN annual conference.

### **Financial Year Activities 2019-2020**

#### **FIRN's PhD symposium:**

The PhD symposium 2019 was held on Tuesday 19th November 2019 at the conference venue, Byron at Byron Bay Resort, NSW. Thank you to UNSW for the best paper prizes. FIRN would like to thank the keynote speaker, Prof Renée Adams (University of Oxford) for her insightful presentation.

#### **Masterclasses:**

September 2019: Asset Pricing Masterclass presented by Prof David Chapman (Boston College) at the University of Melbourne.

June 2020: Fund Management Masterclass to be presented by Prof Henrik Cronqvist (University of Miami) was cancelled due to the prevailing COVID-19 situation and restrictions on travel. We hope to again invite Prof Cronqvist at a future date.

### **National PhD Program Semester 2 2019:**

- Empirical Finance with Prof Tom Smith (Macquarie)
- Research Methods (elective) with Prof Tom Smith and Prof Martina Linnenluecke (Macquarie)
- Intermediate Economics with Prof Daniel Smith (QUT)
- Market Microstructure with Prof Talis Putnins (UTS)

### **National PhD Program Semester 1 2020:**

- Finance Theory with Prof Tom Smith (Macquarie)
- Financial Econometrics with Prof Federico Nardari (Melbourne)

### **Future Planned Activities**

#### **FIRN's PhD symposium:**

PhD symposium 2020 will be held on Tuesday 17th November 2020. Due to the prevailing COVID-19 situation and restrictions on travel, the conference will be online.

#### **Masterclasses:**

December 2020: Given the prevailing COVID-19 situation and restrictions on travel, the Funds Management Masterclass to be presented by Prof Susan wChristoffersen (University of Toronto) was cancelled. We hope to again invite Prof Christoffersen at a future date.

### **National PhD Program Semester 2 2020:**

- Market Microstructure with Prof Talis Putnins (UTS) commencing July 2020
- Empirical Finance with Prof Tom Smith (Macquarie) commencing July 2020
- Intermediate Economics with Prof Daniel Smith (QUT) commencing July 2020
- Process of Research (LITE) with Prof Robert Faff (UQ) commencing August 2020
- Behavioural Finance with Prof Yulia Veld-Merkoulova and Prof Chris Veld (Monash) commencing August 2020
- Research Methods (elective) with Prof Tom Smith and Prof Martina Linnenluecke (Macquarie) commencing July 2020

### **National PhD Program 2021:**

We will start setting dates and identifying presenters for 2021 PhD program and Masterclasses in December 2020 when the restrictions in 2021 arising from COVID-19 will be better understood.

**Prof Garry Twite**



## **FIRN Treasurer's Report 2020**

2020 has been a challenging year for many institutions. FIRN has made significant adjustments in order to respond to Covid-19. This has placed FIRN in a stronger position going forward.

FIRN's revenue has decreased slightly due to Covid-19. However, the main impact will be in the 2020-2021 financial year. Some universities have declined to renew their membership. These are primarily smaller universities. This poses a challenge going forward, unless FIRN continues to keep expenses and activities under control.

FIRN has significantly reduced expenses in 2020 due to Covid-19 restricting the type of activities FIRN can engage in. Thus, FIRN has not had to spend money on activities such as meetings, or physically transporting people to Australia to run masterclasses. These expense reductions are likely temporary and will reverse once travel resumes.

The budget position in this financial year is strong. FIRN's revenue has decreased by significantly less than has FIRN's expenses. This has resulted in an increase in cash holdings, which will place FIRN in a better position to weather a prolonged downturn and membership reduction.

The budget position into the next financial year has some challenges of which FIRN is cognisant. These include the risk that physical meetings will resume without a commensurate resumption in membership fees. This will necessitate FIRN prioritising activities. However, FIRN is well placed to adapt to short term disruptions.

**Assoc Prof Mark Humphery-Jenner**  
**Treasurer**





## **Section 4: Members**





## **Institutional Members as of 30 June 2020**

### **Large**

- Australian National University (ANU)
- Monash University
- University of Melbourne
- UNSW Sydney
- University of Sydney
- University of Queensland
- University Technology Sydney (UTS)

### **Small**

- Auckland University of Technology (AUT)
- Curtin University
- Deakin University
- Macquarie University (MCQ)
- RMIT
- Queensland University of Technology (QUT)
- University of Adelaide
- University of Newcastle
- University of South Australia (UniSA)
- University of Tasmania (UTAS)

Individual member who is liable to pay the guarantee of \$10 in the event of a winding up:  
Kathleen Walsh, University of Technology, Sydney

