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Editorial Note

Dear readers,

We remain hopeful that we can get a better day soon, despite the present working environment due to the pandemic situation. We are pleased and humbled to present AJAP Volume 14, Issue 1. Five articles, an article each from Sri Lanka, Bangladesh and Malaysia and two co-authored articles by researchers from Malaysia, Iran and Bangladesh, are selected and published in this issue. Articles published cover research on government budgeting practices, financial risk attitudes, microfinance institutions' performance, sustainability reporting practices, and auditor's independence. The overview of these five articles is presented in the following section.

Abeyinghe (2021) employed a historical approach to investigate the reasons why the government budget in Sri Lanka operates as a ritual. This study, utilising the Actor-Network Theory (ANT), illustrates the government budgeting practice as observed in the Sri Lanka Railway Department (SLRD) using data from archival sources, content analysis of documents, published materials and interviews. This research finds that accounting and control practices dysfunction when they do not support the aligned interests of the underlying actor-network. The research concludes that for successful performance, the overall policy framework must address the underlying dominant interest.

Sukor, Nasehi, and Koh (2021) examine the differences in behavioural traits concerning risk attitudes and explore the differences in financial risk attitudes concerning Malaysian investors' demographic profiles. The research finds that financial risk-takers have higher levels of overconfidence, maximisation, happiness, and trust than the risk-averse respondents. Also, in terms of demographics, men versus women, singles versus those married, and those with lower income and less work experience have significantly higher risks. Additionally, in terms of race, the Chinese are the most significant financial risk-takers. The research highlights that both behavioural and financial risk attitudes are new for a multicultural background market like Malaysia. It concludes that the financial planners need to take cognisance of such relationships, tendencies and risk preferences to understand their client inclination and provide appropriate advice to their clients.

Hussain, Azhar, and Rahman (2021) investigate the relationship between board independence and microfinance institutions (MFIs) performance as studies addressing board independence and its impact on performance in this industry are still scarce. The result shows that independent directors and board size facilitate MFIs to become financially sustainable, and CEO duality enhances institutional sustainability but does not enhance outreach to the poor.

Das, Miah, Miah, Akter, and Hossain (2021) identify the nature and extent of sustainability reporting disclosure practices among Bangladeshi listed companies, in line with global reporting initiatives (GRI). Annual reports of Bangladesh listed companies from 2016 to 2017 are analysed using the content analysis method. The level of overall disclosure is low, in particular, companies are reluctant to disclose issues related to emission, effluent, waste, and compliance under the environmental dimension, and human rights and social performance indicators under the social dimension.

Abidin, Nelson and Ahmad (2021) investigate small and medium audit firms' compliance with the independence requirements stipulated in Malaysia's International Standard on Quality Management 1 (ISQC 1). The research reveals that there are variations in compliance practices on the independence requirements among small and

medium audit firms. Some of the firms partially complied with the independence requirements, whereas others showed non-compliance. The findings further indicate that the majority documented their independence policies and procedures using an audit manual or audit checklist communicated during the year. The lack of financial and physical resources is highlighted as the main hindrance to greater compliance.

These five articles presented in this issue addressed how principles, instruments, and procedures of accounting and finance can be strengthened and facilitate practical commercial activities, not just for companies but also for the government as a policymaker and the public. In conclusion, we would like to express our appreciation and gratitude to authors, reviewers, the editorial and advisory council, and the Faculty of Business and Accountancy management for the contribution and support in the publication of this issue. To our readers, we express our gratitude and appreciation for your continuous support of AJAP.

Associate Professor Datin Dr Rusnah Muhamad
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