

SYMPOSIUM 1

WANTED - FOUNDATIONS OF ACCOUNTING MEASUREMENT

Time: Wednesday 13 May, 14.00-15.30

Room: Tampere Hall, Small Auditorium

Chair:

Graeme Dean, Professor, The University of Sydney

Speakers:

Andrew Lennard, Director of Research, UK Accounting Standards Board
Geoff Whittington, Professor, Cambridge University and former IASB member
Richard Macve, Professor, London School of Economics

ABSTRACT

The Symposium examines fundamentals of accounting measurement - the elusive foundations researchers and practitioners have sought for decades in developing an optimal accounting system reporting all assets and liabilities. Currently the system uses a mixed set of attributes (costs, market prices, and estimates, of various types). Market based valuations have taken many forms: e.g. exit price (selling); entry price (replacement price); deprival value (DV), fair value accounting (FV). Nearly fifty years after those measurement ideas were first placed on the professional agenda, the issue of accounting measurement remains contentious. This is particularly so in the context of the implementation of market measures (FVs) in many of the IFRSs and the contemporary allegations that mark-to-market valuations have fuelled the 2007-09 global financial crisis.

Professor Dean will introduce the Symposium noting ideas underlying Canning's 1929 *Economics of Accountancy* - a potentially path-breaking book that, arguably, identified the canons of measurement to the accounting literature. He will examine previously unpublished material from the so-called 'preparatory phase' to the 'Golden Age' of accounting researchers - material from more than 50 years ago. These set the scene for, inter alia, Ray Chambers 1959 'Measurement and Misrepresentation' TIMS paper, eventually published in *Management Science* in 1960, Ricco Mattessich's 1964 *Accounting and Analytical Methods: measurement and projection ...*, and Harold Bierman's 1963 *The Accounting Review* 'Measurement and Accounting' paper. The 'new' focus on

measurement, as Bierman noted, provided an opportunity for a 'revolution in accounting thought' and practice.

Dean will provide brief findings from archival research into measurement debates and how they relate to the current professional deliberations regarding the difficult issue of identifying an appropriate measure of financial institutions' 'toxic assets' (e.g. CDOs or CDSs where observable prices are not available). Issues to be pursued include the need to consider more the canons of measurement, whatever attribute is being 'measured'. Being a member of the 'Sydney School of Accounting', not surprisingly the case for exit price accounting is argued. This historical and present overview is followed by 15 minute presentations by the three panellists discussing other attributes, most notably entry and deprival values. Questions from the floor will follow.

1. Andrew Lennard will develop the case for entry values;
2. Geoff Whittington will talk about the need to put measurement in the context of the market setting (leading to an informational approach consistent with more eclectic measures such as DV); and
3. Richard Macve will present the case for DV - noting DV as a rule for choosing between measurement bases; its use for liabilities too?; its relationship to revenue recognition (latest IASB DP); and is DV useful to internal or external users?

SYMPOSIUM 2

INTERCONTINENTAL PERSPECTIVES ON SOCIAL AND ENVIRONMENTAL ACCOUNTING RESEARCH

Time: Wednesday 13 May, 16.00-17.30

Room: Tampere Hall, Small Auditorium

Chair:

Jill Solomon, Cardiff Business School, UK

Speakers:

Craig Deegan, RMIT University, Australia
Charles H. Cho, Concordia University, Canada
Carlos Larrinaga-González, University of Burgos, Spain
David Collison, University of Dundee

ABSTRACT

Social and environmental issues are major policy issues on a global level. Climate change, human rights, and disappearing biodiversity are just few examples of the contemporary and pressing challenges. Accordingly, social and environmental issues are increasingly considered of paramount importance for both public and private organizations. A number of multinational companies have taken sustainable development into consideration and experimented different kinds of social and environmental accounting systems. Likewise, the popularity of corporate sustainability reporting has increased swiftly during the last decade. The Global Reporting Initiative has evolved as the leading standard for corporate sustainability reporting and appears to provide a framework for comparable reporting beyond the financial dimension. At the same time, however, it is more than uncertain whether any true change in corporate activities is actually taking place despite the increasing emphasis given to social and environmental issues on a rhetorical level.

Social and environmental accounting research now appears regularly in (some) mainstream academic accounting journals and conferences. However, despite the pressing global concerns and the aforementioned developments in business practice academic research on social and environmental

accounting and reporting is still largely underdeveloped in numerous regions of the world. Therefore, this symposium aims at describing and discussing the current state of social and environmental accounting research from an intercontinental, critical and future-oriented perspective. The aims of the symposium are twofold: First, the symposium aims at presenting an outlook of the status of social and environmental accounting research from various regions of the world. The included presentations will focus on regions in which social and environmental accounting research has gained a more prominent position as well as on those where this type of research is more or less nonexistent (or invisible?). Secondly, and more importantly, the symposium aims at tackling the question about why social and environmental accounting research has gained less visibility and acceptance in certain regions relative to others. The perspectives from different geographical areas will provide a basis for discussions on possible future avenues for social and environmental accounting research around the globe.

Acknowledgement

The financial support provided by ACCA for this symposium is gratefully acknowledged.

SYMPOSIUM 3

RESEARCHING PUBLIC SECTOR ACCOUNTING CHANGE

Time: Thursday 14 May, 09.00-10.30

Room: Tampere Hall, Small Auditorium

Chair:

Peter Skærbæk, Professor, Copenhagen Business School, Denmark

Speakers:

Sheila Ellwood, Professor, School of Economics, Finance & Management, Bristol University, UK

Sven Modell, Professor, Manchester Business School, UK and Stockholm University, Sweden

Peter Miller, Professor, London School of Economics and Political Science, UK

ABSTRACT

Due to NPM the public sector has been the object of several reforms involving accounting changes in various ways. Consequently, research in the public sector has focused much on those reforms and subsequent consequences for accounting typically in terms of problems of transporting private sector accounting practices into the public sector. Despite these significant contributions the public sector also proves to be a sector where more general accounting phenomena can be researched. Such research approaches could be to study how various calculative practices, calculative devices, institutions, expertise, identities, strategies, etc. unfolds in the public sector. This panel brings together researchers with different approaches, methodologically and theoretically to researching PSA changes.

1. Sheila Ellwood will talk about the change to commercial accounting approaches (management accounting and financial reporting) for the public sector i.e. the problems of applying techniques designed for 'private goods' to 'public goods'.

2. Sven Modell will review the development of research into performance measurement and management, with particular emphasis on research based on institutional approaches and discuss ways of extending this research agenda.

3. Peter Miller will draw upon a case from the healthcare arena, and will discuss "Costing, Curing and Quantifying". More precisely, he will consider how accounting expertise interacts with the expertise of health economics and medicine in complex regulatory regimes in healthcare".

4. Peter Skærbæk will draw upon an audit case from the Danish Ministry of Transport, and illustrate how performance audits can participate in the reconfiguration of the organizational identity of the auditee.

Acknowledgement

The financial support of the Chartered Institute of Management Accountants' Charitable Trust is gratefully acknowledged. This trust supports the advancement of education projects relating to accountancy and economics.

SYMPOSIUM 4

THE ROLES AND EFFECTS OF PARADIGMS IN ACCOUNTING RESEARCH

Time: Thursday 14 May, 11.00-12.30

Room: Tampere Hall, Small Auditorium

Chair:

Kari Lukka, Professor, Turku School of Economics, Finland

Speakers:

Teemu Malmi, Professor, Helsinki School of Economics, Finland

Ken Merchant, Professor, Marshall School of Business, USC, USA

Sven Modell, Professor, Manchester Business School, UK

ABSTRACT

The notion of paradigm was brought into the philosophy of science by Thomas Kuhn in his book "The structure of scientific revolutions" in 1962 (referring to the instruments, values, exemplars, and ontology adopted by a group of scholars of a certain discipline) and ever after debates around it have turmoiled, though somewhat in waves, in various areas of scientific endeavours. The culmination of these was probably the "Science wars" debate around Gross & Leavitt (1994) and soon thereafter that around the so-called Sokal (1996) affair.

In accounting research, paradigm debates were lively in the 1970's when the main puzzle was whether Kuhn's theory applies to accounting research and whether accounting is a multi-paradigmatic discipline (e.g. Wells, 1976; Hakansson, 1978; cf. Vollmer, 2009). Other significant waves of paradigm debates emerged as related to the writings of Watts & Zimmerman on "positive accounting theory" (Watts & Zimmerman, 1976, 1978; Christenson, 1983; Hines, 1988; Boland & Gordon, 1996) and predominantly in management accounting around Burrell & Morgan's (1979) four-item paradigm taxonomy (e.g. Tomkins & Groves, 1983; Abdel-khalik & Ajinkya, 1983) as well as Zimmerman's (2001) conjectures on empirical management accounting research (see Debate forum on Zimmerman, *European Accounting Review*, No.4, 2002).

More recently the issue of paradigm has rested in relative peace within the accounting academia at large. This is likely due to the fact that the so-called mainstream accounting research (functionalistic, most often economics-based and financial accounting oriented research) has tended to

view paradigm as a trivial non-issue. This is probably a natural outcome when the core scientific values and beliefs are relatively homogenous among the notable majority of accounting researchers. Paradigms have yet received more continuous attention in the 'alternative' areas of accounting research, like among the interpretive and critical accounting scholars. Whilst this can be viewed as an indication of solid scientific breeding, this is likely also motivated by questioning and challenging the mainstream-driven status quo in accounting research (e.g. Hopwood, 2007). But there have been almost no serious debates across the paradigm boundaries, as those representing the mainstream have only very seldom participated in them. There seem to be relatively high barriers between the various paradigms in operation in accounting research to the point that the level of alienation between different camps is high (Lukka & Granlund, 2002).

The theme of this EAA symposium is to explore the nature and implications of the current, relatively stabilized multi-paradigmatic situation, yet with one dominant paradigm, of the accounting academia. What are the pros and cons of having, and operating within, various simultaneous paradigms in accounting research? Are there risks for accounting as a discipline as it is so clearly dominated by one paradigm? How do existing paradigms defend themselves – i.e., how dogmatic are they – and to what extent that is a healthy phenomenon? Is there room for sufficient heterogeneity and change of fundamental mindsets in accounting research and does this vary across different accounting paradigms?

SYMPOSIUM 5

THE ECONOMIC DOWNTURN AND RESEARCH OPPORTUNITIES IN ACCOUNTING: AN EDITORS' PERSPECTIVE

Time: Thursday 14 May, 14.00-15.30

Room: Tampere Hall, Small Auditorium

Chair:

Sten Jönsson, Gothenburg Research Institute

Speakers:

Salvador Carmona, European Accounting Review, IE Business School
Christine Cooper, Critical Perspectives on Accounting, University of Strathclyde
Peter Walton, Accounting in Europe, ESSEC

ABSTRACT

Recent macroeconomic data have further deepened prior pessimistic prospects about the current economic downturn. In the Eurozone, according to estimates of the Eurostat, the Gross Domestic Product (GDP) contracted by 1.8% (on a quarter-on-quarter basis) in the fourth quarter of 2008. In the United States, February 2009 governmental reports show that the actual annualized decline of the economy in 2008 was 6.2%, as opposed to the previous estimates of a 3.8% decrease. Under these severe circumstances, what

should be the reaction of accounting academics? As socially embedded professionals we cannot adopt an indifferent attitude towards the profound far-reaching effects of the crisis and its highly uncertain consequences. This symposium, whose panel members are editors of accounting journals, will address research and publication opportunities arising from the current economic crisis as well as the extent to which the economic downturn may affect the scholarly work of accounting academics.

SYMPOSIUM 6

THE CHALLENGES FOR AUDITING IN A TIME OF FINANCIAL CRISIS

Time: Thursday 14 May, 16.00-17.30

Room: Tampere Hall, Small Auditorium

Chair:

Chris Humphrey, Professor, Manchester Business School

Speakers:

Pekka Luoma, Chairman, Ernst & Young Oy, Finland

Hilde Blomme, Director of Practice Regulation, Fédération des Experts Comptables Européens (FEE)

Lasse Niemi, Professor, Helsinki School of Economics

Robert Hodgkinson, Executive Director, Technical, Institute of Chartered Accountants in England and Wales (ICAEW)

ABSTRACT

Appeals to improved corporate reporting and commitments to financial transparency require, or implicitly assume, an active and effective audit function – a view endorsed by Paul Volcker when he famously referred to auditors as the ‘guardians of truth in economic markets’. However, when compared to the pursuit of global convergence in international accounting standards, the contemporary standing of international auditing practice appears to generate substantially less public discussion. For example, the most visible questions asked of the accounting profession in the current global financial crisis have concerned threats of political interference in international accounting standard setting processes, the ‘pro-cyclical’ capacities of contemporary approaches to accounting valuation and the readability and pertinence of corporate financial reports. The crisis has seen some questioning in the media of auditor performance in the aftermath of major banking collapses and highlighting of the potential for going concern modified audit opinions in the current, 2008, corporate reporting cycle - but many of the key strategic discussions and meetings that have taken place between audit firms, professional institutes, regulators and governmental agencies have remained largely private affairs.

This symposium focuses explicitly on the capacities and capabilities of the audit function. It considers the general auditability of contemporary corporate financial reports and discusses a variety of issues and challenges confronting the practice of audit and its strategic development. Some indicative topics to be considered by the panel of invited

speakers include the:

- challenges of auditing in ‘fair value’ accounting regimes;
- handling of going concern issues and the audit of ‘toxic assets’;
- pricing of audit risk;
- significance of the IAASB’s clarity project;
- principal achievements and impact of auditing in the current global financial crisis;
- key constraints on audit practice and the challenges confronting accounting firms in seeking to deliver quality audits; and the
- resulting implications for auditing education, research and professional thought leadership.

Following the symposium, there will be an informal 40 minute session at which Robert Hodgkinson will outline the future work programme of the UK’s Audit Quality Forum (AQF) (<http://auditqualityforum.com>) and discuss related international audit research opportunities and the possibilities for enhanced academic engagement with the work of the AQF. The session will be followed by drinks/light refreshments.

Acknowledgement

This symposium has been put together with the helpful assistance and sponsorship of the ICAEW and such support is gratefully acknowledged by the Congress organisers.

SYMPOSIUM 7

ACCOUNTANCY AND ACADEMIC PROFESSIONAL INTER-DEPENDENCY (OR MUTUAL EXCLUSIVITY?)

Time: Friday 15 May, 09.00-10.30
Place: Tampere Hall, Small Auditorium

Chair:

Richard M S Wilson, Professor, Editor, Accounting Education: An International Journal

Panelists:

Mark Allison, Professor, Director of Education, Institute of Chartered Accountants of Scotland and Chairman of IAESB

Martin Hoogendoorn, Professor, Erasmus University Rotterdam and Partner, Ernst & Young Rotterdam

Bohumil Kral, Professor, University of Economics, Prague and past President of EAA

Kim Watty, Associate Professor, Director Teaching and Learning Unit, Faculty of Economics and Commerce,
The University of Melbourne.

ABSTRACT

Accountancy as a profession or as professional formation is the initial career choice of thousands of our students annually. Moreover, the accountancy profession is relied upon to contribute professional service of the highest quality to the organisations they lead, manage, audit, govern, and/or to which they supply services. The integrity of corporate governance systems underpins properly functioning capital markets and socio economic structures within our political frameworks. Education and training are perceived to be crucial elements in developing professionals with appropriate skill sets, experiences and values to fulfil the range of demanding contributions to economic and social well-being.

A substantive amount of quality accounting education research is undertaken by members of the academic accounting community. In another (and sometimes parallel) universe, professional standards promoting good and/or

best practice in educating and training of professional accountants are developed by the International Federation of Accountants' (IFAC) International Accounting Education Standards Board (IAESB). This Symposium addresses the relationship between accounting educators in the university sector and accounting educators, trainers and policy makers within the profession. In particular, the panel will debate the mutual awareness of and respect for each other's priorities, modus operandi and contributions to development of accountancy professionals in the public interest and the quality of this relationship.

The Symposium aims to further improve interaction between key stakeholders in the accounting education arena in the interests of improving the quality of accounting education activities available to aspiring and existing accounting professionals.

SYMPOSIUM 8

WHEN ACCOUNTING MEETS INFORMATION AND COMMUNICATION TECHNOLOGIES: EFFECTS ON ACCOUNTANTS, ACCOUNTING AND ORGANIZATIONS

Time: Friday 15 May, 11.00-12.30
Room: Tampere Hall, Small Auditorium

Chair:

Paolo Quattrone, University of Oxford, United Kingdom

Speakers:

Ariela Caglio, Università L. Bocconi, Italy
Turkka Keskinen, UPM-Kymmene Corporation, Finland
Lili Kihn, University of Tampere, Finland

ABSTRACT

The literature on the relationships between accounting and various forms of information and communication technologies (ICT) is growing both in terms of the number of contributions and of the research perspectives adopted in observing these relationships. Studies have concerned, for example, the role of Enterprise Resource Planning systems (ERPs) in changing organisations and accounting (e.g. Jazayeri and Scapens, 1999), mobilising notions of integration (Granlund and Malmi, 2002; Dechow and Mouritsen, 2005) and affecting the nature of accountants' work and their organizational profile (Burns and Baldvinsdottir, 2007; Caglio, 2003).

The recent capillary diffusion of ICT across organisations of all size and kinds has had profound implications for the nature of accountants, accounting, and organizations. Accountants have become 'hybrid' figures (Caglio, 2003) almost becoming internal organizational advisors. Accounting has become more diffused across various organisational functions with tasks, once firmly in accountants' hands, are now performed by other organizational figures.

The way in which accounting and control are performed within organizations depends also on the medium of com-

munication in which they are performed (physical or virtual accounting books in large databases, see, for instance, Thompson, 1991 and Quattrone, 2009) and the effects of this intertwining is not unidirectional (from ICT towards accounting) but also relates to the ways in which information technologies materialise in organisations (e.g. Quattrone and Hopper, 2006).

This symposium intends to catch this growing interest and diversity of perspectives through the contribution of both practitioners and academics. Ariela Caglio (Università L. Bocconi, Milan) will be problematizing the relationship between ICT and management accounting and concentrates on the influence of information technology on management accountants' roles and expertise. Turkka Keskinen (CIO of UPM-Kymmene Corporation) will provide material for reflecting on the harmonization of processes, efficiency of organisation and quality of information that ERP system can produce (or not). Lili Kihn (Tampere University) will discuss relationships and effects of enterprise resource planning systems on management accounting and performance.

SYMPOSIUM 9

THE FUTURE OF SME FINANCIAL REPORTING

Time: Friday 15 May, 14.00-15.30

Place: Tampere Hall, Small Auditorium

Chair:

Robert Hodgkinson, Executive Director, Technical, ICAEW

Speakers:

Robin Jarvis, Professor, Head of Small Business, ACCA

Päivi Rätty, Senior Adviser (Financial Reporting), Confederation of Finnish Industries EK

Brigitte Eierle, Professor, Chair of International Accounting and Auditing, University of Bamberg

Arto Raivio, Chief Financial Officer, Kiilto Family Oy

ABSTRACT

The IASB is planning to issue a new standard before the end of 2009 on IFRS for Non-Publicly Accountable Entities (previously called IFRS for SMEs).

Because full IFRSs were designed to meet the needs of equity investors in companies in public capital markets, they cover a wide range of issues, contain a sizeable amount of implementation guidance and include disclosures appropriate for public companies. Users of the financial statements of Non-Publicly Accountable Entities (NPAEs), especially SMEs, do not have the same information needs or the resources to assimilate large volumes of complex financial reporting information. Many NPAEs say that the application of full IFRSs is unduly burdensome.

The goal of the IASB in developing the proposed IFRS for NPAEs has been to meet user needs while balancing costs and benefits from a preparer perspective.

This symposium will consider:

- The shape of the new IFRS for NPAEs
- Possible uses of the new IFRS for NPAEs
- The implementation issues
- The implications of the proposed option for each EU Member State to take its micro companies outside of the EU Accounting Directives regime and set new, probably much simpler, national requirements for those micro (ie most) companies
- Recent research on the uses and users of SME accounts
- The relationship between the IFRS for NPAEs and taxation

Acknowledgement

This symposium has been put together with the helpful assistance and sponsorship of the ICAEW and such support is gratefully acknowledged by the Congress organisers.

FRSC SPECIAL CONCURRENT SESSION

SPECIAL CONCURRENT SESSION OF THE EAA FINANCIAL REPORTING STANDARDS COMMITTEE

Time: Friday 15 May, 09.00-10.30

Room: Tampere Hall, Sonaatti 1

Chair:

Günther Gebhardt, Goethe-Universität Frankfurt am Main/Chair EAA FRSC

Speakers:

Members of the EAA FRSC

Mary Barth, Member IASB

N.N.; EFRAG

ABSTRACT

The EAA Financial Reporting Standards Committee has been created at the 2004 EAA Annual Meeting in Prague to comment on proposed and existing International Financial Reporting Standards relying on the rich background of academic accounting research in Europe. It brings to the attention of standard setters and endorsement institutions, in particular the International Accounting Standards Board (IASB) and the European Financial Reporting Advisory Group (EFRAG), existing theoretical and empirical research.

In the session members of the EAA FRSC will report on the status of selected agenda projects, e. g.

- Conceptual Framework
- Financial Instruments
- Presentation of Financial Statements
- Small and Medium Enterprises (IFRS for Private Entities)

The session will also include a discussion with representatives of the IASB and of EFRAG on the work of the EAA

FRSC and on the expectations that they have with regard to the input from our group.

One aim of the session is to increase the awareness and interest of the EAA community and to encourage EAA members to actively participate in the work of the EAA FRSC.

Members of the EAA FRSC

- Graeme Dean, University of Sydney
- Lisa Evans, University of Stirling
- Günther Gebhardt, Goethe Universität Frankfurt am Main (Chair)
- Martin Hoogendoorn, Erasmus Universiteit Rotterdam
- Jan Marton, Goeteborg University
- Ken Peasnell, Lancaster University
- Roberto Di Pietra, Università degli Studi Siena
- Araceli Mora, Universidad de Valencia
- Frank Thinggård, Ålborg University
- Alfred Wagenhofer, Karl Franzens-Universität Graz