

INTERNATIONAL
ACCOUNTING SECTION
of the



American
Accounting
Association

FORUM

INTERNATIONAL ACCOUNTING

Editor: Chris Hodgdon
University of Vermont

NO. 99

Spring 2010

PRESIDENT'S MESSAGE

Greetings to all of my International Section colleagues,

It has truly been my honor to represent you this year. There are many exciting developments in international accounting as we become more global. I appreciate the efforts of each of you as you play your part in the success of our section and the AAA. I am particularly appreciative of all those who made our Mid-Year Meeting in Palm Springs, CA, a success. I enjoyed working with Donna Street and the IAAER to put on this joint meeting. I am grateful to KPMG for their continued support and sponsorship. Victoria Krivogorsky as Chair did a wonderful job and worked tirelessly. Pat Poli as Co-Chair also was extremely helpful in organizing and working on the concurrent sessions. And, we could not have done all we did without the generous support of Sharon Lightner, her husband and the equipment they provided from San Diego State University.

We are working to provide more resources to our members. If you have not done so already, please go to the AAA Commons and to our website to see the many postings that have been added. We have many of the PowerPoint presentations posted from the mid-year meeting and other resources. The PIC committee, chaired by Greg Burton, has worked on getting more materials from practice to help us in our teaching and research efforts.

I appreciate the work of my fellow members of the Executive Committee: Cheryl Linthicum, Ian Hague, Steven Krohn, Tony Kang, and Jeannie Harrington. Also our committee chairs and committee members have done a great job in fulfilling their responsibilities.

I look forward to seeing many of you at the AAA meeting in San Francisco this August. We have many concurrent paper, forum, panels, and CPE sessions focused on international accounting issues.

Upcoming planned events also include a joint mid-year meeting with the Financial Accounting Reporting Section (FARS) in 2011 in Tampa, Florida. Ian Hague has been coordinating these efforts with the FARS section and I expect it to be a great opportunity for us to enjoy the synergies of this joint meeting. Other potential plans include a special JIAR conference in China in the spring/summer of 2011.

I hope that each of you find a way to become involved in the section. We are truly the global section of the AAA and there are many opportunities to serve.



Ery Black

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President's Message (continued from page 1)

I appreciate getting to know many of you and hope to meet more of you in the future. It is my association with you that makes my tenure as president enjoyable and rewarding.

Best Regards,

Erv Black

International Accounting Section
***Forum* Deadlines, Suggestions, Comments for 2010/2011**
Summer 2010 Issue - July 30, 2010
Fall 2010 Issue - September 30, 2010
Spring 2011 Issue – February 15, 2011

Any comments and suggestions you have to make the *Forum* more informative and enjoyable are appreciated. Please submit comments and items for publishing via email using a Microsoft Word Times New Roman 12 font format file as an attachment. Submit to Chris Hodgdon at chodgdon@bsad.uvm.edu. If sending materials please send to:

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***Forum* Editor**
Chris Hodgdon

WHAT DOES THE INTERNATIONAL ACCOUNTING SECTION DO? WHICH COMMITTEES AND POSITIONS ARE INVOLVED?

The International Accounting Section-

Organizes international accounting sessions/panels at AAA Annual and Regional meetings:

- Annual Program Committee
- Regional Programs Committee and Regional Coordinators (one for each AAA region)

Organizes international accounting continuing education seminars at AAA annual and regional meetings:

- Continuing Education Committee

Sponsors and organizes a Midyear Meeting:

- Midyear Meeting Committee

Publishes the newsletter *Forum* and the *Journal of International Accounting Research*:

- *Forum* Editor
- *Journal* Editor
- Publications Committee (oversight role)

Maintains a web site:

- Information Technology Committee (Webmaster)
- AAA Commons Liaison

Makes information available on the web site including:

- Teaching materials (Teaching Resources Committee)
- Data sources (Research Committee)
- Practice Issues (New)

Recruits new members:

- Membership Committee

Presents awards:

- Outstanding International Accounting Dissertation Award Committee
- Outstanding International Accounting Educator Award Committee
- Outstanding International Accounting Service Award Committee

Cooperates with other organizations (including co-sponsoring conferences outside the U.S.) and solicits AAA gift memberships for developing countries:

- International Relations Committee

Is administered and maintained through:

- Executive Board (President, President-Elect, Vice President- Practice, Secretary, Treasurer, Advisory Board Chair)
- Advisory Board (responsible for proposing changes to bylaws)
- Nominations Committee (responsible for nominating executive board members)
- Section Historian (responsible for preserving the history of the Section)
- Strategic Planning Committee (responsible for obtaining input from Section membership to develop long-range plan)

CALL FOR MEMBERS TO SERVE ON IAS COMMITTEES FOR 2010-2011

Below is a list of IAS committees for the period August 2010 to August 2011. Section members interested in serving as a committee chair or member should complete the form and send it or email to the address below. If interested in the committee chair position, please indicate in the choice column (CHAIR).

Ian P. N. Hague
 Accounting Standards Board - Canada
 277 Wellington Street West
 Toronto,
 Ontario
 M5V 3H2 Canada
 Phone: 416.204.3270
 Fax: 416.204.3412
 Email: ian.hague@cica.ca

To increase your chances of serving on a committee or in a given position, please mark three choices and indicate your preference (1 = first choice; 2 = second choice; 3 = third choice).

Committees	Choice	Regional Programs	Choice
Annual Program		Mid-Atlantic Region	
Midyear Meeting		Midwest Region	
Continuing Education		Northeast Region	
Research		Ohio Region	
Teaching Resources		Southeast Region	
International Relations		Southwest Region	
Information Technology		Western Region	
Outstanding Dissertation Award			
Outstanding Educator Award			
Outstanding Service Award			
Publications			
Strategic Planning			
Website / AAA Commons			
Practice Issues (new)			

Name _____

Affiliation _____

Address _____

Phone: _____ Fax: _____

Email: _____

AAA International Accounting Executive Committee Meeting
Palm Springs Hilton, Palm Springs, California
January 30, 2010
7:30 – 8:30 a.m.

Present: Erv Black, Ian Hague, Jeannie Harrington, Tony Kang, and Steven Krohn

Minutes from August, 2009, approved.

SSRN – Pat Poli did not use SSRN this year for the midyear meeting and it saved us \$2,000. Pat recommended to keep not using SSRN. Other members did not feel it was worth the cost. The AAA is developing a new system that is being tested now. If it works, we will adopt it next year. Pat Poli will continue as chair of the midyear meeting next year.

PIC Committee – lots of good material is being loaded onto the AAA Commons. The AAA Commons is not used as much as we would have liked. Ian said at the chairs meeting they are trying to address the chaos of that website. We can have a password protected area on the AAA Commons.

Future meetings – Annual meeting in San Francisco, California – July 31 – August 4, 2010.

IAS Midyear Meeting at the Marriott Waterside in Tampa, Florida, January 26-28, 2011. This conference will be held jointly with the Financial Accounting and Reporting Section.

Co-sponsored Conference - Agnes Chang presented a proposal for a joint conference with an international organization in a foreign country. The purpose of the conference is to promote the *JJAR*. *IJAER* does a joint conference with rotating universities. Mixed results have been reported for their conference. The AAA Tax Section devotes one afternoon/day during their midyear meeting for their section journal papers. Perhaps we can have the co-sponsored conference every other year. If we do plan to go ahead with it, we need to go ahead and get contracts for what the foreign university will pay for. Erv thought our liability should be only the extra journal costs. Who would attend? A lot of our section is from Asia and some Americans would attend too. Erv will talk with Agnes. We will need a firm commitment from the university. Xiamen University is interested in having a conference in mid-June of 2011 in Xiamen, China, which is north of Hong Kong and Singapore. We need to poll our membership for interest. Travel visas may need to be secured for presentations. The Publications committee will handle the submissions and potentially organize this meeting. Ken Ferris will still be the editor of the *JJAR* for another three years. Erv will need to talk with AAA about clearance for an international conference.

Midyear meeting - This year's meeting has no discussants and several papers in each session. The papers were not available before hand. We had planned to have sessions with three papers and a discussant and dialogue sessions (up to 5 papers presented). With more developed papers, we should have three papers and a discussant. For next year, we would like to have a mixture of dialogue and discussant sessions. Future CPE sessions should have handouts. There will be no business meeting today and there are no changes in the by-laws that we are aware of. IAAER covered a lot of the speaker costs. We will be covering Bill Kinney's (panelist) costs for the meeting.

Strategic Planning – the plan still looks good. The PIC committee is using the plan. We are reaching out to other sections.

Nominations – An email will be coming out soon for help with chairs. AAA wants the awards by mid-May. Erv will send out a Call for Nominations in mid-February. He will include this with Calls for Outstanding

Midyear Executive Committee Meeting (continued from page 5)

Educator, Dissertation and Service Awards. Jeannie will make copies and put on the tables at lunch today for interest in people serving on committees for next year.

Treasurer's Report – We have \$196,011.79 in the treasury. We have \$150,000 undesignated. The rest of the money is for the *JJAR*. This balance is before expenditures for the midyear meeting. Our goal is not to accumulate money so Tony has been asked to look over the finances and get some proposals for spending the money to be presented at the business meeting in San Francisco. We should exchange sessions with different meetings. Possibly we could provide \$500 per presenter for the session that they would attend. We also discussed making the *JJAR* electronic. We discussed several options and decided to have Tony work on different budgets with different scenarios.

Nominations - Holger Erchinger is coming in as VP-Practice (nomination). We need more nominations for officers. We have Bruce Behn, Lynn Rees and Ajay Adhikari on AAA national committees. The sections will now elect people to represent them at the national level, instead of just national electing them.

IAS Section members include the following members from Asia:

- 14 - Hong Kong
- 9 - China
- 11 - Taiwan
- 13 - Korea
- 70 - Japan
- 12 - Singapore

Annual Meeting – We tossed around ideas for the luncheon speaker for the annual AAA meeting. It was suggested that perhaps Jim Leisenring could speak since he is retiring from the IASB in 6-30-10.

The meeting adjourned at 8:22 a.m.

Respectfully submitted, Jeannie Harrington, Secretary

AAA International Accounting Section Officers and Chairs Meeting
Palm Springs Hilton, Palm Springs, California
January 29, 2010
5:30 – 6:30 p.m.

Members Present: Erv Black, Greg Burton , Agnes Cheng, Gia Chevis, Teresa Conover , Stella Fearnley, Ian Hague, Jeannie Harrington, Michele Henney, Tony Kang, Steven Krohn, Jenice Prather Kinsey, Stephen Salter, and Chris Skousen

- President-Elect – Ian Hague: Next year’s midyear meeting will be held jointly with the Financial Accounting and Reporting Section January 26-28, 2011, in Tampa, Florida at the Marriott Waterside.
- Publications - Agnes Chang: Agnes presented a proposal to have a joint conference in 2011 in a foreign country with a foreign host school. The purpose is to enhance recognition of *JJAR* throughout the world. Each paper will be presented in a 1 to 1.5 hour session. She has discussed this with Ken Farris, editor of *JJAR*, who is in favor of this. There are a lot of schools in Asia that are interested because they want to be more global. Agnes suggested we associate with a university. She identified Xiamen University in China that has the funding and ability. Currently, they have saved their sponsorship for a 2011 conference until confirmation from us. The IAS Section would co-sponsor the conference with the travel costs covered for the presenters and discussants. Terri questioned whether the AAA would approve this conference. Erv will check on this. The conference would be held in mid-May or June. The idea of a joint international conference has been discussed for many years but it has never come to fruition. We want to make sure that panelists would come. The foreign sponsor will want high profile panelists. Agnes talked to Nancy Bragonoff, AAA current President, who seemed very interested. We need to be very clear as to who covers what costs. Perhaps a trial then a commitment for a longer term was suggested.
- Publication editor – It is time to elect an editor for a new three year term. It looks like Ken Ferris is willing to serve an additional three year term.
- International Relations – Stephen Salter and Stella Fearnley: Steve thinks we need more joint sessions with outside organizations. Brazil would like a joint session here and us one there. British AA would like the same. Perhaps we could set up a session on just papers from South America or just a particular area. Gift membership money could be used for travel money to some of our conferences. \$500 – 600 would be very helpful in meeting their travel needs. Their presence would be encouraging to them. Jenice stated that the purpose of the money was set up for gift memberships and should be used as such. We probably should set up another fund for international travel. We would probably need a membership vote at the annual meeting. It would first go toward the registration/annual dues of the annual meeting fees. Steve and Stella are working on getting regional directors. We have had a good contact in South America. Latin America and Africa have great need for liaisons. We have great overseas participation now so we need to target underrepresented areas. They encouraged the president of IAS to attend some other accounting organization meetings and possibly present papers.
- Regional Meeting Coordinator - Michelle Henney: She did not think anyone needed anything. Jeannie reminded her that the Regional Meeting Coordinator was responsible for collecting the information for international papers and panels from the regional meetings to be placed in the *Summer Forum*.

Midyear Section Officers and Chairs Meeting (continued from page 7)

- Practice Issues Committee – Greg Burton – The goal is to merge practice and research. Several meetings have been held. They are identifying people involved with research and practitioners. They are trying to make it flow better and trying to identify international research topics that are topical. They are trying to identify IFRS teaching research by topic through AAA Commons. They are looking at CPE proposals for the meetings.
- Treasurer’s Report - Tony Kang – Tony passed out the actual year to date treasury report through 12/31/09 and the budget. Not much is happening yet since the midyear meeting expenses have not come through yet. We have a cash balance of \$196,011.79, with some of that restricted to the *JJAR*. Our goal is to break even on the midyear meeting. We are not trying to accumulate money and are looking at prudent uses of the funds.
- Teaching, Learning & Curriculum - Gia Chevis: We try to coordinate with other sections. The syllabi are very old and need to be updated. Perhaps a call for syllabi is in order. The PIC committee is working on getting the firm’s educational resources on our AAA Commons website. Gia will be contacting them. Some annotations would be helpful for the website. Almost everything is IFRS based now so we could expand to audit, systems, managerial, etc. Also almost everything is content, not pedagogical for education. The Audit Section has a session on excellence in education before their midyear meeting that is worth pursuing. Gia will gather information.
- Webmaster - Jenice Prather-Kinsey — At first Jenice got a lot of information for AAA Commons. Everything changed around with AAA Commons and Jenice had trouble finding things. The AAA Commons is designed for interaction, not stable information. She has some links to our webpage. The website is free and AAA is quite sensitive about large files, especially the *Forum*. The IAS website no longer has as much information password protected. Currently, you still use the old password that no one can remember.
- Vice-President Practice - Steve Krohn — A 3-year commitment for funding the IAS midyear conference has been approved again. A big round of applause was given. We got some more money (\$2,500) for this meeting that allowed us to have an additional reception (on Saturday night) and made the Thursday and Friday receptions much nicer.
- Outstanding Educator - Chris Skousen: There are not many nominations yet. Please nominate someone for this award. Chris asked about committee size. There are 5 people now. Steven Salter suggested a post-humous award for Segun Wallace. Chris said that the bylaws state the person must be living but we can award an ad-hoc award to Segun.
- Research Committee – Cheryl Linthicum and Carol Ann Frost: They were not present at the meeting but they provided a handout of their plans which included a team of researchers to respond to the IASB’s request for public comments on projects. They also suggested a “Senior Faculty Mentor” session at the August 2010 AAA Annual Meeting. Tony Kang agreed to coordinate this session again as he did last year.
- A big thanks was given to the Midyear Conference Committee Chairs Pat Poli and Victoria Krivogorsky.
- Meeting adjourned 6:27 p.m.

Respectfully submitted,

Jeannie Harrington, Secretary

**INTERNATIONAL ACCOUNTING SECTION
OF THE AMERICAN ACCOUNTING ASSOCIATION
BY-LAWS AS AMENDED THROUGH AUGUST 4, 2008**

Section I: NAME

The association of the members of the American Accounting Association interested in International Accounting shall be known as the International Accounting Section of the American Accounting Association (herein referred to as the Section).

Section II: MEMBERSHIP

In accordance with AAA policy, the membership of the Section consists of:

1. Members,
2. Life members,
3. Emeritus members, or
4. Associate members of the AAA.

There shall be no company, library, or organization memberships within the Section.

Section III: PURPOSE

The purpose of the Section is specified in a separate statement of Objectives. The Objectives are adopted and may be changed by vote of a majority of members present at the business meetings held at the AAA annual meeting or Section midyear meeting.

Section IV: OFFICERS

- A. The officers of the Section are the president, immediate past president, the president-elect, the vice-president-practice, the secretary, and the treasurer; together they form the Executive Board. The chair of the Advisory Board shall participate in Executive Board activities in a non-voting, advisory role.
- B. Election of Officers: The officers shall be elected at the business meeting, held at the AAA annual meeting, by a simple majority of the members present.
- C. Filling Vacancies: In the event the president of the Section is unable to serve, his/her duties shall be assumed by the president-elect. In the event the president-elect, vice-president-practice, secretary, or treasurer are unable to serve, the president shall, in consultation with the chairs of the Nomination Committee and Advisory Board, appoint a member of the Section to complete the unexpired term until an election can be held at the next annual meeting.

D. Compensation: Section officers shall not receive any compensation in the form of honoraria, professional fees, stipends, etc. from the AAA or the Section for the performance of their duties. Section officers may be reimbursed from funds under the control of the Section for certain expenses incurred in connection with their duties.

1. Requests for reimbursement must be submitted to and approved by the treasurer before being sent to the AAA for disbursement.
2. The standard AAA expense reimbursement policy shall apply.

E. Terms in Office and Functions of the Officers

1. President - The president shall serve a one-year term. The main duties of the president are:
 - a. To direct the affairs of the Section and carry out policies and programs formulated by the Section members at the annual and midyear business meetings;
 - b. To preside at the annual and midyear business meetings;
 - c. To preside at the midyear Section meeting, if one is held;
 - d. To appoint Section committees or task forces and their chairpersons;
 - e. Upon invitation, to work with the AAA concerning international matters at regional meetings of the Association;
 - f. When requested, to cooperate with the AAA concerning matters relating to Section activities at the AAA annual meeting; and
 - ~~g. To report as needed to the AAA Executive Committee regarding Section activities.~~
 - ~~h. To maintain the Section's service record of the committee activities of members.~~
 - ~~hi. To serve as one of the Section's representatives at the AAA Council meetings.~~

2. President-Elect – The president-elect shall usually be selected from the group of accounting academicians [i.e., those members of the Section at colleges and universities] and shall be elected for a one-year term. The president-elect shall automatically become the president of the Section in the following year.

The main duties of the president-elect are:

- a. To direct the affairs of the Section in the event the president is unable to serve.
- b. To preside at the annual and midyear business meetings if the president is unable to preside.
- c. To perform whatever duties the president may assign.
- d. To act as the Section's archivist.
- e. To prepare a budget for the next fiscal year and a projected three-year budget in cooperation with the Section treasurer.
- f. To be a voting representative for the section at the AAA Council meeting at the Annual AAA meeting at which the president-elect becomes president.
- g. To serve as an observer for the section at the Winter/Spring AAA Council meeting. If either the past president or president cannot attend the Winter/Spring AAA Council meeting, then the president-elect will be a voting representative of the section at the meeting.
- h. To maintain the Section's service record of the committee activities of members.

3. Vice-President–Practice — -The Vice-President-Practice shall be selected from the group of accounting practitioners [i.e., those members of the Section not at colleges and universities] and shall be elected for a one-year term. The practice vice-president is eligible for re-election for a second one-year term.
The main duties of the practice vice-president are:
 - a. To provide liaison with accounting practitioners.
 - b. To direct the affairs of the Section in the event the president and the president-elect are unable to serve.
 - c. To preside at the annual and midyear business meetings if the president and president-elect are unable to preside.
 - d. To perform whatever duties the president may assign.
4. Secretary - The secretary shall be elected for a two-year term and is eligible for re-election for two additional one-year terms. The main duties of the secretary are:
 - a. To supervise the keeping of records of the Section's annual and midyear business meetings and the meetings of the Executive Board.
 - b. To send minutes of the meetings to members of the Executive Board and committee chairs, within a timely period, for their review by a specified date.
 - c. To send minutes of the meetings to the newsletter editor and web master for publication in the newsletter and on the web page after the review period has expired.
 - d. To provide information to members and others.
 - e. To work in liaison with the AAA Executive Director regarding questions of the Section membership.
 - f. To maintain and distribute, as needed, a handbook describing the duties of persons holding positions in the Section and a timetable for activities and reports.
 - g. If an officer that normally attends the AAA Council meeting is unable to attend, then the President may ask the Secretary to represent the section at the AAA Council meeting (with the corresponding right to vote if replacing a voting representative).
5. Treasurer - The treasurer shall be elected for a two-year term and is eligible for re-election for two additional one-year terms. The main duties of the treasurer are:
 - a. To work with the AAA Executive Director concerning questions of collection and disbursement of Section funds.
 - b. To send copies of the monthly financial reports received from AAA to the Executive Board and Advisory Board chair.
 - c. To have primary responsibility for preparing an annual and a three-year projected budget, in cooperation with the president-elect, and prepare semi-annual and annual financial reports for the Section. The semi-annual and annual financial reports shall be sent to all members of the Executive Board, the Advisory Board chair, and committee chairs prior to the Executive Board meetings and the business meetings held at the AAA annual meeting and Section midyear meeting and shall be presented by the treasurer at each meeting.

- d. To review all requests for reimbursement, based on budgetary authority, and send the approved requests to the AAA for disbursement. In the event that a reimbursement request is not provided for in the budget, the Treasurer will request review and approval by the Executive Board: unless the amount involved is less than \$1,000 and already approved by the Section president.
 - e. If an officer that normally attends the AAA Council meeting is unable to attend, then the President may ask the Treasurer to represent the section at the AAA Council meeting (with the corresponding right to vote if replacing a voting representative).
6. Past President – The past president serves for one year immediately following his or her term as president. The duties are:
- a. To serve as a full member of the Executive Committee.
 - b. To consult with and advise the other officers.
 - c. To serve as a voting representative for the section at the Winter/Spring AAA Council meeting and an observer for the section at the Annual AAA Council meeting.
- F. Executive Board - The main duties of the Executive Board shall include:
1. assisting the treasurer and the president-elect in preparing an annual budget for the following year and a projected three-year budget; the annual budget shall include, among other items, the types of officers' expenses that will be reimbursed, the number of continuing education programs that will be funded by the Section, the projected costs of the mid-year meeting and annual meeting, and the projected costs of publications.
 2. appointing the editor of the newsletter.
 3. approving special Section publications (other than the newsletter or journal) before they are published.
 4. appointing the editor of the Section's journal.
 5. appointing the web master of the web page.

Section V: ADVISORY BOARD

- A. The officers of the Section shall be guided in their duties by an Advisory Board. The Advisory Board will consist of nine members.
1. The immediate past-president of the Section automatically becomes a member of the Advisory Board for a three-year term.
 2. In addition, two members are nominated each year by the Nominations Committee for three-year terms. At least one member of the Advisory Board should reside outside the United States. A member who would be concurrently serving on the Executive Board may not be nominated for Advisory Board membership.
 3. The Advisory Board candidate who receives the most votes by the Nominations Committee shall be nominated to be the Advisory Board chair.
 4. Advisory Board membership will automatically be canceled should an Advisory Board member, other than the immediate past president, be elected to the Executive Board.

5. The Section president may appoint an otherwise qualified Section member on an interim basis until the next general election to fill a vacancy created by the departure of any Section Officer, Advisory Board member, or other elected official during his/her term of office.
- B. The main duties of the Advisory Board include:
1. reviewing the By-Laws and Objectives and recommending any changes to the membership at the business meetings held at the annual AAA meeting and the Section midyear conference.
 2. acting as a Strategic Planning Committee for the Section. The Strategic Planning Committee shall develop and update a strategic plan for the Section and shall map Section activities to meet the plan.
 3. carrying out any other activities appropriate to an oversight role, as determined by the Advisory Board chair.

Section VI: COMMITTEES

- A. The president of the Section shall appoint committees and task forces to carry out specific projects that are either authorized by the By-Laws or that the president views as essential to accomplish the Objectives of the Section. The length of service on committees depends on the special task; however, the length of service shall normally be one year. Because of the need for advance planning and continuity, members of the Mid-Year Conference Committee may be appointed for terms of one, two, or three years.
- B. Standing committees for the Section are: the Executive Board, the Nominations Committee, the Membership Committee, the Education Committee, the Publications Committee, and the Program Committee(s).
- C. Committee Responsibilities:
1. The chairperson of each committee shall send a written report to the Executive Board prior to all scheduled meetings and at other times requested by the Executive Board or president of the Section.
 2. The chairperson of each committee shall make an oral and/or written report to the membership at all Section business meetings.
- D. The Publications Committee
1. The committee shall consist of nine members:
 - a. four voting members nominated by the Nominations Committee for two-year terms. Two new members of the Publications Committee shall be nominated by the Nominations Committee each year. The new members of the Publications Committee shall be elected at the Section's business meeting, held at the AAA annual meeting, by a simple majority of the members present.
 - b. two voting members appointed by the president of the Section for two year terms. One new member shall be appointed by the president of the Section each year.

- c. the journal and newsletter editors and the web master will serve as ex-officio, non-voting members.
2. The committee shall be chaired by the member of the committee who is in his/her second year of service and who was appointed by the president of the Section.
3. The committee is responsible for developing the editorial policies for the Section journal for approval by the Executive Board. Neither the Executive Board nor the Publications Committee has authority to make editorial decisions.
4. The committee shall nominate, by majority vote, an individual for journal editor, and forward the nomination to the Executive board in the year prior to the year the current journal editor's term expires.

Section VII: NOMINATIONS

- A. The Nominations Committee of the Section shall consist of the two most recent past presidents, the chairperson of the Advisory Board, and ~~three~~two other members to be elected by the membership in the regular election process. The most senior past-president of the Section on the Nominations Committee shall chair the committee. Nominations may be submitted to the Nominations Committee by any member of the Section until January 1.
- B. The Nominations Committee must, by majority vote, recommend a single slate of nominations, by March 1, for president-elect, vice-president-practice, secretary, treasurer, Advisory Board members, Advisory Board chairperson, two members of the Publications Committee, and ~~three~~two members of the Nominations Committee for the next year at the Section's business meeting held at the AAA annual meeting.
- C. The Nominations Committee shall request a copy of the Section's service record from the president-elect to aid it in making the nominations.
 1. The president-elect must have served as secretary, treasurer, or chair of at least two Section committees in the past five years.
 2. Nominees for secretary and treasurer must have served the section in a significant capacity during at least two of the last five years. The two years of service may be obtained while performing the following roles within the section:
 - a. secretary
 - b. treasurer
 - c. journal editor
 - d. ~~Forum~~newsletter editor
 - e. a committee chair
 - f. a regional coordinator
 - g. an advisory board member

Nominees for the at-large member positions on the nominations committee must have served the section in a significant capacity during at least two of the last five years. The two years of service may be obtained while performing the following roles within the section:

- a. secretary
 - b. treasurer
 - c. journal editor
 - d. Forum editor
 - e. a committee chair
 - f. a regional coordinator
 - g. an advisory board member
 - h. a member of the nominating committee
 - i. a member of the publications committee
 - j. an area liaison (formerly country director)
3. Each year two members of the Advisory Board are nominated by the Nominations Committee for three-year terms.
- a. Advisory Board nominees must be qualified to serve in an oversight and advisory capacity, based on prior, senior level appropriate experience.
 - b. This experience shall include, but not be limited to, and as a minimum, Section experience at a leadership level (for example: past Officer, committee chair, head of ad hoc project).
 - c. Such qualifications should be specified in the nominations material provided to members of the Nominations Committee to assist them in the selection process.
 - d. The Nominations Committee shall contact the members of the Advisory Board who have remaining terms to determine if they will be able to continue their active involvement on the Advisory Board. If an individual cannot continue to serve in an active capacity, the Nominations Committee shall ask the individual to write a letter of resignation. The Committee shall nominate another individual to complete the term.

Section VIII: REVENUES

A. Dues

1. The Section shall charge dues, the amount to be approved by a majority vote of Section members present at the Section business meetings. All members shall be notified at least 45 days in advance of a proposed dues increase by an announcement in the Section newsletter or other appropriate medium such as e-mail or direct mail. Dues shall not exceed one-half of the national membership dues of the AAA unless prior approval is obtained from the AAA Executive Committee.
 2. Dues are payable in conjunction with the AAA dues payment structure.
 3. Section dues shall be collected by the AAA administrative office. All funds shall be kept in the AAA bank account and disbursed only upon authorization from the treasurer of the Section. Requests for reimbursements must be sent to the treasurer for approval. The treasurer will send the approved requests to the AAA for disbursement as provided for in Section IV.d.
- B. The Section may charge registration fees at any special Section or regional conferences/meetings that are not held in conjunction with the AAA annual meeting.

- C. The Section is authorized to receive gifts and grants for special purposes, subject to the policies and procedures of the AAA Executive Committee.
- D. Section activities funded from sources not controlled by the AAA should be disclosed in a footnote to the Section financial statements.

Section IX: PUBLICATIONS

- A. The Section shall publish a newsletter three times per year and a journal two times per year, as a minimum. The Section shall also maintain a current web page.
- B. The Executive Board of the Section shall be responsible for appointing an editor for the Section newsletter.
 - 1. The newsletter editor is appointed for a three-year term and is eligible to be reappointed for a second three-year term. After completion of two terms, the newsletter editor may be reappointed for up to three additional one-year terms.
 - 2. The newsletter editor is responsible for the administration, content, and publication of the newsletter.
 - 3. The items published in the newsletter shall include, among others, as appropriate, and on a timely basis:
 - a. the By-Laws, Objectives, and Financial Statements of the Section;
 - b. the minutes of the business meetings and Executive Board meetings after they have been reviewed as specified in Section IV.3.c.
- C. The Executive Board of the Section shall be responsible for appointing an editor for the Section journal based on recommendations received from the Publications Committee.
 - 1. The journal editor is appointed for a three-year term, which may be extended by reappointment for a maximum of three additional one-year terms. If the journal editor is unable to complete a term, the Executive Board shall appoint an Acting Editor for a one-year term.
 - 2. The editor's main responsibilities include:
 - a. the administration, content, and publication of the journal;
 - b. reporting to the Executive Board and the membership as to the status and current activities of the journal;
 - c. appointing an Editorial Review Board. The members of the Editorial Review Board are appointed for a one-year term.
- D. The Section may print special publications in the form of booklets, rosters of members, monographs, study materials, teaching aids, etc. from its own funds. These publications must be approved by the Publications Committee and the Executive Board before they are published. These publications are to be distributed free of charge to Section members. The Section Executive Board shall determine a price to be charged for publications for persons not members of the Section. Typically, a discount on that price is provided for members of the AAA who are not members of the Section.
- E. The Executive Board of the Section shall be responsible for appointing a web master for the web page.

1. The web master is appointed for a three-year term and is eligible to be reappointed for a second three-year term.
2. The web master is responsible for the administration and content of the web page.
3. The items published on the web page shall include, among others, as appropriate, and on a timely basis:
 - a. the By-Laws, Objectives, and Financial Statements of the Section;
 - b. the minutes of the business meetings and Executive Board meetings after they have been reviewed as specified in Section IV.3.b.
 - c. the current and past year's newsletters, and
 - d. the list of Officers, Committee chairs and members, and committee charges.

Section X: BUSINESS MEETINGS

- A. The Section shall hold ~~two~~ business meetings, one in conjunction with the AAA annual conference and, if necessary, one in conjunction with the Section's annual midyear conference.
- B. A quorum for the conduct of business at the business meeting shall consist of ~~the ten~~ members present.
- C. All members shall be notified of business meetings at least 45 days in advance by an announcement in the Section newsletter or other appropriate medium, such as e-mail or direct mail.
- D. Elections of officers, Advisory Board members, Nomination Committee members, and Publication Committee members shall take place at the business meeting held in conjunction with the AAA Annual Conference.

Section XI: AMENDMENTS

- A. The Advisory Board shall review the By-Laws and Objectives and shall determine if revisions will be recommended.
- B. Proposed amendments to the By-Laws and Objectives shall be prepared by the Advisory Board and presented to the Executive Board for review and advice. Proposed amendments shall be submitted to the membership by the Advisory Board 45 days in advance of business meetings through the Section newsletter or other appropriate medium such as e-mail or direct mail.
- C. The members present at the business meetings may approve proposed amendments by a simple majority vote.

**16th ANNUAL MID-YEAR CONFERENCE & 6th ANNUAL DOCTORAL/NEW FAC-
ULTY CONSORTIUM OF THE INTERNATIONAL ACCOUNTING SECTION OF
THE AMERICAN ACCOUNTING ASSOCIATION**

**January 28-30, 2010
Hilton Palm Springs, Palm Springs, California**

**Sponsored by the International Section of the American Accounting Association and
KPMG**

Friday, January 29, 2010

9:00 am - 9:15 am

Welcoming Remarks

Ervin L. Black, President, International Accounting Section

Nancy Bagranoff, President, AAA

Donna L. Street, President, International Association for Accounting
Education and Research



President Erv Black



AAA President Nancy Bagranoff



IAAER President Donna Street

9:00 am - 10:30 am

Plenary Session 1

"IFRS update- North America"

Moderator: Mary Barth, Stanford University and IASB Academic Adviser

Panelists:

James Leisenring, IASB

Thomas Linsmeier, FASB

Paul Munter, KPMG

Patricia O'Malley, AcSB



Moderator Mary Barth



***Panelists Paul Munter, Thomas Linsmeier,
Patricia O'Malley and James Leisenring***

11:00 am - 12:30 pm

Session A: Education Panel: Accounting Education in Times of Globalization

Moderator: Sharon Lightner, Director, Charles W. Lamden School of Accountancy, San Diego State University

Panelists:

Karen Pinkus, University of Arkansas, and IAESB Deputy Chair

Ira Solomon, R.C. Evans Endowed Chair in Business, Professor & Head of the Department of Accountancy, University of Illinois at Urbana-Champaign

Récep Pekdemir, Istanbul University and former member of IFAC Education Committee

Gail Naughton, Dean, CBA San Diego State University, Board of Directors of AACSB International

Session B: IFRS - Domestic GAAP

Moderator: Paul Barnes, Nottingham Business School

The Impact of Differences in U.S. GAAP and IFRS on Disseminating Accounting Information

Ran Ron Barniv, Kent State University

Mark Myring, Ball State University

Simultaneous Presence of Different Domestic GAAPs and Investors' Limited Attention Bias in U.S. Equity Markets: Implications for Convergence

Sabrina S. Chi, University of California, Irvine

IAS 1 Disclosures of Critical Judgments and Estimation Uncertainty: A Study of EU IFRS-Based Financial Statements

Christopher Hodgdon, University of Vermont

Susan B. Hughes, University of Vermont

Discussant: TBD

The Amendment of IAS 39: Determinants of Reclassification Behavior and Capital Market Consequences

Mari Paananen, University of Herfordshire

Annelies Renders, K.U. Leuven

Kim M. Shima, California State University, East Bay

Session C: Corporate Governance

Moderator: Kingsley O. Olibe

The Effect of Board Independence, Expertise, and Attendance on Firm Performance

Yi-Ling Chen, Yuan Ze University

The Effect of Interim Reporting Frequency on Price Timeliness and Earnings Timeliness: International Evidence

Renhui Fu, RSM Erasmus University

Analysis of Corporate Characteristics Driving Companies to Harmonization: Evidence from the European Union

Victoria Krivogorsky, San Diego State University

Jui-Chin Chang, Howard University

Ervin L. Black, Brigham Young University

Corporate Boards, Ownership Structure and Firm Performance in an Environment of Severe Political and Economic Uncertainty

Musa Mangena, Bradford University

Venancio Tauringana, Bournemouth University

Eddie Chamisa, University of Cape Town

Session D: Miscellaneous

Moderator: Ann Tarca, University of Western Australia

Asset Revaluations: Motives and Choices of Items to Revalue

Tae Hee Choi, KDI School of Public Policy and Management

Jinhan Pae, Korea University

Seonghwa Park, Korea University

Younghyo Song, Korea University

Globalization and Regulation of Foreign Listings: Examination of Factors Affecting International Firms'

Choice of Listing as a Global Depository Receipt

Shrutika Chugh, Macquarie University

Neil Fargher, Australian National University

Sue Wright, Macquarie University

A Worldwide Comparison of Assurance on Corporate Social Responsibility Reports: Are Audit Firms Willing to Sustain This Line of Service?

David N. Herda, University of Texas at Arlington

Martin E. Taylor, University of Texas at Arlington

Capitalizing Research and Development Expenditures- The Incremental Information Content of Accrual vs. Cash Accounting for German Firms

Tami Dinh Thi, University of Augsburg

Wolfgang Schultze, University of Augsburg

Using Focus Group Research to Study: Financial Vulnerability of Non-Profit Organisations in Australia

Rong Zhai, University of Western Australia

John Watson, University of Western Australia

12:30 pm - 1:30 pm

Luncheon

Speaker: AAA President Nancy Bagranoff

2:00 pm - 3:30 pm

Session E: Research Panel: Convergence: Implications for Accounting Research

Moderator: Victoria Krivogorsky, Charles W. Lamden School of Accountancy, San Diego State University

Panelists:

Mark Lang, University of North Carolina, Chapel Hill

Irina Ivashkovskaya, Higher School of Economics, Moscow

Alexandra Mutiu, Babes-Bolyai University, Romania

Richard Slack, Newcastle Business School, UK

Session F: Education

Moderator: Peter Kajüter, University of Münster

Student Approaches to Learning: A Comparison of Year 12-to-University Students with TAFE-to-University Students in the Disciplines of Accounting and Finance

Subhash Abhayawansa, Swinburne University of Technology

Irene Tempone, Swinburne University of Technology

Soma Pillay, Swinburne University of Technology

Raleigh Building Products Case Study



**Luncheon Speaker AAA
President Nancy Bagranoff**

Natalie Tatiana Churyk, Northern Illinois University

Alan Reinstein, Wayne State University

Guy Gross, McGladrey & Pullen

IFRS Adoption in the U.S. - Opportunities and Challenges for Accounting Professionals and Global Entities

Marianne L. James, California State University, Los Angeles

Richard Lau, California State University, Los Angeles

DaimlerChrysler's Conversion from U.S. GAAP to IFRS: The Effects on Information Systems

Eva K. Jermakowicz, Tennessee State University

Alan Reinstein, Wayne State University

Session G: Executive Compensation

Moderator: Charles Shi, National University of Singapore

The Effect of Restructuring Charges and Corporate Governance on CEO Pay for Performance Sensitivity

Angie Abdel Zaher, American University in Cairo

Do Executive Stock Options Become an Alternative Means in Managing Earnings

Hong Nee Ang, Deakin University

The Economic Determinants of Firms Issuing Employee Stock Options- Evidence From Taiwan

Chin-Yuan Chang, National Yunlin University of Science and Technology

Yu-Chih Lin, National Yunlin University of Science and Technology

Do Managers Perform for Perks?

Donghua Chen, Nanjing University

Oliver Zhen Li, University of Arizona

Shangkun Liang, Nanjing University

Session H: Reporting Quality

Moderator: Christopher Hodgdon, University of Vermont

Financial Reporting Quality and Investment Efficiency in Private Firms from Emerging Markets

Feng Chen, University of Toronto

Ole-Kristian Hope, University of Toronto

Qingyuan Li, Wuhan University

Xin Wang, Chinese University of Hong Kong

Financial Reporting Quality and Cross-Listing: An Examination of Cross-Listings in Germany and the United Kingdom

Li Li Eng, Missouri University of Science and Technology

Jing Lin, Saint Joseph's University

A Study of Changes in Corporate Governance and Reporting Quality: Evidence from UK Firms

Jongseop Shin, Korea Expressway Corporation

E. Daniel Shim, Sacred Heart University

4:00 pm - 5:30 pm

Session I: Economic Consequences

Moderator: Gary P. Braun, University of Texas at El Paso

Is Culture the Missing Value in Explaining Accounting Conservatism Cross Nationally: An Empirical Test

Timothy Douplik, University of South Carolina

Giorgio Gotti, University of Massachusetts at Boston

Tony Kang, Oklahoma State University

Stephen B. Salter, University of Texas at El Paso

Really "Lost in translation"? The Economic Consequences of Issuing an English Annual Report

Thomas Jeanjean, HEC Paris

Hervé Stolowy, HEC Paris

Michael Erkens, HEC Paris and University of Trier

Dividend Taxation Changes and the Return on Common Stock: Empirical Analysis of Canadian Stocks from 1987-2007 and Comparison to US Stocks

Gulraze Wakil, Carleton University and Kent State University

Session J: Disclosure

Moderator: Musa Mangena, Bradford University

Blog Exposure, Media Coverage, and the Cross-Section of Stock Returns

Yi Dong, Nanyang Technological University

Nan Hu, University of Wisconsin Eau Claire

Ling Liu, University of Wisconsin Eau Claire

Accounting Disclosure Quality and Synergy Gains: Evidence From Cross-Border Mergers and Acquisitions

Lisa Eiler, California State University, Fullerton

U.S.-Listed Foreign Firms' Non-GAAP Financial Performance Disclosure Behavior

Lori L. Epping, University of South Dakota

W. Mark Wilder, University of Mississippi

Voluntary Disclosure Practices by Foreign Firms Cross-Listed in the United States: Tests of Functional Convergence

Ole-Kristian Hope, University of Toronto

Tony Kang, Oklahoma State University

Joung W. Kim, Nova Southeastern University

Raynolde Pereira, University of Missouri at Columbia

Session K: IFRS Adoption Quality

Moderator: Stéphanie Hörmanseder, Vienna University of Economics and Business

Does Mandatory Adoption of International Financial Reporting Standards Increase Investment Efficiency?

Carolyn M. Callahan, University of Memphis

Hyun A. Hong, University of Southern California

Robin L. Knowles, University of Connecticut

Investor Protection, Deviation of Local Accounting Standards from IFRS, and the Effectiveness of the IFRS Adoption

Suntaree Patpanichchot, Chulalongkorn University, Thammasat University and National Institute of Development Administration

Kanogporn Narktabtee, National Institute of Development Administration

Quality of IFRS Adoption

Arnt Verriest, Tilburg University

Ann Gaeremynck, K.U. Leuven

Daniel B. Thornton, Queen's University

Does Mandatory IFRS Adoption Lower the Barrier of Using International Firms for Multiple-Based Equity Valuation

Yachang Zeng, Tilburg University

Session L: Convergence

Moderator: Wolfgang Schultze, University of Augsburg

Evidence Supporting Gray's Cultural Framework: Culture, Institutional Consequences, and National Accounting Systems

Joshua K. Cieslewicz, University of Hawaii at Manoa

Explaining the Evolution of National Accounting Systems Towards IFRS Convergence

Esperanza Huerta, University of Texas at El Paso

Stephen B. Salter, University of Texas at El Paso

Political Systems and Adoption of International Financial Reporting Standards

Derek C. Johnson, Massachusetts Institute of Technology

Corporate Transparency Differences in the Asian Region: Is Global Standardization Feasible in Practice?

Richard D. Morris, University of New South Wales

Sidney J. Gray, University of Sydney

Saturday, January 30, 2010

9:00 am - 10:40 am

Plenary Session: International Auditing, Convergence of ISAs, and IFAC Governance

Panelists:

Craig Crawford, KPMG National Partner in Charge of Audit Quality and Process Monitoring and Member of IAAS

William Kinney, University of Texas at Austin and IAESB

Nate Vander Hamm, Grant Thornton, Audit Senior Manager

Woodrow "Woody" Anderson, Assurance Partner, PricewaterhouseCoopers, Los Angeles

11:00 am - 12:30 am

Session M: Workshop: IFRS First-Time Adoption and Implementation Issues

Coordinator: Holger Erchinger, KPMG National Partner, NYC

Session N: iBEACON Panel: Current Research in Russia, Finland, and Italy

Moderator: Gary Grudnitski, San Diego State University

Panelists:

Irina Ivashkovskaya, Higher School of Economics, Moscow

Chiara Saccon, University of Venice

Harri Seppanen, School of Economics, Helsinki

Maria Solntseva, Higher School of Economics, Moscow

Session O: Analyst Forecasts

Moderator: Li Li Eng, Missouri University of Science and Technology

How Do Financial Analysts Refer to Segment Information? An Empirical Study Within the International Hotel Industry

Frédéric Demerens, Advancia-Negocia (CCIP)

Pascale Devaille, ESCP-Europe (CCIP)

Change in Systematic Bias and News as Driver for Analyst Forecast Revision- A New Forecast Revision Model

Sebastian Gell, University of Cologne

Carsten Homburg, University of Cologne

Katja Schulze, University of Cologne

Do Analysts' Cash Flow Forecasts Mitigate the Accrual Anomaly? International Evidence

Elizabeth Gordon, Temple University
Karin A. Petruska, Youngstown State University
Minna Yu, Ball State University
IFRS Adoption, Analysts and Institutional Setting
John Preiato, University of Western Australia
Philip Brown, University of Western Australia
Ann Tarca, University of Western Australia

Session P: Audit

Moderator: Teresa L. Conover, University of North Texas

Auditor Independence and Client Bargaining Power: Some Spanish Evidence Concerning the Going Concern Decision

Paul Barnes, Nottingham Business School
Marcos Antón Renart, Universidad de Murcia

Principles-Based vs. Rules-Based Accounting Standards: The Effects of Client Proposed Accounting Treatment and Regulatory Enforcement on Auditor Judgments and Confidence

Gary P. Braum, University of Texas at El Paso
Christine M. Haynes, University of West Georgia
Tom Lewis, Creighton University

Mark Taylor, Case Western Reserve University
Do Individual Sanctions Improve Audit Quality of the Firm?

Chien-Heng Jennifer Chang, National Chengchi University
Ling-Tai Lynette Chou, National Chengchi University

The Role of Corporate Governance in the Move Toward IFRS: Evidence From China
Yu Chen, University of Memphis

Zabihollah Rezaee, University of Memphis
Information Role of Audit and Market Reaction to Restatement-Related Auditors

Li-Jen He, National Chengchi University
Hsiang-tsai Chiang, Feng-Chia University

2:00 pm - 3:30 pm

Session Q: Convergence and Transition to IFRS: Education Implications Facing the Profession and Academia

Moderator: Greg Burton, Brigham Young University and EYARC team member

Panelists:

Catherine Banks, Program Director, Academic Resource Center (EYARC). EYARC is focused on the development of IFRS curricula and integration support for universities

Charlie Flood, Partner, Ernst & Young, Chicago

Irene Wiecek, University of Toronto and EYARC team member

Bob Riley, University of Southern California and EYARC team member

Session R: Earnings Management

Moderator: Richard D. Morris, University of New South Wales

Classification Shifting in an International Setting: Legal Systems and Auditors' Influence

Bruce Behn, University of Tennessee
Giorgio Gotti, University of Massachusetts at Boston
Tony Kang, Oklahoma State University

Do Financial Distress and/or Worse Corporate Governance Companies Have Aggressive Discretionary Pension Assumptions? Evidence from Taiwan

Rebecca Chung-Fern Wu, National Taiwan University

Jui-Chia Lin, National Taiwan University

Firm Characteristics, Earning Management and Performance of Different Security Issuers

Soon Suk Yoon, National University

Hyo Jin Kim, National University

Session S: Results from the IFRS Student Video Project/Competition and Best Practices for Teaching IFRS

Moderator: Terri Friel, Roosevelt University

Panelists:

Ian Hague, Accounting Standards Board Canada

Mark Holtzblatt, Roosevelt University

Norbert Tschakert, University of the Virgin Islands

Barry Epstein, International Accounting expert

Session T: IFRS Adoption Effects

Moderator: Yu Chen, University of Memphis

Conservatism and a Test of Temporal Differences Before and After IFRS

Elizabeth Devos, University of Texas at El Paso

IFRS Adoption in Germany: Empirical Evidence from 1998 to 2005

Stéphanie Hörmanseder, Vienna University of Economics and Business

Alexander Schiebel, Vienna University of Economics and Business

The Impact of IFRSs Adoption for the UK Listed Companies - Accounting for Business Combinations

Renata Stenka, Keele University

Phil Ormrod, University of Liverpool

Panos Sousounis, University of the West of England

Are Liquidity Improvements around the Mandatory Adoption of IFRS Attributable to Comparability Effects or to Quality Effects?

Michael S. Drake, Fisher College of Business

Linda A. Myers, University of Arkansas

Lijie Yao, Beijing Jiaotong University

4:00 pm - 5:30 pm

Session U: Regulation

Moderator: Giorgio Gotti, University of Massachusetts at Boston

Gray Markets and Multinational Transfer Pricing

Romana Autrey, Harvard Business School

Francesco Bova, University of Toronto

Does Disclosure Regulation Work? Evidence from International IPO Markets

Charles Shi, National University of Singapore

Kuntata Pukthuanthong, San Diego State University

Thomas Walker, Concordia University

Stock Market Reactions to the Japanese Sarbanes-Oxley Act

Kosuke Seino, University of Tokyo

Fumiko Takeda, University of Tokyo

Taking Away the Voting Powers from Controlling Shareholders: Evidence from the Chinese Securities Market

Yi Yao, Nankai University

Li Xu, Southern Illinois University at Carbondale

Zhiyuan Liu, Nankai University

Session V: Equity Valuation

Moderator: Gulraze Wakil, Carleton University and Kent State University

External Finance and Voluntary Adoption of Independent Audit Committee Rules: Evidence from Canadian Venture Firms

Feng Chen, University of Toronto

Yu Li, University of Toronto

Who Benefits from Corporate International Diversification: Bondholders versus Shareholders? Theory and Empirical Evidence

Kingsley O. Olibe, Kansas State University

Sustainable Competitive Advantage and Equity Valuation

Andres Reibel, Imperial College Business School

Paul Klumpes, Imperial College Business School

Session W: U.S. Adoption of IFRS

Moderator: Mari Paananen

SEC Comment Letters and Financial Statement Restatements

Lei Gao, University of Nebraska at Lincoln

Janice Lawrence, University of Nebraska at Lincoln

David Smith, University of Nebraska at Lincoln

An Analysis of the Geographic Diversity of IASB Comment Letters

Robert K. Larson, University of Dayton

Paul J. Herz, Fort Lewis College

Do Investors Perceive IFRS Adoption in the United States as Beneficial?

Philip Joos, Tilburg University

Edith Leung, Tilburg University

Current Perspectives on IFRS: A Survey of CPAs in Public Practice

Joseph M. Langmead, Loyola University Maryland

Jalal Soroosh, Loyola University Maryland

Session X: Management Accounting

Moderator: Maria C. Balatbat, University of New South Wales

Corporate R&D, Advertising Expenditures and Firm Performance: Evidence from U.S. Information Technology Firms

Hsueh-En Hsu, Fortune Institute of Technology

Jun-De Lee, Minghsin University of Science and Technology

Effects of the Current Economic Crisis on the Use of Management Control Systems

Johannes A. Asel, Vienna University of Economics and Business

Arthur Posch, Vienna University of Economics and Business

Comparative Management Accounting: A Review of Research in International Differences of Cost Accounting

Peter Kajüter, University of Münster

Matthias Moeschler, University of Münster

Managing Enterprise Risk Across Cultures in Africa

Jenice Prather-Kinsey, University of Missouri

Patrick Wheeler, University of Missouri

SCENES FROM THE PALM SPRINGS MIDYEAR MEETING



SCENES FROM THE PALM SPRINGS MIDYEAR MEETING



International Accounting Section			
2008-2009 Actual Cash Flows			
(12 months to Aug 31, 2009)			
UNRESTRICTED FUND			
Cash Inflows			
Dues-Full Members - (\$15 per member)*		\$14,550.00	
Dues-Associate Members		708.00	
Journal Submission Fees (\$25 per submission)		975.00	
Journal Subscriptions		3,772.33	
Midyear Meeting Registration		20,905.00	
CPE-Mid-year meeting		0.00	
CPE-Annual Meeting		6,195.00	
Interest Income		393.35	
Royalties		357.61	
Sale of back issues		120.00	
Contributions - Midyear Meeting**		23,900.00	
Total Cash Inflow - Unrestricted Fund			\$71,876.29
Cash Outflows			
Newsletter			
Printing		\$0.00	
Mailing		0.00	
AAA Staff Support/New Software		0.00	
Total Newsletter			\$ -
Annual Meeting			
Luncheon ticket sales		\$6,950.00	
Luncheon cost		11,168.28	
Luncheon Speaker Expenses		540.95	
Plaques and Awards		0.00	
Officer Meeting room and refreshments		281.22	
Program Chair Admin Expenses		0.00	
Total Annual Meeting			\$5,040.45
Midyear Meeting			
AAA Staff Support		\$836.99	
Hotel-Rooms/Food/Beverage - Doctoral Consortium		11,259.32	
Hotel-Rooms/Food/Beverage - Midyear Meeting		20,755.50	
Speakers - Doctoral Consortium		1,696.99	
Speakers - Midyear Meeting		0.00	
Meeting Coordinator Expenses		100.43	
SSRN - submissions and promotion		1,600.00	
Printing and Postage		1,701.35	
Awards (Conf Paper)		507.38	
Total Midyear Meeting			\$ 38,457.96
General/Administrative			
Postage & Printing		\$215.89	
Website Development/Hosting		360.00	
Awards - Dissertation, Educator, Service		2,841.48	
Strategic Planning		0.00	
Council Fee		0.00	
President Travel and Administration Expense		0.00	
Officer Travel - Council		1,434.44	
Miscellaneous (credit card fees)		1,366.31	
Total General/Administrative			\$ 6,218.12
Total Cash Outflow - Unrestricted Fund			\$ 49,716.53
Contributions - Gift Membership		\$365.00	
Gift Memberships awarded		540.00	
Gift memberships - net***			(\$175.00)
UNRESTRICTED FUND - Net Change in Cash			\$21,984.76
RESTRICTED FUND (JOURNAL)			
Cash Inflows			
Dues-Full Members (\$20 per member)*		\$19,400.00	
Total Cash Inflow - Restricted Fund			\$19,400.00
Cash Outflows			
Editor Expenses		\$0.00	
Journal Promotion		0.00	
JIAA Paper Award		1,000.00	
Copying, Printing, Mailing		11,646.48	
AAA Staff Support		7,023.00	
Total Cash Outflow - Restricted Fund			\$ 19,669.48
RESTRICTED FUND - Net Change in Cash			(\$269.48)
TOTAL CHANGE IN CASH - Unrestricted & Restricted Funds			\$21,715.28
OPENING CASH BALANCE (September 1, 2008)			\$161,700.98
CLOSING CASH BALANCE (August 31, 2009)			\$183,416.26

BEST PAPER—2010 IAS MIDYEAR MEETING

Feng Chen, Ole-Kristian Hope, Qingyuan Li, and Xin Wang

“Financial Reporting Quality and Investment Efficiency of Private Firms in Emerging Markets”

Abstract

Prior research shows that financial reporting quality is positively related to investment efficiency for large, U.S. publicly traded companies. However, it is not obvious whether this finding extends to smaller, privately-held companies in emerging markets (i.e., a very different environment characterized by low investor protection and more concentrated ownership structures). Using firm-level data from the World Bank’s Enterprise Survey, this paper studies the relation between accounting quality and investment efficiency for a sample of relatively small private firms in emerging markets. We find strong evidence that accounting quality positively affects investment efficiency (i.e., is negatively related to both underinvestment and overinvestment) for our sample of firms. Second, we show that the relation between financial reporting quality and investment efficiency is stronger if a firm’s investment is funded relatively more through bank financing than other sources of financing. Third, we document that, for firms with the strongest incentives to manage earnings for tax purposes, the positive association between accounting quality and investment efficiency is reduced. Such a connection between tax-minimization incentives and the informational role of earnings has often been asserted in the literature, but to date there is limited empirical evidence on this issue.



Midyear Meeting Co-Coordinator Patricia Poli announces the winners of the Best Paper for the 2010 IAS Midyear Meeting.

Editor’s Note: If you’re interested in seeing the paper presented at the AAA meeting in San Francisco, Ole-Kristian will present it on Wednesday August 4 (10:15 AM -11:45 AM).



2010 Best IAS Midyear Paper Award winner Feng Chen (left), award co-winner Ole-Kristian Hope (right) and presenter Patricia Poli

BIOGRAPHIC INFORMATION

Feng Chen is an assistant professor in accounting at the University of Toronto. He obtained Ph.D. in accounting from Columbia Business School in 2008. His research interests lie in empirical financial accounting, and in particular, financial reporting quality and international accounting. Dr. Chen has published in academic journals such as *Journal of Accounting, Auditing and Finance* and *Journal of Business Finance and Accounting*, and has papers under review at premier accounting and finance journals. In addition to the Best Paper Award in this year's IAS Midyear Meeting, he received the Best Paper Award at the *Journal of Contemporary Accounting and Economics* Symposium in 2006 in recognition of his research on international accounting.

Ole-Kristian Hope (CFA, CPA, CMA) is the Deloitte Professor of Accounting at Rotman School of Management, Toronto. He obtained his Ph.D. from Kellogg School of Management, Northwestern University. His research interests include financial reporting and disclosure, international accounting and international business, corporate finance, valuation, financial analysts, and auditing. He has published in various journals including *The Accounting Review, Journal of Accounting Research, Contemporary Accounting Research, Review of Accounting Studies, Journal of International Business Studies, Journal of Accounting, Auditing and Finance, Journal of Accounting and Public Policy, Journal of Business Finance and Accounting*, and *Accounting Horizons*, and he regularly presents his research in workshops and conferences around the world. Hope currently serves on the editorial boards of TAR, CAR, JAPP, and JBFA. At the Rotman School he teaches a second-year MBA course in financial reporting and a Ph.D. course in capital markets research. He also has an adjunct position at the Norwegian School of Economics and Business Administration (NHH) where he teaches an intensive Ph.D. course (with students from around Europe).

Qingyuan Li received his Ph.D. in accounting from Wuhan University in 2005. He is currently an associate professor in the Department of Accountancy, Wuhan University. His current research interests include accounting information, and empirical corporate finance. His work has been published in the *Journal of financial research* (in Chinese). Professor Li teaches introductory and intermediate financial accounting courses.

Wang Xin received his Ph.D. in accounting from Duke University in 2006. He is currently an assistant professor in the School of Accountancy, The Chinese University of Hong Kong. His current research interests include accounting regulation, management disclosure, insider trading and auditing. His work has been published in the *Journal of Accounting and Economics*. Professor Wang teaches introductory and intermediate financial accounting courses and has won teaching awards for two consecutive years from 2008 to 2009.

ERNST & YOUNG BURSARY AWARD ADMINISTERED THROUGH THE BRITISH ACCOUNTING ASSOCIATION

This year's Ernst & Young Bursary Award goes to Dr. Musa Mangena, Bradford University; Dr. Venancio Tauringana, Bournemouth University; and Dr. Eddie Chamisa, Cape Town University. Ernst & Young have also very kindly agreed to renew this award for another year. Given the current economic climate we are most grateful.

CORPORATE BOARDS, OWNERSHIP STRUCTURE AND FIRM PERFORMANCE IN AN ENVIRONMENT OF SEVERE POLITICAL AND ECONOMIC UNCERTAINTY

ABSTRACT

The literature on corporate governance around the world (e.g., La Porta et al., 1998; Klapper and Love, 2004) demonstrates that corporate governance structures are more important for firm performance in countries with weak legal and institutional environments. Additionally, recent literature (e.g., Linck et al., 2008; Coles et al., 2008) suggests that the importance of corporate governance structures on performance is a function of the complexity of the firm which presents differing levels of agency problems. We draw from this literature and explore whether board and ownership structures make a difference on firm performance in an environment of severe political and economic uncertainty and where the legal systems protecting investors have broken down. Using panel data from the Zimbabwe Stock Exchange for the period 2000-2005, we find that performance is positively associated with board size, but negatively related to the proportion of non-executive directors, suggesting that firms with large boards and a lower percentage of non-executive directors perform better. We also find that concentrated share ownership is positively related to firm performance, suggesting large shareholders have incentives to monitor managers and protect minority shareholders. Our results show no significant relationship between the directors' share ownership and performance. Further analyses splitting the data into pre-presidential (2000-2002) and post-presidential (2003-2005) election periods to capture the effect of the worsening political and economic landscape fail to confirm our results in the pre-presidential election period. All board and ownership structure variables, except directors' share ownership, are not significant. However, in the post-presidential election period, all our results in the full period model (2000-2005) are confirmed. In this context, our findings suggest that firms in difficult operating environments are likely to benefit from larger boards, lower rather than greater proportion of non-executive directors and higher ownership concentration. These findings are consistent with the notion that the effect of corporate board and ownership structures is a function of the environment in which the firm operates.



2010 Ernst & Young Bursary Award Winners (from left) Venancio Tauringana and Musa Mangena, with presenter Stella Fearnley

BIOGRAPHIC INFORMATION

Dr. Musa Mangena is a Senior Lecturer in Accounting at the Bradford University School of Management. His main research interests are in the areas of corporate reporting, economic consequences of disclosure, corporate governance and performance measurement systems. His work has been published in a number of academic journals, including *Accounting and Business Research*, *European Accounting Review*, *The International Journal of Accounting*, *Journal of International Financial Management and Accounting*, *Journal of Applied Accounting Research* and *International Journal of Auditing*.

Dr. Ven Tauringana is an Associate Professor in Accounting, Bournemouth University. He is also a Chartered Banker (ACIB) and a Chartered Secretary (ACIS). He holds a Master of Accountancy degree (M.Acc) and a Doctorate of Philosophy (Ph.D.) in Financial Reporting. He has over 15 years teaching experience at various UK universities including Bournemouth where he currently teaches Accounting & Finance at postgraduate level. Dr Tauringana is also a part-time lecturer at Southampton University, UK where he has been teaching International Accounting and Multinational Finance for the last five years and visiting professor at the Bordeaux school of Management, France. He has published many articles in British and American academic journals including the *European Accounting Review*, *Journal of International Financial Management and Accounting* and *Journal of Applied Accounting Research*. He has also been a visiting professor at the University of Akron and Central Arkansas in the US. Dr Tauringana has also taught accounting to professional managers in the US and Germany as a consultant

Dr. Eddie Chamisa is a Senior Lecturer in the Department of Accounting at the University of Cape Town, South Africa where he has been working since October 2000. He lectured previously at the University of Zimbabwe. Eddie's research interests are in the areas of international harmonization (or convergence) of financial reporting standards (relevance and implementation issues in developing and/or emerging countries), corporate governance, and corporate social and environmental accounting and reporting. He has recently published his works in *The International Journal of Accounting* and the *South African Journal of Accounting Research*.

LIFE-LONG ACHIEVEMENTS AWARD IN INTERNATIONAL ACCOUNTING

Dr. Gerhard Mueller

Dr. Gerhard Mueller was recognized for his life-long achievements in International Accounting. Dr. Mueller is a former member of the Financial Accounting Standards Board and Professor Emeritus of Accounting at the University of Washington. He holds an honorary doctorate in economics from the Swedish School of Economics and Business Administration, Helsinki, and an honorary Doctor of Law Degree from Kwansai Gakuin University, Hyogo, Japan.

At the University of Washington, Dr. Mueller served as the Hughes M. Blake Professor of International Business Management and later as the Julius A. Roller Professor of Accounting. His other services at the University of Washington include Acting Dean of the Business School, Senior Associate Dean, Executive Director of the Center for International Business Education and Research (CIBER), Chair of the Department of



Midyear Meeting Coordinator Victoria Krivogorsky presents the Life-Long Achievement Award to Dr. Gerhard Mueller

Accounting, and Director of the Master of Professional Accounting Program. He received his BS, MBA and Ph.D. degrees from the University of California Berkeley, and is a CPA with wide professional and business experience. During 1988-89, he served as President of both the American Accounting Association (AAA) and the Washington Society of CPAs. He is past chairman of the Board of Trustees of Overlake Hospital Medical Center in Bellevue, Washington, and of the Accounting Education Change Commission (AECC).

Dr. Mueller has lectured at numerous universities, conferences, and management programs in both the United States and abroad. He is the author, co-author and co-editor of 19 books and more than 100 professional journal articles and reviews. His biographical listings appear in "Who's Who in the World" and "Who's Who in America", among others. He served on several national advisory committees and boards of directors. He is a fellow of the Academy of International Business. He won several distinguished teaching and outstanding educator awards (American Accounting Association, 1982; University of Washington, 1983; Washington Society of CPAs, 1985; Beta Alpha Psi, 1987; American Institute of CPAs, 2000), and the Wildman Medal in 1986.

A book-length biography of Gerhard Mueller is currently in production and scheduled for publication in July, 2010. The author is Dale L. Flesher of the University of Mississippi and the publisher is Emerald Group Publishing of London. Copies should be on display at the Emerald booth at the AAA meeting in San Francisco.

Editor's note: The foregoing biography was reprinted (with permission) from the website of the Academy of International Business at Michigan State University.

**17th Anniversary (2011) Midyear Conference
of the International Accounting Section of the
American Accounting Association
*Funding Provided by the KPMG Foundation***

1. Houston, Texas - March 4-5, 1995
2. Vancouver, British Columbia, Canada - March 29-30, 1996
3. New Orleans, Louisiana - March 13-15, 1997
4. Chicago, Illinois - April 3-4, 1998
5. Orlando, Florida - January 8-9, 1999
6. Tampa, Florida - January 9-10, 2000
7. Phoenix, Arizona - January 12-13, 2001
8. Fort Lauderdale, Florida - January 11-12, 2002
9. Orlando, Florida - February 7-8, 2003
10. San Diego, California - January 30-31, 2004
11. San Antonio, Texas - February 3-5, 2005
12. Los Angeles, California - January 14-16, 2006
13. Charleston, South Carolina - February 2-3, 2007
14. San Diego, California—February 6-9, 2008 (Joint with IAEER)
15. St. Petersburg Beach, Florida—February 12-14, 2009
16. Palm Springs, California—January 28-30, 2010
17. Tampa, Florida—January 26-28, 2011 (Joint with FARS)

Details coming on the IAS Website.

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If you would like to prepare the Have You Seen?....column, or if you know of anyone who would be interested in preparing the column, please contact Chris Hodgdon at chodgdon@bsad.uvm.edu

AAA Regional Meetings 2011

Please support your regional meetings. Present a paper or volunteer to serve on a panel. Remember you may present the same paper at two different AAA meetings. Regional meetings are great venues for Doctoral Student papers; please encourage your doctoral students to take advantage of these opportunities.

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American Accounting Association International Accounting Section Call for Papers for *The Journal of International Accounting Research*

Editor:

Kenneth Ferris, Arizona State University

Editorial Policy

The *Journal of International Accounting Research* publishes articles that increase our understanding of the development and use of international accounting and reporting practices or attempt to improve extant practices. International accounting is broadly interpreted to include the reporting of international economic transactions; the study of differences among practices across countries; the study of interesting institutional and cultural factors that shape practices in a single country but have international implications; and the effect of international accounting practices on users. The *Journal* has a diverse readership and is interested in articles in auditing, financial accounting, managerial accounting, systems, tax, and other specialties within the field of accounting. The *Journal* is open to research using a wide variety of research methods, including empirical-archival, experimental, field studies, and theoretical. The *Journal* may include sections for Notes (shorter articles) and Commentaries. Education articles should be sent to a journal such as *Issues in Accounting Education*.

All manuscripts are sent to two reviewers, although one or more additional reviewers may be consulted in some instances. Reviews will be double-blind (i.e., to both the author and reviewer). A strong effort will be made to complete the initial review within two to three months. The review process is intended to provide constructive comments that improve the quality of manuscripts by focusing on critical issues. The editorial team recognizes that the nuances of a paper are better left to the authors.

Submission Of Manuscripts

1. Manuscripts currently under consideration by another journal or other publisher should not be submitted. At the time of submission, the author must state that the work is not submitted or published elsewhere.
2. To expedite the process, an electronic submission and review process is preferred. To preserve anonymity, it is advised that the cover page and the remainder of the document be placed in separate Microsoft® Word or PDF files. In the case of manuscripts reporting on field surveys or experiments, the instrument (e.g., questionnaire, case, interview plan) should also be submitted in a separate file, with the identity of the author(s) deleted. The cover page, manuscript, and, if applicable, the instrument should be emailed as attached files to Kenneth Ferris, Editor, at: kenneth.ferris@asu.edu. There is no submission fee for members of the AAA International Section, but \$35.00 for others, made payable to the American Accounting Association. The submission fee is nonrefundable. To charge the fee, access the AAA web site at: <https://aaahq.org/AAAforms/journals/jiarsubmit.cfm>. Alternatively, (although this is not encouraged) the submission fee also may be paid by check to the American Accounting Association, and mailed to Kenneth Ferris, Editor, *Journal of International Accounting Research*, School of Global Management and Leadership, Arizona State University, P.O. Box 37100, Phoenix, AZ 85069-7100.
3. If electing to submit hard copies, one copy of the manuscript should be mailed to Kenneth Ferris at the address above. In the case of manuscripts reporting on field surveys or experiments, one copy of the instrument (e.g., questionnaire, case, interview plan) should be submitted. Information that might identify the author(s) must be deleted from the instrument. The submission fee should be enclosed or charged at the AAA web site (per above).
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AAA GIFT MEMBERSHIP

Almost half of the American Accounting Association's International Accounting Section's (IAS) members live outside the United States, representing 60 countries. The IAS administers the Gift Membership Program to provide sponsored gift AAA memberships to department chairs in universities outside the United States to be selected by the IAS's International Relations Committee or by individual contributors. The gift membership provides accounting departments at these universities with AAA and IAS Section membership, including much-needed access to *The Accounting Review*, *Accounting Horizons*, *Issues in Accounting Education*, *Accounting Education News*, and *Journal of International Accounting Research*.

The Gift Membership Program is funded entirely by contributions from AAA members. We urge all AAA members to contribute, including those who are not [yet] IAS members. Individuals contributing US\$200 or more may designate a specific non-US university, with which they are not affiliated, as the beneficiary of their contribution.

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