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# EAA Members Newswire

Issue 10  
Spring/Congress Issue  
April 2005

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## *1. Editorial*

WELCOME to the 10th issue of the EAA members Newsletter. This Spring/Congress Issue looks forward to the Annual Congress as the main annual gathering of a significant number of EAA members each year.

In particular, note in this issue details of the new research strategies from CIMA and ICAS. Both bodies will have a presence in Goteborg and will be pleased to talk to delegates about potential projects related to the areas highlighted by their respective strategy documents.

Also in this newsletter, our outgoing President uses his final newsletter message to ask for further input into the ongoing development of the EAA 'Constitution' that he, and other members of the EAA Executive group, have been working hard on all year. Please take note of this request for feedback to ensure the Association's wider voice is heard in the decisions they are making on our behalf.

In other EAA news, we have a call for input into a new entity that Professor Kral has set up as part of his Presidency year. He has asked Professor Richard Wilson, very well known in accounting education circles as one of the leading academics in the field globally, to head up a group to provide input on the Association's behalf into the activity of IFAC's Education Committee. This is a further step forward in the global recognition of the role academics can play in the development of the future accounting 'world' and is a huge opportunity for the Association to join the leading players in this field in contributing to the education agenda. I encourage those of you who care about the future of the accounting profession in the widest sense to take note of Professor Wilson's call to action.

Finally, we have a thought piece from the project manager of the Common Content project, David Cairns. He provides us with an update on the

development in this project to follow on from his presentation at the Prague Annual Congress last March. This project has significant implications for our students who will face an increasingly integrated European market as the impact of this project is worked out in practice. Update yourself on the latest activity by reading this piece.

This is the final issue of the newsletter for which I will act as editor having completed my two year term, and a further extension year at the request of the Publications Committee who wanted the extra year to decide how best to take the newsletter forward. I thank Professor Kral for his kind words in his President's message (below) on the role I have played in re-establishing this service for the membership and like him, hope that the Publications Committee will be able to find a future for this channel of communication between those making decisions on our behalf and the rest of us who elect them to so do! We have come some way as an Association in the last three or four years in providing effective communications channels for anyone who wishes to know what is happening at the heart of the Association, to be informed on how best they can be active in whatever ways they are able to be. I believe this newsletter has helped in this process for further 'democratising' of the Association and I sincerely hope it will therefore continue in the open, communicative style I have tried to establish it with - rather than simply as a one way 'information sheet' that will soon lose its impact I believe. I wish the next editor, whoever that will be, good luck with their period of further development of this service.

Andy Lymer  
EAA Newsletter Editor  
25<sup>th</sup> March, 2005

[a.lymer@accountingeducation.com](mailto:a.lymer@accountingeducation.com)

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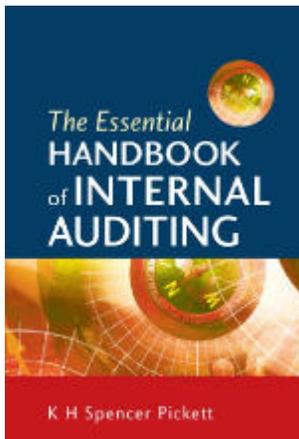
ADVERTS:

## **CIMA** CIMA Release New Research Strategy

In line with one of CIMA's major objectives, the development of the science of management accountancy, CIMA has recently launched a new Research Strategy. This is designed for those interested in our research funding programme for ad hoc and initiative projects. The Strategy provides examples of the type of ad hoc research questions CIMA is keen to support. It also provides information regarding outputs from CIMA Research, the funding policy and application process.

The Strategy will be included in the delegate bag at the EAA Congress in May. However, soft copies will be available for download from the 'business partners' section of the new CIMA website ([www.cimaglobal.com](http://www.cimaglobal.com)) in late April.

For further information please contact CIMA Technical Services on +44(0) 20 8849 2275 or at [technical.services@cimaglobal.com](mailto:technical.services@cimaglobal.com).



### **The Essential Handbook of Internal Auditing**

**Spencer Pickett, Civil Service College, UK**

This book is an essential version of 'The Internal Auditing Handbook' which has become established as a leading reference work for internal auditors. Since its publication in 1997, there have been several very important new developments e.g a new definition of internal audit issued by the Institute of Internal Auditors (IIA), a new set of professional auditing standards and a new global IIA. These and other developments will be incorporated.

Features:

- It shows the reader how to understand the audit context and how this context fits into the wider corporate agenda. The new context is set firmly within the corporate governance, risk management and internal control arena.
- In addition to the author's own views of the auditor's role, the reader is provided with a range of professional standards and guidance that provides a valuable source of various key issues and developments.
- K H Spencer Pickett has also developed many helpful models and checklists that provide a short cut to understanding the work and coverage of internal auditing.

**For full details see the Wiley website here -**  
**<http://eu.wiley.com/WileyCDA/WileyTitle/productCd-0470013168.html>**

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## ***2. Message from the EAA President:***

Dear Colleagues,

I greet you from snowy and freezing Prague – from a city that currently reminds me more of Christmas time as I prepare my President’s letter to you rather than of the beginning of Spring. However, and despite the weather, it is not possible to stop the clock – most of you have probably just started a semester that is usually called “summer semester”. While addressing you for the last time in my capacity as EAA President, it struck me that, as I write this, only 70 days are left before the beginning of our main annual event – the Göteborg EAA Congress.



There are many issues on the agenda of the Association’s Management Committee and Board meetings scheduled to be held in Goteborg. Some of them have been, or will still be, circulated to your National Representatives in order to get their feedback for our discussions. Others have been circulated directly to all members. Nevertheless, two further issues are substantial enough that I would like to submit them to you here and ask you for your opinion.

In my December letter I informed you that the EAA Management Committee, together with the chairs of the Standing Scientific Committee, Conference Committee and Organising Committee, had commenced a relatively broad discussion about the **EAA mission statement**. The need to formulate this had been induced by a question that was quite narrow and perhaps even controversial: Should the future congresses be primarily seen and presented as network events, where less experienced young researchers should get a chance to present their work and improve it through comments received at these events, or should the possibilities for presentations be more restricted to the “better quality” papers, and – consequently – should the picture of the EAA Congresses be drawn more exclusively? The discussion concluded that the mission statement alone could not answer this question; its role should be to support an EAA strategy that would fit into a framework encompassing all EAA activities while also creating a positive picture of the EAA to outsiders.

I am personally convinced that the proposal of the mission statement, as was sent to all Board Members to be commented by the end of February, fulfils all these requirements. On the other hand, I consider it useful to open it for a broad membership discussion, because, if the statement is to be strong, it must have general support. So, here it is:

“The Congress of the European Accounting Association is the major annual European academic event in accounting. The purpose of the congress is to advance accounting knowledge by providing a platform for mutual learning and understanding, for new intellectual linkages and for creating and sustaining international networks of cooperation.

The scientific programme of the congress will consist of plenary sessions, symposia, parallel sessions, and interactive research fora. The core activity of the congress is the presentation and discussion of academic accounting research papers. Paper selection policy acknowledges the diversity within the European accounting research community and encourages both established and emerging accounting scholars to present papers. The selection of papers therefore is non-prejudicial, not only with regard to the substantive accounting issues researched, but also with respect to paradigms, methodologies and research styles.”

For the second issue of importance in my view I would like to start with conveying my **sincere thanks to Andy Lymer**. This EAA Newsletter is not only the last one for me but also for Andy, its long term editor and – in fact – a personality that has stood at the cradle of the new generation of newsletters whose history started back in December 2002. In my opinion, in ten issues that were

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developed under his supervision, Andy Lymer has substantially increased the information sharing of the EAA and has changed it into the regular form of communication inside the Association. Moreover I am convinced that the Newsletter has contributed to the positive feeling of belonging between EAA members and their organisation with the conclusion that their comments, distributed via the Newsletter, would be heard and welcomed. In this regard, the fundamentals of very important “intangible assets” have been developed and the question is now “how to continue?”.

We have not yet found a new editor and are in the midst of discussing the important question of the future of the Newsletter and its added value for the membership base. I am sure that there we will soon find a way to continue this service for the future benefit of the EAA and its members. Nevertheless, this time is – in my view – appropriate to initiate a broader discussion about “what to retain” and “what to change” in the future of the EAA Newsletter. In this regard we would really appreciate your comments.

I wish you, dear Colleagues, loads of health, happiness and satisfaction in your personal as well as in professional life and I look forward to meeting you again in May in Göteborg.

Sincerely yours,

Bohumil Král  
President EAA 2004  
1<sup>st</sup> March, 2005  
The President can be contacted at - Kral@vse.cz

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### ***3. EAR News and Announcements:***

#### **Communications from the Editorial Office:**

##### **1. Date of change of the editorship of European Accounting Review**

It has recently emerged that there may be some confusion regarding the time of change of the editorship of *European Accounting Review*. Please would you pay attention to the fact that Prof. Kari Lukka will continue as the Editor of *EAR until the end of year 2005*. Accordingly, the new Editor will step in not before than 1 January 2006, and will take care of the review processes of manuscripts submitted to *EAR* as of that date. However, even after 1 January 2006, Prof. Lukka will continue to process all the manuscripts submitted to the journal by the end of 2005.

##### **2. Future accepted papers for EAR as follows:**

- Cormier, D., Magnan, M. & Van Velthoven, B. Environmental disclosure quality in large German companies: Economic incentives, public pressures or institutional conditions?
- Hassel, L., Nilsson, H. & Nyquist, S. The value relevance of environmental performance.
- García Meca, E., Parra Frutos, I., Larrán Jorge, M. & Martínez Conesa, I. The explanatory factors of intellectual capital disclosure to financial analysts.

##### **Special section on “The Introduction of International Financial Reporting Standards in the European Union”**

- Introduction by the Guest Editors
- Schipper, K. The introduction of International Accounting Standards in Europe: Implications for international convergence.

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- Whittington, G. The adoption of International Accounting Standards in the European Union.
  - Van Tendeloo, B. & Vanstraelen, A. Earnings management under German GAAP versus IFRS.
  - Brown, P. & Tarca, A. A commentary on issues relating to the enforcement of International Financial Reporting Standards in the EU.
  - Pirinen, P. Economic and normative pressures as drivers for the adoption of International Accounting Standards in Finland since 1976.

### 3. Call for Papers for Future Special Section of EAR on Conservatism in Accounting

Guest editors: James A. Ohlson and Laurence van Lent

Accounting tends to understate the net assets on the balance sheet and to defer the recognition of gains in the income statement while losses are booked immediately. In short, accounting is conservative. Extant research suggests that accounting conservatism varies among firms, industries and countries and is much influenced by the specific institutional settings facing management. Nevertheless, accounting conservatism is still ill understood and many questions remain.

*European Accounting Review* will issue a Special section to further understanding of these important questions. Relevant topics include, among other things:

- Influence of accounting standards (e.g., IFRS) on conservatism
- Relation between corporate governance and conservatism
- Managers and auditors' incentives to be conservative (esp. in the context of recent bookkeeping debacles)
- Conservative accounting and its influence on expected earnings and their growth
- Disclosure and conservatism: substitutes or complements?
- Firm valuation (models) and accounting conservatism

Papers may have an analytical, theoretical, empirical or methodological focus, but should be innovative and rigorous. We especially encourage submissions that exploit differences in various institutional settings to investigate the determinants and consequences of accounting conservatism.

Submitted papers considered for this special issue will be subject to double-blind review. Authors are encouraged to contact the guest editors in advance should there be any matters on which they require clarification or guidance. Submissions should be sent to the address shown below in electronic format (Word or pdf). The deadline for submissions is **1 July 2005**.

Contact details of the guest editors are:

Guest Editors EAR issue on Conservatism in Accounting  
c/o Prof. Laurence van Lent  
Tilburg University  
Office B810  
PO Box 90153  
5000 LE Tilburg  
The Netherlands  
E-mail: vanlent@uvt.nl

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#### 4. New - Free Online Access to EAR for all EAA members

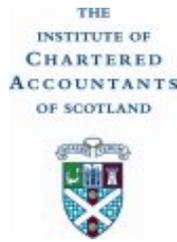
As a member of the European Accounting Association as well as receiving a print subscription you will now receive online access to the European Accounting Review. The benefits to you as an EAA member are:

- Free service
- Access the latest issue before you receive the print copy
- Easy to use and access
- Online access from volume 6 - current
- Easy to read downloadable PDF's by entire document or particular pages
- Access contents wherever you are - University, home...

To make use of this service see the Member's Section of the EAA website.

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ADVERT:



*ICAS Research Centre,  
CA House, 21 Haymarket Yards, Edinburgh EH12 5BH  
research@icas.org.uk  
Direct Tel: +44 131 347 0237  
Fax: +44 131 347 0111*

*<http://www.icas.org.uk>*

#### *ICAS Research Strategy - 2005*

The Institute is committed to supporting and encouraging high quality research that is timely, relevant and useful to the accountancy profession. Research proposals are invited that concern issues of direct relevance to the accountancy profession. Research that is policy-relevant is particularly encouraged. Possible themes for funding are:

- **Business reporting**
- **Audit and assurance**
- **Corporate governance**
- **Not-for-profit sector**
- **Management accounting and financial management**
- **Accounting history**

**There are three levels of funding available:**

**Project** (£2,000-£25,000) – Most applications fall into this category;

**Small project and pilot-study** (under £2,000) – a less onerous fast-track review process applies; and

**Seedcorn** (up to £750) – this is to permit feasibility studies to be undertaken.

#### *New Publication*

**The Business of Football: Image Management in Narrative Communication** *Stephen Morrow, University of Stirling.*

**ISBN 1 904574 12 2      Price £10**

**For further information on ICAS publications and application forms for research funding please contact the above address.**

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## 4. News:

### EAA News

News of the EAA and of EAA related events

#### [01] EIASM WORKSHOP ANNOUNCEMENTS

EIASM is organising a series of workshops in Accounting. For full details, please visit their website (<http://www.eiasm.org/index1.html>) and select the Functional Calendar of Events.

Accounting and related events on this list in the near future include (select the hyperlink for further details):

- 7th Manufacturing Accounting Research Conference - Tampere, Finland, May 30 - June 1, 2005. See [http://www.eiasm.org/frontoffice/event\\_announcement.asp?event\\_id=370](http://www.eiasm.org/frontoffice/event_announcement.asp?event_id=370)
- Fifth Workshop on the Challenges of Managing the Third Sector - Belfast, Ireland, September 6-7, 2005. See [http://www.eiasm.org/frontoffice/event\\_announcement.asp?event\\_id=372](http://www.eiasm.org/frontoffice/event_announcement.asp?event_id=372)
- Third Workshop on Performance Measurement and Management Control - Nice, France, September 22-23, 2005. See [http://www.eiasm.org/frontoffice/event\\_announcement.asp?event\\_id=377](http://www.eiasm.org/frontoffice/event_announcement.asp?event_id=377)
- EDEN Doctoral Seminar on Quantitative Empirical Research in Management Accounting - Brussels, Belgium, December 12-16, 2005. See [http://www.eiasm.org/frontoffice/eden\\_announcement.asp?event\\_id=396](http://www.eiasm.org/frontoffice/eden_announcement.asp?event_id=396)

#### [02] ACCOUNTING IN EUROPE UPDATE

"Accounting in Europe" was published for the first time at the end of September. The Publications Committee took a decision to authorise publication of the 2005 and 2006 issues at its September meeting, and a call for papers has already been circulated to EAA members.

Papers are requested for both 2005 and 2006 issues, addressing a theme connected with the change in the European accounting infrastructure generated by the switch to IFRS by listed companies. Papers considered for publication will, as before, be subject to double blind reviewing and should be submitted by e-mail to Professor Peter Walton ([p.j.walton@open.ac.uk](mailto:p.j.walton@open.ac.uk)) to whom any other queries regarding the publication may also be addressed.

#### [03] FINANCIAL REPORTING STANDARDS COMMITTEE - REPORT ON RECENT ACTIVITY

'What ivory tower? - Lisa Evans and Gunther Gebhart, a member and the current chair of the EAA FRSC, have just published an article in the March issue of Accountancy addressing the role academics can, do and should play in the standard setting process. In particular, they details the role of the EAA's new body and how it aims to bridge the academic - professional interests gap (if such a thing actually in fact exists) The opening paragraph of the article commences 'It has been argued that the International Accounting Standards Board (IASB) displays an 'ivory tower' mentality and that there is too little practical and too much 'theoretical' expertise involved in international accounting regulation. This suggests a false understanding of the role and significance of academic research.'

See further details in the March issue of Accountancy.

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#### **[04] EAA'S REPRESENTATION ON THE CONSULTATIVE ADVISORY GROUP OF IFAC'S EDUCATION COMMITTEE**

Since 2003 the International Federation of Accountants (IFAC), which represents 163 professional bodies of accountants across more than 120 countries, has been reforming its governance activities and regulatory responsibilities to strengthen its role in ensuring that accountants worldwide fulfil their public interest responsibilities.



Part of these reforms has involved re-organising IFAC's committee structure with a Consultative Advisory Group (CAG) being set up to support each of IFAC's main committees - Education, Ethics, Public Sector - which fall under its Public Interest Oversight Board.

The EAA was invited to nominate a representative to join the IFAC Education Committee's CAG. I was pleased to accept this role and attended the first meeting of the EC CAG which took place in IFAC's New York offices on 1 March 2005.

The main aim of the EC CAG is to provide input to IFAC's EC (through consultation) to represent interested parties' views on the EC's agenda (including project time-table and priorities) and to provide technical advice on projects as well as views on other relevant matters.

One key issue which is yet to be fully resolved is how one might represent the views of EAA's members on matters which are being dealt with (or which should be being dealt with) by IFAC's EC and the EC's CAG. EAA's President, Professor Bohumil Kral, has suggested that an EAA *Education Committee* should be established under my chairmanship to ensure that the views on matters of mutual concern to the broader EAA community are fed in to the CAG's deliberations. This could be a very useful way forward, although there is a risk of such a committee being rather exclusive.

More inclusive alternatives to an EAA *Education Committee* could be an EAA *Special Interest Group (SIG) on Accounting Education*, or an EAA *Accounting Educators' Forum (AEF)*.

Among the aims of an *Education Committee*, a SIG or an AEF within the EAA could be:

- (a) to identify views within the EAA community relating to educational issues;
- (b) to give a basis for providing inputs to IFAC (via the Consultative Advisory Group of its Education Committee) which represent an EAA perspective on educational issues;
- (c) to influence the agendas of both academic and professional institutions across Europe (and possibly beyond) with regard to accounting education;
- (d) to encourage further research on topics which are likely to enhance the educational base of accounting practice.

Some thought needs to be given to how an Education Committee, SIG or AEF within the EAA might best be organised, who might be invited to participate, and how plans might be formulated and executed if they are to be effective. I would welcome your suggestions on these matters in advance of the EAA's 2005 Annual Congress, and I anticipate that a slot will be found in the programme at the Annual Congress to allow those who are interested to meet in order to progress matters.

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I look forward to the challenge, and to working with EAA colleagues on this crucially important theme.

Professor Richard M S Wilson  
Loughborough University Business School  
Loughborough  
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UK

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## European News

Selected recent European accounting news supplied by AccountingEducation.com

**[05] ICAS WELCOMES PROPOSED CHANGE TO AUDITOR LIABILITY REGIME IN UK** - The Institute of Chartered Accountants of Scotland (ICAS) has welcomed the Government's proposed reforms to the auditor liability regime in the UK. The Government has included measures to introduce a system of proportionate liability by contract for auditors in its company law reform bill, published during March. ICAS has long argued for a change to the existing unlimited liability system and applauds the Government for its forward thinking stance. For full details see <http://accountingeducation.com/news/news5988.html>.

**[06] ICAI PRESIDENT CALLS FOR SOME PERSPECTIVE ON IFRS CHANGEOVER** - See our full news item for an extract from remarks made to an ICAI Conferring ceremony in, Dublin at the end of last week by the current ICAI President in relation to the problems with getting the message understood in Ireland about the impact of IFRS adoption on stock market values. He comments that despite the Institute's best efforts, they have found it difficult to engage the country on issues surrounding the implementation of IFRS. Last week 7-8% was wiped off the value of shares in one of the country's largest companies because of how IFRS might impact on earnings per share. The bank in question was the same company with the same loan portfolio and cash flow as it had been the previous day but ended up in a position in which the

media were reporting problems with its share price. Although this bounced back the next day when sanity broke out again he warns of the problems this is causing in Ireland. His comments could be echoed in many other countries which he suggests illustrates 'the importance of providing a context to accounting information provided to the capital markets'. See full details at <http://accountingeducation.com/news/news6029.html>

**[07] REGULATORY OVERKILL THREATENS GLOBAL STANDARDS WARNS ICAEW PRESIDENT** - The complex, high-cost regulatory regimes of mature economies threaten to undermine the adoption of globally accepted accounting and auditing standards by developing nations. Regulatory overkill also has the potential to quash any hopes for a common international approach to the regulation of auditing and accounting. Ultimately this would limit investment and the creation of jobs and wealth. This warning was sounded by Paul Druckman, President of the Institute of Chartered Accountants in England & Wales (ICAEW), at the ICAEW's international conference on global capital markets in Brussels on 4th April. See further details on this speech in our full news item at <http://accountingeducation.com/news/news6034.html>

**[08] ACCA RELEASE NEW VERSION OF SUSTAINABILITY RESOURCES CD** - A free CD-ROM of the recent titles published

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by ACCA in the areas of social, environmental and sustainability accounting, is now available. See our news item for further details and ordering information at <http://accountingeducation.com/news/news5943.html> .

**[09] LISTED COMPANIES REPORT HIGH IMPACT AREAS OF IFRS** - Approximately two thirds of all listed companies believe that income tax is an area of their financial statements that will be impacted following

the introduction of International Financial Reporting Standards (IFRS). The study of over 800 companies, commissioned by the Institute of Chartered Accountants, found 73% of listed companies nominated income tax as being impacted by the introduction of IFRS. The next most frequently nominated item was share-based payments, which was listed by 52% of companies. More details can be found in our full news item at <http://accountingeducation.com/news/news5977.html> .

## Other News

Selected recent news from around the world supplied by AccountingEducation.com

**[10] SARBANES-OXLEY COMPLIANCE COSTS EXCEED ESTIMATES** - Public companies have had to dig even deeper to pay the costs of complying with Section 404 of the Sarbanes-Oxley Act, according to a just-completed survey by Financial Executives International (FEI). Companies' total costs for year one Section 404 compliance averaged \$4.36 million, up 39 percent from the \$3.14 million they expected to pay, based on FEI's earlier July 2004 cost survey. See further details in our full news item at <http://accountingeducation.com/news/news5992.html> .

**[11] GLOBAL TECHNOLOGY AUDIT GUIDE RELEASED BY THE IIA** - The Institute of Internal Auditors (IIA) has submitted a formal comment letter to the U.S. Securities and Exchange Commission regarding implementation of the internal control provisions of Section 404 of the U.S. Sarbanes-Oxley Act of 2002. To help formulate the response, The IIA gathered information from a formal survey of more than 1,900 chief audit executives. The response highlighted the need for a more enterprise wide approach to internal control, increased reliance on internal audit's work, better guidance on principal evidence and high-level assurance, ways to increase the efficiency and effectiveness of 404 sustainability, and other suggestions for improvement. For further details see <http://accountingeducation.com/news/news6030.html>

**[12] WHAT PROGRESS IS STILL NEEDED IN CORPORATE GOVERNANCE?** - Since passage of the Sarbanes-Oxley Act, companies have instituted upgrades to their corporate governance processes. In their 2005 Financial Services "State of the Industry Report" E&Y's Chairman, Global Financial Services Bob Stein reviews the next level of change that companies and their boards need to make. In a brief video, he summarizes what still needs to be done to maximize accountability and promote trust. Get access to these resources from our full news item at <http://accountingeducation.com/news/news6019.html>

**[13] IAASB ISSUES PROPOSED STANDARDS TO ENHANCE THE QUALITY OF GROUP AUDITS, COMMUNICATIONS AND AUDITOR REPORTING** - At its meeting in Peru during March, the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) approved exposure drafts (EDs) of four standards for public comment. The EDs propose new guidance designed to enhance the quality of group financial statement audits, independent auditors' reports, and communications between auditors and those charged with governance. See our full news item for more details and links to access these documents at <http://accountingeducation.com/news/news6006.html> .

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**[14] IASB AND ASBJ HOLD INITIAL JOINT MEETING ON PROJECT FOR CONVERGENCE**

- On 9 and 10 March 2005 in Tokyo, the International Accounting Standards Board (IASB) and the Accounting Standards Board of Japan (ASBJ) held an initial meeting to discuss a joint project with the final goal of convergence of their standards. Five IASB members and senior staff including Sir David Tweedie, Chairman of the IASB, and four ASBJ members including Professor Shizuki Saito, Chairman of the ASBJ, and the ASBJ staff attended the meeting. See further details in our full news item at

<http://accountingeducation.com/news/news5974.html>

**[15] IIA SUBMITS RESPONSE ON SECTION 404 INTERNAL CONTROL PROVISIONS**

- The Institute of Internal

Auditors (IIA) has submitted a formal comment letter to the U.S. Securities and Exchange Commission regarding implementation of the internal control provisions of Section 404 of the U.S. Sarbanes-Oxley Act of 2002. To help formulate the response, The IIA gathered information from a formal survey of more than 1,900 chief audit executives. The response highlighted the need for a more enterprise wide approach to internal control, increased reliance on internal audit's work, better guidance on principal evidence and high-level assurance, ways to increase the efficiency and effectiveness of 404 sustainability, and other suggestions for improvement. See further details in <http://accountingeducation.com/news/news6030.html>

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## ***5. Congress Update:***

**Looking forward to EAA 2005 - Göteborg, Sweden, 18-20 May, 2005.**



### **EAA 2005 CONGRESS HOMEPAGE**

All information regarding the EAA 2005 Congress is available at [www.handels.gu.se/EAA2005](http://www.handels.gu.se/EAA2005).

### **TEAM WORK**

The EAA Congress in Göteborg is the first Congress in the EAA's history that has an external Scientific Committee. This innovation was decided upon by the EAA Board in order to improve the quality of the selection process for papers submitted to the parallel and poster sessions.

This new structure means that the conference organisers no longer determine the acceptance of papers. The Göteborg Organising Committee has, however, together with the Congress secretariat Congrex, proposed to the Standing Scientific Committee (SSC) a design for an online submission system used in the paper selection process. This system handles abstract and/or full paper submissions. Additionally, the system allows the Scientific Committee (SC) members to review papers online by entering the database via the Congress website. Every submission was, in principle, blind reviewed by two SC members. After notification to the authors, the Göteborg Organising Committee grouped all the tentatively accepted submissions and suggested this preliminary programme to the SSC. The SCC recommended changes in only a very few cases. The entire process constituted excellent team work between the SSC and the Organising Committee. The Organising Committee is now completing the final programme.

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## POSITIVE FEEDBACK ON PAPER ACCESSIBILITY

At the preparatory meeting in Göteborg, the EAA welcomed the initiative by the Organising Committee of the EAA2005 to enhance the quality of the discussions during the parallel and poster sessions. Following the design of online submission system, the Organising Committee discussed the possibility of making all papers accessible via the Congress website, for a limited time period.

In the notification letter, the Organising Committee informed the authors that it will be possible for all interested participants to access the accepted full papers online on the EAA Congress website during a period of two weeks before the Congress and one week after the Congress, subject to approval by the authors.

After the accessibility period of three weeks, the Organising Committee will remove this function and will instead follow the customary practice of prior EAA Congresses by which only abstracts are available in the EAA presentation archive. Removal of full paper accessibility, after the EAA Congress, generally ensures that authors will subsequently have no problems with submitting their further developed conference papers to any research journal. We have received many positive comments about this new procedure, and only one author declined to post a paper on the website. We hope that this procedure will lead to more active discussions at the Congress as well as to less work for authors whose papers are requested during and after the Congress..

## A VERY WARM WELCOME TO GÖTEBORG

More information can be found online [www.handels.gu.se/EAA2005](http://www.handels.gu.se/EAA2005).

Olov Olsen - Chair of the EAA 2005 Congress

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## 6. Other Events

Listed below are brief details of other (i.e non-EAA) events that we have been notified about that we consider to be of possible interest to members:

- **Critical Perspectives on Accounting conference, Scholar's workshop and European Symposium**  
28-Apr-2005 to 2-May-2005  
City: New York City  
The CPA conference will be held at the Baruch College Conference Center from Thursday through Saturday, April 28-30, 2005, beginning with the all-day Emerging Scholars (ECSW) program and an evening reception on Thursday, and ending late Saturday afternoon. The European Critical Accounting conference (ECAS) will be held in the same location on Monday, May 2, 2005.
- **1st Portuguese-Spanish Conference on Environmental Management and Accountancy**  
05-May-2005 to 06-May-2005  
City: Leiria, Portugal
- **8th European Conference on Accounting Information Systems**  
17-May-2005  
City: Goteborg, Sweden  
This is the next in the annual series of ECAIS events. Held on the day preceding the EAA Congress, this event brings together the leading AIS researchers from around the world to discuss the latest research in the field.
- **Global Management Accounting Research Symposium (GMARS)**  
16-Jun-2005 to 17-Jun-2005  
City: Sydney  
GMARS aims to promote a "global village" of management accounting research by bringing together a diverse set of the highest-quality research papers, plenary speakers, and researchers from around the world. The next symposium will be held in Sydney, hosted by the University of New South

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Wales, June 16-17, 2005, at the Swiss-Grand Resort & Spa, Bondi Beach, Sydney.

- **Research Accounting Symposium for Spanish Academics**  
25-Jul-2005 to 29-Jul-2005  
City: Cambridge (MA), USA
- **17th International Congress on Social and Environmental Accounting Research (the CSEAR Summer School)**  
05-Sep-2005 to 07-Sep-2005  
City: St Andrews, Scotland
- **The 4th Accounting History International Conference**  
07-Sep-2005 to 09-Sep-2005  
City: Braga, Portugal
- **The 3rd Conference on Performance Measurement and Management Control: Improving Organisations and Society**  
22-Sep-2005 to 23-Sep-2005  
City: Nice, France
- **Workshop on 'Accounting in Europe Beyond 2005'**  
29-Sep-2005 to 30-Sep-2005  
City: Regensburg, Germany

Paper submissions are invited for a workshop on "Accounting in Europe Beyond 2005" to be held September 29-30, 2005 at the University of Regensburg, Germany. The workshop will be in cooperation with the Journal "Accounting in Europe". There will be plenary sessions with distinguished speakers from the accounting profession and academia, as well as research papers. Paper submission deadline is June 15, 2005.

- **Third European Auditing Research Network Symposium**  
28-Oct-2005 to 29-Oct-2005  
City: Amsterdam, The Netherlands  
The Third European Auditing Research Network Symposium will be held on October 28-29, 2005 in Amsterdam, The Netherlands. It will be hosted by the University of Amsterdam. The scope of topics is intended to be broad and includes European research papers that deal with all fields of auditing research. The deadline to submit papers is May 31, 2005.

Further details on these events can be found on the EAA website  
[See EAA news section above for details of other accounting events organised by EIASM]

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## ***7. Other Announcements:***

### **Call for Papers for The Illinois International Accounting Symposium held jointly with Kobe University, Japan - June 3th - 5th, 2005**

The Kobe University, Graduate School of Business Administration and the Zimmerman Center of the University of Illinois invite research papers on the topic of "Corporate Governance and Accountability."

The Symposium Committee will select six to eight papers for presentation. The only criteria for selection are the quality of work and contribution to the literature.

Questions about the conference may be addressed to Susan Sutherland at [sesuther@uiuc.edu](mailto:sesuther@uiuc.edu)

[NB The deadline for submission was February 15, 2005.]

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## 8. Job Adverts:

Following are currently outstanding vacancies from our vacancy advertising service offered via our website. Further details on each position can be found on the website.

- **Associate professorship in Management Accounting and Control - Alternatively assistant professorship**  
Institution: Aalborg University - Department of Business Studies, Faculty of Social Sciences  
Deadline for applications: 1 June 2005
- **Professorship in Management Accounting and Control**  
Institution: Aalborg University - Department of Business Studies, Faculty of Social Sciences  
Deadline for applications: 1 June 2005
- **Professor - Ernst & Young Chair for International Accounting and Financial Reporting**  
Institution: University of St Gallen - Graduate School of Business Administration, Economics, Law and Social Science (HSG)  
Deadline for applications: 15 May 2005
- **Visiting Professor positions in Financial Accounting, Managerial Accounting and Corporate Finance**  
Institution: Bocconi University, I.A.F.C. - Institute of Business Administration, Control and Finance  
Deadline for applications: 20 March 2005 or 30 April 2005

For future editions of this newsletter, all outstanding vacancies with deadlines beyond the publication date of each issue will be listed here. If you have a vacancy you would like to have advertised to the membership please email details to the editor to have them included here, and on the website

Send vacancy details by email to the Editor at [jobs@eaa-online.org](mailto:jobs@eaa-online.org)

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## 9. Other Content....

### Thought Piece:

#### The Common Content Project - An Update

by David Cairns, Project manager



Eight of Europe's leading accountancy Institutes have issued proposals that aim to unify their national entry-level qualifications. If adopted, these so-called "common content" proposals will enhance the mobility of professional accountants and create economies of scale for the Institutes in developing their qualifications and trans-national audit firms and other employers in training future professional accountants.

The proposals reflect the fact that few businesses of any size operate solely within national boundaries and the increasing harmonisation of regulatory requirements, standards and laws as well as other practices. There is therefore, an expectation that holders of professional

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accountancy qualifications can be employed by, or provide services to, European and global businesses. This expectation creates the demand for a significant part of the curricula of professional qualifications to be international or territory neutral. This, in turn, creates the opportunity for Institutes to co-operate on such issues as education, learning materials, examinations and other forms of assessment.

The common content proposals are based on four principles:

1. each Institute will retain its *national professional entry-level qualification*;
2. the acquisition of those qualifications will require all candidates to demonstrate the achievement of *common learning outcomes*;
3. the greater part of the professional knowledge required to achieve the common learning outcomes will be common to all the Institutes (the "*common content*"); and
4. the "*national content*" professional knowledge will be limited to national laws, custom and practice.

The common learning outcomes and professional knowledge have been identified through a top down approach which began with the services that professional accountants are expected to provide by their clients, their employers and the public. The approach identified five service areas:

1. Assurance and Related Services;
2. Performance Measurement and Reporting;
3. Strategic and Business Management;
4. Financial Management; and
5. Taxation and Legal Services.

While not every professional accountant provides all these services, the provision of any aspect of these services requires knowledge of, and experience from, the other services. For example, the provision of audit services requires knowledge of, and experience from, performance measurement and reporting, strategic and business management, taxation and information technology<sup>[1]</sup>.

The common learning outcomes set out those aspects of the five service areas that an entry-level professional accountant is expected to achieve. These learning outcomes, together with the related professional knowledge, are set out in the *Learning Outcomes and Knowledge* documents which the Institutes have published as part of their proposals.

While the Institutes have agreed a common approach to the learning outcomes and knowledge, they envisage that the resulting qualifications will still be delivered through national educational and assessment frameworks. Therefore, universities and similar institutions will continue to provide a major part of the education in some jurisdictions and at least some of the education in other jurisdictions. This does not, however, prevent two or more Institutes co-operating on education and assessment

Each participating Institute is responsible for ensuring the implementation of the common content concept, including the common learning outcomes and common content, in its professional entry-level qualification. Some Institutes have the responsibility and authority to do this directly and these Institutes are expected to achieve rapid implementation. Other Institutes will need to work with governments, universities and other national bodies that have the responsibility and authority. Implementation in these jurisdictions may take longer but the process has already started.

During the next phase of the project, the Institutes will be identifying the interdisciplinary and other competencies and attributes required of entry-level professional accountants as well as

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developing their ideas for a joint oversight board that will monitor the implementation of the proposals. They will also be developing criteria for the extension of the project to other Institutes and countries.

The proposals may be downloaded from [www.commoncontent.com](http://www.commoncontent.com). Comments should be submitted by **30 June 2005**.

David Cairns  
Common Content Project Director  
[david@cairns.co.uk](mailto:david@cairns.co.uk)

Participating Institutes:

France	Ordre des Experts-Comptables (OEC)
Germany	Institut der Wirtschaftsprüfer (IDW) Wirtschaftsprüferkammer (WPK)
Ireland	Institute of Chartered Accountants in Ireland (ICAI)
Italy	Consiglio Nazionale dei Dottori Commercialisti (CNDC)
The Netherlands	Koninklijk Nederlands Instituut van Registeraccountants (NIVRA)
United Kingdom	Institute of Chartered Accountants in England and Wales (ICAEW) Institute of Chartered Accountants of Scotland (ICAS)

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[<sup>1</sup>] Information technology services are integrated within the other five service areas.

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Further details about the European Accounting Association, including membership details, can be found on its website at <http://www.eaa-online.org/>. All queries related to membership of the Association should be directed to the Secretariat at [aaa@eiasm.be](mailto:aaa@eiasm.be)

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