



UNIVERSITY OF TASMANIA

School of Accounting & Finance Annual Report 1998

INTRODUCTION

The 1998 report of the School of Accounting and Finance (formerly the Department of Accounting and Finance), University of Tasmania, is the ninth annual report published by the School.

The aim of the report is to provide a brief summary of the staff, teaching, research and professional activities of the School.

AIMS OF THE SCHOOL

In common with other academic schools in a university, the School of Accounting and Finance pursues the major aims of teaching, research and professional development.

In teaching, the School's primary aim is to provide education of the highest quality for students who wish to study accounting and finance.

In research, the major aim of the School is to identify research issues in relation to accounting, finance and related areas and to undertake study which addresses those issues, with the results to be published in academic and professional journals or, where appropriate, in specialised research reports. Research is seen as an essential ingredient in the continuing development of the accounting discipline and as a major support of teaching.

In professional development, the aims of the School are to have a consistent presence and influence with the two major accounting bodies, the Australian Society of CPAs and the Institute of Chartered Accountants in Australia, and to maintain strong links with accounting firms, industry and government. Each year, the School aims to offer a number of professional development courses to the business and government community.

HEAD OF SCHOOL'S REVIEW

The School of Accounting and Finance had another very successful year in 1998. The accounting and finance majors in the Bachelor of Commerce degree continue to be popular choices with students and the rigorous standards we have maintained in both majors are appreciated by prospective employers. Honours and postgraduate numbers have continued their upward climb. It was particularly pleasing to see the number of awards and scholarships granted to our honours and postgraduate students.

A major initiative proposed by the School was a new model for the structure of the Bachelor of Commerce degree, which was adopted by the University for implementation at the beginning of 1999. Essentially, the new structure provides more choice for students in first year. After completing a number of essential core units, students can now choose the first year units relevant to their planned majors in the second and third years of the degree. The model was developed during the School retreat at the end of 1997. Concurrently with the change in structure, the School has made major changes to the syllabi of the first year units in accounting and introduced a finance unit into the first year of the B.Com degree.

The accounting major was made available to students studying for the B.Com degree in Singapore and Malaysia for the first time in 1998. While numbers were relatively small for the first year of offering the program, we are encouraged by the challenge which lies ahead in this new venture for the School.

The School of Accounting and Finance Liaison Committee, which includes representatives from accounting firms, financial institutions, professional bodies, industry and government, has proved an excellent forum for obtaining feedback on our units, courses and research. The meetings held in 1998 were most rewarding and I am grateful to all members of the Committee who make the time and effort to ensure that we have an effective discussion about matters of concern to the School.

As in previous years, there were many highlights in 1998 which included the ASCPA sponsored annual research lecture delivered by Professor Philip Brown, and the increasing recognition of our research through publications and research grants.

We look forward to 1999 in the knowledge that much has been achieved in the past years. This places the School at the forefront of teaching innovation and research excellence in Australia and internationally.

Stewart A. Leech
Professor of Accounting, Head of School

STAFF

PROFESSORS

HEAD OF SCHOOL

Stewart A. Leech

BCom (Melb), MEd (Tas), FCA, FCPA, MACS

Professor Stewart Leech is a graduate of The University of Melbourne and the University of Tasmania, a Fellow of the Institute of Chartered Accountants in Australia, a Fellow of the Australian Society of Certified Practising Accountants and a Member of the Australian Computer Society. He has been Head of the School of Accounting and Finance at the University of Tasmania since 1989. Professor Leech has wide academic and professional experience which includes appointments at The University of Melbourne, The University of Sydney and the University of Tasmania, and several visiting appointments at overseas universities. He is a State Councillor of the Institute of Chartered Accountants in Australia and Vice Chairman of the Tasmanian Branch. He has co-authored two books, one with accompanying accounting software, has numerous publications in refereed academic and professional journals, and has been invited to contribute to books published in Australia and overseas.

Professor Leech is a member of the editorial board of a number of leading academic journals, including the *Journal of Information Systems*, the *New Review of Expert Systems* and *Accounting Forum*; and is an Associate Editor of the *International Journal of Accounting Information Systems*, and the *Journal of Financial Information Systems*. He is Chairperson of the Information Systems Section of the American Accounting Association, a committee member of the Artificial Intelligence/ Emerging Technologies Section of the American Accounting Association and a charter member of the Association for Information Systems. Professor Leech's teaching interests are in the field of accounting information systems. He is best known internationally for his research into database accounting and expert systems in accounting.

DEPUTY HEAD OF SCHOOL

Jayne M. Godfrey

BCom (Hons) (Melb), MEd (Syd), Dip Ed (MSCV), PhD (Qld), FCA, FCPA.

Professor Jayne Godfrey was appointed Professor of Accounting and Finance in 1996. She is best known for her publications concerning earnings management, the economic determinants and consequences of alternative methods of accounting, and for the textbook *Accounting Theory* (with Professor A. Hodgson & Professor S. Holmes). She is the academic member of the Australian Accounting Standards Board, a member of the Tasmanian Divisional Council of the Australian Society of CPAs and a Past President of the Accounting Association of Australia and New Zealand. Professor Godfrey is the Director of Research and Postgraduate Studies in the School.

STAFF

ASSOCIATE PROFESSOR

John W. (Jack) English

BA (San Jose), MBA (Santa Clara), CPA

Associate Professor Jack English joined the School in 1989. Earlier he had come to Australia from the USA where he gained experience as a stockbroker and financial controller. His previous academic appointments were at the University of New England, Southern Cross University and Charles Sturt University. His current teaching and research interests are in the areas of corporate finance, investment analysis and personal financial management. Recent research projects and publications have focused on the pricing efficiency of financial futures contracts in Australia and personal financial management. Associate Professor English is the author of a number of books in Australia and overseas on investment and small business management.

SENIOR LECTURERS

Kathy M. Gibson

BBus (VUT), Grad Dip App Sci (Deakin), Grad Dip App Fin & Inv (SIA), MCom (Deakin), FCPA

Kathy Gibson was appointed to a lectureship in the School at the end of 1993. Prior to that she was an investment analyst in stockbroking and merchant banking both in London and Australia, and spent 11 years in the hospitality industry as a finance director and company secretary. Her main research interests are in accounting theory, social and environmental accounting, and accounting philosophy. Kathy Gibson's work in this area has been published in international refereed journals and she has presented papers at conferences both in Australia and overseas. In 1995 she was appointed International Associate of the Centre for Social and Environmental Accounting Research at the University of Dundee. She is Deputy President of the Tasmanian Division of the Australian Society of CPAs. Kathy Gibson has also been involved in the presentation of professional development seminars for a number of professional bodies. She is Director of the University's Strategic Research Centre for Environmental Accountability and was appointed Chair of the Commerce Degree Board, Faculty of Commerce and Law, in 1998.

John Livermore

LLB (Bristol), LLM (Tas), Diploma in Social Studies, MCIT, AFAM

John Livermore has been a lecturer in the School since 1974. His teaching and research interests include introductory law, marketing law, transport law and exemption clauses and implied terms in contracts. His recent research projects, conference papers and publications have dealt with current legal developments in the areas of bills of lading and airline deregulation in the Asia Pacific Region. John Livermore is a co-author of two books on marketing law and contributed a chapter on international banking to a book on financial institutions law. He is also the editor of a volume on transport law in *The Laws of Australia* published by the Law Book Company and has two chapters on Carriage by Land and Sea in that volume. He has conducted two public inquiries for the Tasmanian Government on road/rail transport and on the port handling of wheat imports into the state. He has presented short courses and seminars for a number of private sector organisations.

STAFF

SENIOR LECTURERS

John S. Pugh

BCom, BEd (Cape Town), MA (Sussex), Postgrad Cert Ed (Lond), CPA

John Pugh emigrated to Australia from South Africa in 1987. In South Africa he had held academic appointments as senior lecturer in Schools of Accounting at the University of Cape Town and Rhodes University. On arriving in Australia he joined the School of Business at the former Tasmanian State Institute of Technology in Launceston as a lecturer in accounting. Later he was promoted to senior lecturer, Assistant Head of School and Head of School. His research interests are in accounting education, competency based standards, and assessment for professional accountants. His specialist teaching interest is introductory accounting and the development of independent study materials for that subject. John Pugh has served as a member of the Northern Tasmania Branch Council of the Australian Society of CPAs, and on its Tasmanian Professional Development Committee. He has been invited by two Australian publishing firms to review work in progress on new editions of introductory accounting texts.

LECTURERS

Tong-Gunn Chew

BCom (Tas)(Hons), MCom (Tas), ASA

Tong-Gunn Chew joined the School in November 1995. Previously she worked for Coopers & Lybrand and J P Morgan in Singapore in the audit and financial departments respectively. Her major teaching and research interests are in financial accounting and auditing. Tong-Gunn Chew was the Sub-Dean and International Student Adviser for the School in 1998.

Peter H. Collett

BEc (Tas), BA (Hons)(Tas), BCom (Hons)(Tas), MA (Syd), Dip Ed (Tas), CPA

Peter Collett joined the School in early 1990 after gaining extensive teaching experience in Tasmanian high schools and colleges in the areas of accounting and legal studies. He is the lecturer in charge of the Introductory Accounting units offered by the School on the Hobart campus. His research interests are in the area of regulation of financial accounting and professional ethics. He has served as a technical consultant to the Australian Society of CPAs Ethics Centre of Excellence since it was established in Hobart in 1992. Peter Collett has published in refereed academic and professional journals in Australia and he has presented various seminars.

Barry J. Hicks

BA (Syd), LLB (Syd)

Barry Hicks joined the School in 1990 as a lecturer. He was admitted as a solicitor in Sydney in 1976 and practised there until the end of 1988. During 1989 he was a tutor in commercial law at the Kuring-gai College of Advanced Education, Sydney. His teaching and research interests are in the areas of commercial law, corporations law, banking and finance law, environmental law and personal financial management. Barry Hicks has co-authored two texts on Australian Financial Institutions Law and a book, Personal Financial Management, to be published in 1999. He has also published in refereed journals. He is the Co-ordinator of the Company Directors' Course offered by the Australian Institute of Company Directors at the University in Hobart in conjunction with the School. He presents modules in the Course and has presented a number of short courses and seminars for private and public sector organisations.

STAFF

LECTURERS

Sue L. Hrasky

BCom (Hons) (Tas), M Soc Sci (Tas), CPA

Sue Hrasky joined the School in 1987 as a lecturer. Her previous positions include tutor in accounting with the School, and Financial Analyst with Telecom Australia. Her current teaching and research interests are in the areas of auditing, management accounting, government financial management and personal financial management. Sue Hrasky has published in refereed journals and co-authored a book, Personal Financial Management, to be published in 1999. She has conducted various seminars for private and public sector organisations.

Chris C. Ikin

BEC (Hons) (Tas), FCA

Chris Ikin joined the School of Business at the former Tasmanian State Institute of Technology in Launceston in 1984 as a lecturer in accounting. He had previously spent 10 years with Arthur Young & Co in Australia and overseas followed by 7 years as an audit partner with a firm of Chartered Accountants in Launceston. His teaching and research interests are in the areas of financial accounting, accounting information systems and auditing. Chris Ikin has taught in the MBA program and the Graduate Diploma of Professional Management offered by the Faculty of Commerce and Law. He has presented various short courses and seminars for public and private sector organisations. He is a member of the Membership Services Committee of the Institute of Chartered Accountants in Australia (Tasmanian Branch).

Peter J. Mansfield

A.B.Sc.B.(Brown), PhD (Cornell)

Dr Peter Mansfield joined the School in 1995. Before that time he emigrated to Australia from the USA where he had worked in industry. He has extensive consulting experience in the areas of economic modeling, analysis of strategic computer systems and total quality management. He has also taught in the School of Economics and in the MBA Program offered by the Faculty of Commerce and Law. Dr Mansfield's teaching is in the area of finance. His current research projects include asset pricing and volatility modeling for both interest rates and exchange rates.

ASSOCIATE LECTURERS

Jenifer Austin

BCom, CPA

Jenifer Austin re-joined the School in January 1998, having previously been an associate lecturer with the School from 1992 to 1996. Her previous positions include auditing in State and Commonwealth organisations. Her current teaching and research interests are in the areas of taxation, auditing and government financial management. Jenifer is undertaking a Master of Commerce program in the School.

STAFF

ASSOCIATE LECTURERS

Maria Chan

BCom

Maria Chan is a graduate in Commerce from the University of Tasmania. She joined the School of Accounting and Finance in July 1998 after having spent seven years in Banking, two years in Financial Futures and Commodity Broking and two years in Sales and Marketing. Maria Chan is originally from New Zealand and had spent five years travelling the world before settling in Tasmania in 1993. Her major teaching interests include financial management and auditing, and she holds a particular interest in management accounting.

Catherine M. Rundle

BEC (Hons) (Tas), CPA

Catherine Rundle re-joined the School in July 1994 having previously been a tutor in accounting with the School from 1986 to 1989. In the intervening period she worked in public accounting practice. Catherine Rundle teaches taxation, introductory accounting and personal financial management. Her research interests are in the area of taxation and she has co-authored a book, *Personal Financial Management*, to be published in 1999. She is currently undertaking a Master of Commerce program in the School. In 1997 Catherine Rundle took 10 months leave from the School to work with the State Department of Treasury and Finance advising in the tax policy area. At the end of 1998 she was appointed Sub-Dean for the School.

OFFICE STAFF

Christine Hurley (Business Manager)

Suellen Lampkin (Secretary, Hobart)

Zoe Pearce (Secretary, Launceston) (Fractional)

Adriana Zanella (Clerical Officer)

COMPUTER SUPPORT STAFF

Information Technology Unit

(In the Faculty of Commerce and Law)

Peter Trueman, Information Technology Manager

David Chalmers, IT Officer

Martin Chung, IT Officer (to March 1998)

Greg Hind, IT Officer (from March 1998)

Jason James, IT Officer

STAFF CHANGES

Jennifer Austin was appointed as a lecturer in January 1998.

Maria Chan was appointed as a lecturer in July 1998 and finished at the end of the year.

Zoe Pearce resigned in December 1998.

Professor Severin Grabski was appointed Visiting Professor of Accounting for Semester 1, 1999.

TEACHING

COURSES AND UNITS OFFERED IN 1998

BACHELOR OF COMMERCE (ACCOUNTING AND FINANCE MAJORS)

First Year

BFA101 Introductory Accounting A
BFA102 Introductory Accounting B

Second Year

BFA201 Financial Accounting
BFA221 Accounting Information Systems
BFA241 Corporations Law
BFA261 Management Accounting
BFA281 Financial Management
BFA285 Investment Analysis (Hobart only)

Third Year

BFA301 Advanced Financial Accounting
BFA302 Accounting Theory
BFA303 Auditing
BFA347 Banking and Finance Law (Hobart only)
BFA384 International Finance (Hobart only)
BFA385 Derivative Securities (Hobart only)
BFA391 Taxation

BACHELOR OF COMMERCE (HONOURS)

BFA420 Advanced Accounting Theory
BFA424 Advanced Finance
BFA425 Advanced Accounting Information Systems
BFA429 Corporate Governance and Accountability
BFA441 Dissertation

MASTER OF COMMERCE

BFA701 Advanced Financial Accounting
BFA720 Advanced Accounting Theory
BFA724 Advanced Finance
BFA725 Advanced Accounting Information Systems
BFA729 Corporate Governance and Accountability
BFA741 Dissertation

HONOURS AND POSTGRADUATE PROGRAMS

General

The School teaches in the following degree courses and programs offered by the Faculty of Commerce and Law (formerly the Faculty of Commerce and Economics).

Bachelor of Commerce (Honours)
Master of Commerce (by Coursework)
Master of Commerce (by Research)
Doctor of Philosophy (PhD)

Coursework units in the Bachelor of Commerce (Honours) and Master of Commerce (by Coursework) programs that were offered in 1998 are listed above.

Formal responsibility for the honours and postgraduate programs in the School rests with the Director of Research and Postgraduate Studies, Professor Jayne Godfrey.

Enrolments in 1998

Enrolments in the School's honours and postgraduate programs have grown considerably in recent years and during 1998 there were candidates enrolled in the Bachelor of Commerce (Honours), Master of Commerce (by Coursework), and PhD programs.

Candidates in the various programs were as follows:

Doctor of Philosophy

Candidate: Keryn Chalmers
Supervisor: Professor Jayne Godfrey
Enrolled: 1998
Topic: *"Determinants of Derivatives Disclosures: A Legitimising Approach"*.

Candidate: Tong-Gunn Chew
Supervisor: Professor Jayne Godfrey
Enrolled: 1997
Topic: *"The Effects of Disclosure of Banks Performance"*.

HONOURS AND POSTGRADUATE PROGRAMS

Candidate: Jane Culvenor
Supervisor: Professor Jayne Godfrey
Enrolled: 1997
Topic: *“Corroboration of Cash Flow and Earnings Announcements: Management Incentives”*.

Candidate: Kathy Gibson
Supervisor: Professor Stewart Leech
External
Supervisor: Professor Tony Tinker, City University of New York
Enrolled: 1994
Topic: *“Accounting Philosophy”*.

Candidate: Ping Sheng Koh
Supervisor: Professor Jayne Godfrey
Enrolled: 1997
Topic: *“The Impact of Institutional Investors on Corporate Earnings Management”*.

Candidate: Isaac Otchere
Supervisor: Professor Jayne Godfrey
Enrolled: 1995
Topic: *“Intra-industry Information Transfer associated with the Announcement of Dividend Initiation and Resumption”*.

Candidate: Stephen Vickers
Supervisor: Professor Stewart Leech
Enrolled: 1994
Topic: *“The Semantic Modeling of Accounting Phenomena”*.

Master of Commerce (by Coursework)

Candidate: Jenifer Austin
Supervisor: Professor Jayne Godfrey
Enrolled: 1998
Topic: *“The Effect of Privatisation on Reported Net Asset Management for Australian Federal and State Public Trading Enterprises”*.

Candidate: Adi Sasono
Supervisor: Professor Jayne Godfrey
Enrolled: 1998
Topic: *“The Influences of Contracting and Political Costs on Income Smoothing via an Accrual-Based Management”*.

Bachelor of Commerce (Honours)

Candidate: Justin Hill
Supervisors: Professor Jayne Godfrey and Ms Catherine Rundle
Enrolled: 1997 (part-time)
Topic: *“Earnings Management in Response to a Decrease in the Corporate Income Tax Rate”*.

Candidate: George Piggott
Supervisor: Ms Kathy Gibson
Enrolled: 1998
Topic: *“The Usefulness of Local Government Financial Reports: The Perception of Users”*.

Candidate: Bai Lu
Supervisors: Professor Stewart Leech and Professor Sev Grabski
Enrolled: 1998 (part-time)
Topic: *“ERP Implementation in a Service Organization: A Case Study”*

Candidate: Daron Heald
Supervisor: To be advised
Enrolled: 1998 (part-time)
Topic: *To be advised.*

Degrees Awarded on the basis of 1998 Studies

Bachelor of Commerce (First Class Honours)

George Piggott
Justin Hill

Scholarships awarded to Honours and Postgraduate students

In 1998 a number of University of Tasmania scholarships were awarded or held by honours and postgraduate students in the School. This was very pleasing both for the successful students and for the School.

The students holding scholarships were as follows:

Jane Culvenor
Ping Sheng Koh
Isaac Otchere
George Piggott
Stephen Vickers

HONOURS AND POSTGRADUATE PROGRAMS

Postgraduate Studies Forum

In November 1998 a Postgraduate Studies Forum was held for Honours, Masters and PhD candidates. The inaugural Forum was held in September 1996. The Forums are designed to allow candidates to outline their research topic and progress, and to receive comments and suggestions from staff and research students in the School. Candidates and staff participating in the Forum in 1998 all agreed that it was highly beneficial. Forums will continue to be held on a regular basis in future years.

Visiting Postgraduate Student

In second Semester 1998 the School was pleased to welcome a visiting postgraduate student, Rasmus Sommer, who is currently enrolled in a PhD program at The Aarhus School of Business, Denmark. Rasmus enrolled in two units in the Master of Commerce program, BFA701 Advanced Financial Accounting and BFA724 Advanced Finance. As a PhD student in Denmark he is required to enrol at another university for one semester. He chose to come to the University of Tasmania because of his research interest in the field of positive accounting, which is a major area of research in the School of Accounting and Finance.

[Some postgraduates in the School – From left, Ping Sheng Koh; Stephen Vickers; Rasmus Sommer; Adi Sasono; Professor Jayne Godfrey; Tong-Gunn Chew.]



INTERNATIONAL STUDENTS IN THE SCHOOL

In 1998 there were over 100 international students enrolled in undergraduate units in the Accounting and Finance Majors of the Bachelor of Commerce Degree offered by the School on the Hobart and Launceston campuses. There were also four international students enrolled in the School's postgraduate programs.

The largest numbers of international students in the School are from Malaysia and Singapore, however there are also students from Brunei, China, Egypt, Fiji, Hong Kong, Indonesia, Korea, Taiwan, Thailand, Vietnam, and other countries. Many students are offered a place in the first year of the BCom program. In recent years, as a result of the decision by Faculty of Commerce and Law to award advanced standing in certain cases, increasing numbers of students have gained entry to the second year of the program. Such students have typically completed studies at polytechnics or colleges in their home country and the awards of these institutions have been recognised by Faculty.

In the first week of Semester 1 1998 Professor Leech welcomed new students at a luncheon held by the School for international students and staff. The luncheon provided an opportunity for newly arrived students to meet with their lecturers, tutors, and with other students. The functions have been held each year since 1996.

At the luncheon the School announced the winners of its two 'International Student Awards', the 'Outstanding International Student Award in Accounting' and the 'Outstanding International Student Award in Finance'. The awards, first made in 1997, are for the international students who achieve the highest level of academic performance in the Accounting and Finance Majors. Lisa Wong, a student from Singapore who completed her undergraduate studies in 1997, received the Accounting Award. Andrew Chan, who had returned to Penang to take up a position in Dell Asia Pacific Limited, received the Finance Award. The presentation was made to Andrew during Professor Leech's visit to Penang in March 1998. The awards provide encouragement, and recognise the performance of international students in the School.

STAFF/STUDENT LIAISON MEETINGS

As part of the School's quality assurance procedures relating to its responsibility for teaching and the promotion of student learning, the School arranges regular liaison meetings with undergraduate and postgraduate students. The first of such meetings was held in 1996.

Meetings with undergraduate students are generally held in the second half of Semester 1 and Semester 2 each year. The primary aim of these meetings is to give students an opportunity to express their views about their experiences in units and, where possible and appropriate, to receive some comment from the Head of School on any substantive issues raised at the meeting.

To ensure that each class is represented and that a broad range of views can be given, the lecturers in charge of units arrange for each of their tutorial groups to elect a representative to attend the liaison meeting. A general invitation is also extended to all students studying in the School. Notes of the meetings are taken and are available to students on request.

Specific issues raised by students and policy matters are subsequently considered by the School and remedial action is taken where possible and appropriate. Reports of remedial action are provided to students both generally and at subsequent liaison meetings.

Two meetings were held in 1998. The first meeting was chaired by Barry Hicks and the second meeting was chaired by John Pugh. Both meetings were attended by Professor Stewart Leech.

SCHOOL OF ACCOUNTING AND FINANCE LIAISON COMMITTEE

In 1997 the School established a Committee for the purpose of maintaining and developing further interaction, on both teaching and research, between the School and representatives of accounting firms, financial institutions, professional bodies, industry and government. The Committee meets on a twice-yearly basis.

Meetings of the Liaison Committee were held in May and October 1998. At the first meeting there was discussion in relation to a variety of matters including changes to the structure of the Bachelor of Commerce Degree including the Accounting and Finance Majors, changes in University structures, teaching on multiple campuses in Tasmania, teaching and learning initiatives, Professional Placement Program for International Students, teaching offshore in Singapore and Malaysia, honours and postgraduate programs offered by the School, and industry collaboration with research projects undertaken by staff in the School.

At the meeting held in October there was further discussion in relation to a number of these issues as well as discussion of teaching methods and a new core unit to be offered in the University's Natural Environments and Wilderness degree, BFA307 Environmental Accountability. The School is appreciative of the contributions made by the outside members of the Committee and looks forward to future consultation and meetings with them.

BCOM (ACCOUNTING AND FINANCE) LIAISON COMMITTEE

Membership of the Committee for 1997/1998

School Members

Professor Stewart Leech (Chair), Professor Jayne Godfrey, John Pugh, and Chris Ikin

Student Member

Carl Hollingsworth

External Members

Tim Abey, Chief Executive, Tasmanian Chamber of Commerce and Industry

Peter Allan, State Manager, Department of Employment, Education, Training & Youth Affairs

Robert Atkinson, Partner, Atkinson Gibson

George Austin, Partner, Austin Stevens & Co

David Baulch, State Audit Office

David Catchpole, Chief Executive Officer, Shadforths Ltd

Lyn Cox, Managing Partner (Tasmania), Deloitte Touche Tohmatsu

Sally Denny

Harvey Gibson, Partner, Wise Lord and Ferguson

Richard Pringle-Jones, Manager/Administration (Tasmania), JB Were & Son

Bruce Rose, Senior Manager, Tasmanian Public Finance Corporation

Ian Wright, Partner, Garrott & Garrott

ECONOMICS AND COMMERCE RESOURCES CENTRE

The School of Accounting and Finance, in conjunction with the School of Economics, operates a resources centre that is available for use by second and third year students, honours and postgraduate students and staff. A number of subscriptions to journals, reports and other materials are provided from funds donated by accounting firms and others. The School is grateful to the accounting firms and others who have donated funds to the Centre. Donations for 1998 were received from KPMG, Chartered Accountants, and Wise Lord and Ferguson, Chartered Accountants.

FACULTY COMPUTING LABORATORIES

Overview

1998 was a year of tremendous change and development at the hands of the IT Unit. All staff computers were converted to Pentium-based PC's running *Windows NT*. The student computing laboratories in Hobart and Launceston were completely transformed from a mixture of *Windows 3.1* and *Windows 95* to entirely *Windows NT*-based, with new Pentium-based computers replacing all the old 386's and 486's. The Faculty's servers were converted to *Windows NT* Servers and the *Novell* servers were all shut down. The IT Unit held training seminars and courses for staff and students.

As staff were moved to the new desktop computers, they were also migrated to new versions of *Office*, *Netscape Navigator* and *Eudora Pro*. Although this initially caused some difficulties when some staff were using the newer version of Office and others were still using the old, these were smoothed out as the migration process continued.

FACULTY COMPUTING LABORATORIES

Computing Laboratories

At the end of 1998, there were five computing laboratories maintained by the Faculty's IT Unit for use by students of the School in Hobart and Launceston:

Commerce Lab 1 – 10 Pentium 166 MHz PC's

Commerce Lab 2 – 20 Pentium 120 MHz PC's

Commerce Lab 3 – 18 Pentium 166 MHz PC's

Room D004, Newnham – 23 Pentium 166 MHz PC's

Room D130, Newnham – 19 Pentium 120 MHz PC's

All offer *Office 97*, *Netscape Navigator* and *Eudora* in a *Windows NT* environment. A second SAPS printer was installed in the Commerce Laboratories at Hobart to help cope with the huge volume of printing that occurs in those labs. At the end of 1998, the paper capacity of both these printers were upgraded from 1000 pages each to 3000 pages each, in a further effort to cope with the demand placed upon these machines. A new colour printer was bought for the Commerce building in Hobart, replacing the ageing and increasingly unreliable one held there.

World-wide Web and Faculty Lecture Notes

The Faculty's World-wide Web server was moved to a larger, faster server and migrated from Microsoft's *Internet Information Server* to Netscape's *Fastrack Server*. The School's lecture notes, formerly housed on a Novell server were made available through the WWW. This change made the lecture notes much more easily accessible from elsewhere within the University and to staff or students dialling in through *Tasmania's Access Server*, the University's preferred Internet Service Provider.

RESEARCH

The School conducts research in five main areas: financial accounting and auditing, management accounting, finance, accounting information systems, and corporate governance. These areas reflect the major specialisations within the School.

RESEARCH ACTIVITY

Tong-Gunn Chew completed a project on 'Outsourcing of Internal Audit to External Auditors with Predominantly Compliance Based Audit Experience'. The work was funded by the ASCPA Research Grant 1997. She also commenced her enrolment in a PhD program in the area of 'The Effects of Disclosure of Banks' Performance'.

Peter Collett worked on a project with Sue Hrasky investigating determinants of resource allocation within internal audit departments. He also co-authored a paper with Professor Jayne Godfrey and Sue Hrasky entitled '*Standard-setting in Australia: Implications of recent radical reform proposals*'.

Associate Professor Jack English completed four chapters in a book entitled *Personal Financial Management* to be published in 1999. The chapters are entitled, 'Financial Planning', 'Cash Management', 'Investment Fundamentals' and 'Stockmarket Investment'.

RESEARCH ACTIVITY

Kathy Gibson continued to explore issues of accountability and the contribution which the accounting discipline can make towards ecological sustainability and environmental conservation. These include accounting for the costs of pollution and contamination, and the use of natural resources, together with reporting on the development and use of heritage and community assets by both the public and private sectors. She is currently enrolled in a PhD program exploring philosophical issues of accounting with particular concern for the environmental and social effects of accounting practice.

Professor Jayne Godfrey undertook the following research during 1998:

"Income smoothing, extraordinary items and accounting for political costs",

(Co-authored with K. Jones, The University of Melbourne).

"Determinants of short-term earnings management: Influences of once-off and enduring attributes",

(Co-authored with P.S. Koh, University of Tasmania).

"Standard-setting in Australia: Implications of recent radical reform proposals",

(Co-authored with P. Collett and S. Hrasky, University of Tasmania).

"The explanatory power of alternative earnings management models using alternative measures of property, plant and equipment",

(Co-authored with J. Culvenor, La Trobe University).

"Modelling Total Accruals in an International Environment: The Impact of Alternative Measures of PPE"

(Co-authored with G. Byrne La Trobe University and J. Culvenor, La Trobe University).

"The explanatory power of alternative total accruals models",

(Co-authored with P.S. Koh, University of Tasmania).

"An analysis of earnings management in an income smoothing context",

(Co-authored with J. Culvenor, La Trobe University and K.T. Ng, University of Tasmania).

"Investment opportunity set and contracting influences on accounting policy choice",

(Co-authored with M. Bradbury, University of Auckland).

"A cross-sectional analysis of firms' currency risk management responses to foreign currency accounting regulation",

(Co-authored with J.R. Evans, Coopers & Lybrand).

"An efficient contracting approach to accounting portfolio determination".

"Evaluation and measurement: A university alumni association perspective on benchmarking",

(Co-authored with P.J. Godfrey, Godfrey Business Advisory Services).

"Share price reactions to ASRB regulation of accounting for foreign currency translation",

(Co-authored with R. Heaney, Australian National University).

Professor Godfrey also undertook various projects which include projects in collaboration with colleagues at the University of Tasmania, The University of Queensland, The London School of Economics and Political Science, and Manchester University. The projects involve contracting and international accounting issues.

Barry Hicks continued his examination of the compliance by company auditors with the Corporations Law requirement to report to the ASIC when, in the course of performing their duties as auditor of a company, they are satisfied that there has been a contravention of the Corporations Law. This is the topic of a dissertation for a Master of Laws program in which he is currently enrolled. He also completed six chapters in a book entitled *Personal Financial Management* to be published in 1999. The chapters are entitled, 'Borrowing Fundamentals', 'Consumer Credit', 'Finance for Cars and Homes', 'Insurance Fundamentals', 'Property and Liability Insurance' and 'Life, Disability and Health Insurance'.

Sue Hrasky worked on a project with Peter Collett investigating determinants of resource allocation within internal audit departments. She also co-authored a paper with Professor Jayne Godfrey and Peter Collett entitled *"Standard-setting in Australia: Implications of recent radical reform proposals"*. She completed three chapters in a book entitled *Personal Financial Management* to be published in 1999. The chapters are entitled, 'Entering Retirement', 'Essentials of Superannuation' and 'Superannuation Planning'.

RESEARCH ACTIVITY

Chris Ikin continued research to develop a model that describes the determinants of non-audit service fees paid by Australian companies to their independent external auditors, and how this might affect auditor independence. He is preparing a research paper entitled “*The Demand Determinants of Non-Audit Service Fees: An empirical Analysis with Implications for Auditor Independence*”.

Professor Stewart Leech and Phil Collier (Defence Science and Technology Organisation Australia) continued research on a computational model of expertise for companies in financial distress. This project has been supported by a Large ARC Grant of \$64,000 and an Institute of Chartered Accountants in Australia (I.T. Chapter) research grants of \$11,720. During 1998, a paper from this research was published in *Advances in Accounting Information Systems*, and papers were accepted for publication in the *International Journal of Intelligent Systems in Accounting Finance and Management*, and in *Accounting Forum*.

Professor Leech, Phil Collier, Vicky Arnold and Steve Sutton (both at Texas Tech University) undertook further work on a project that aims at identifying factors that determine the use of and reliance on intelligent decision aids in accounting. Professors Leech and Arnold presented this research at the *Fifth Annual AIS Research Symposium* in Phoenix in February. Professor Leech also presented papers on this topic at the *AAANZ Conference* in Adelaide in July, and at the Research Seminar Program at The University of Melbourne in September. Papers have also been accepted for presentation at the *American Accounting Association Auditing Section Midyear Conference* in Atlanta, Georgia, in January 1999 and at the *Sixth Annual AIS Research Symposium* in Phoenix, Arizona, in February 1999. The research was initially supported by a grant from the Auditors’ and Liquidators’ Trust Fund and attracted a Large ARC Grant of \$53,000 for 1999-2000.

John Livermore was Editor of the Asia Pacific Journal of Transport Law and Policy which is an internet journal [<http://www.comlaw.utas.edu.au/APJoTL&P>]. He continued work, with a research assistant, on “*Transport Law: Australia*” for publication in the “*International Encyclopedia of Laws*” by Kluwer Law International in 1999. He also continued work on a collection of essays, “*Current Problems in Maritime Law*” for publication in 1999 by Kluwer. John Livermore was the Australian National Reporter at the *15th International Congress of Comparative Law* held at the University of Bristol. He gave a paper to the Air and Maritime Law Section entitled ‘Multimodal Transport: Carrier Liability and Issues related to Bills of Lading’. The session was chaired by Lord Steyn of the House of Lords. He also gave a paper at the *Sovereignty at Sea: Westphalia to Madrid Conference* held in Hobart. The paper was entitled ‘Antarctic Transport: Treaties, Policies and Issues’.

Dr Peter Mansfield performed some independent research comparing various models of volatility. He also joined Dr Bruce Brown of the School of Mathematics in some collaborative investigations into asset pricing using novel techniques based on probability theory.

John Pugh continued his examination of the development of competencies and competency based-assessment in accounting education.

Catherine Rundle completed three chapters in a book entitled *Personal Financial Management* to be published in 1999. The chapters are entitled, ‘Real Estate Investment’, ‘Taxation Fundamentals’ and ‘Taxation Planning’.

RESEARCH AWARDS

In 1998 Kathy Gibson received the ANBAR citation for a research paper published in 1997. The citation is for ‘Excellence in Research Implications’. Particulars of the paper are as follows:

Gibson, K. M., “Courses on Environmental Accounting”, *Accounting Auditing and Accountability Journal*, Vol 10 No 4 1997.

STRATEGIC RESEARCH CENTRE FOR ENVIRONMENTAL ACCOUNTABILITY

Members of staff of the School under the leadership of Kathy Gibson formed an 'Environmental Accountability Research Group' late in 1994. In June 1996 the University approved the establishment of a Strategic Research Centre for Environmental Accountability which assumed responsibility for the activities of the Research Group. Several members of staff in the School accepted positions in the Centre.

Following its establishment the Centre assumed responsibility for publication of the *Environmental Accountability Research Group Newsletter*, previously undertaken by the Research Group, and it was re-named the *Strategic Research Centre for Environmental Accountability Newsletter*. Particulars of publications in the *Newsletters* have been included in previous annual reports of the School.

In 1997 the Centre became a founding member of the *Asia Pacific Centre for Environmental Accountability (APCEA)* following an agreement entered into between the University of Tasmania and *APCEA*. Other Australian and New Zealand Universities also joined. The Centre's *Newsletter* became the *News Journal of the Asia Pacific Centre for Environmental Accountability*. In 1998 members of staff in the School contributed articles to the *News Journal*, particulars of which are provided in this annual report under 'Publications'.

The Strategic Research Centre, the Director and the School Staff members who are on its Board of Management have continued to play an important role in the development and implementation of the School's Mission Statement and its Strategic and Research Management Plans.

During 1998 the following staff of the School were involved in the activities of the Centre:

Director of the Centre

Kathy Gibson

Board of Management

Barry Hicks

Chris Ikin

John Livermore

Catherine Rundle

Advisory Board

Professor Stewart Leech, Chair

Professor Jayne Godfrey, Member

SCHOOL RESEARCH SEMINARS AND WORKSHOPS

Participants in the School Research Seminars and Workshops included both visitors and members of staff. A list of the topics and presenters is provided below.

March

Professor Keith Houghton, The University of Melbourne, *'Measuring Meaning in Accounting: Shared Connotations of Underpinning Concepts'*.



[From left, Professor Jayne Godfrey, Professor Keith Houghton and Professor Stewart Leech].

Professor Donald Stokes, University of Technology Sydney (co-authors: Professor Jere R. Francis & Professor Don Anderson), *'Big 6 Market Share Differentiation in City-Level Audit Markets'*.

April

Professor Stewart Leech, University of Tasmania (co-authors: Professor Vicky Arnold, Professor Steve Sutton & Mr Phil Collier), *'The Impact of Intelligent Decision Aids on Expert and Novice Decision Makers' Judgement Processes'*.

May

Professor Allan Hodgson, Griffith University (co-author: Ms Peta Stevenson-Clarke), *'Re-Regulation and Accounting Manipulations - The Case of Australian Credit Unions'*.

Dr Peter Mansfield, University of Tasmania, *'GARCH in Question . . . and as a Benchmark'*.

Professor Jayne Godfrey and Mr Ping Sheng Koh, University of Tasmania, *'The Explanatory Power of Alternative Total Accruals Models'*.

Mr Christopher Viney, Monash University, *'Evidence of Australian Bank Exposures to Operational Disaster'*.

June

Professor Rajendra Srivastava, University of Kansas, *'A Decision Theoretic Approach to Web Trust Assurance Services Using Belief Functions'*.

Dr Alister Hunt, University of Auckland, *'An Equity Cashflow Perspective on the Book to Market Equity Ratio's Ability to Predict Stock Returns'*.

SCHOOL RESEARCH SEMINARS AND WORKSHOPS

August

Professor David Johnstone, University of Wollongong, *'The Reverse Sunk Cost Effect and Explanations Rational and Irrational'*.

Ms Keryn Chalmers, Victorian University of Technology, *'Derivative Financial Instrument Disclosures: Voluntary Disclosures in a Changing Regulatory Environment'*.

Dr Paul Mather, Monash University, *'Financial Covenants in Australian Private Debt Contracts: An Experimental Study of Their Determinants and Lenders' Reactions to Technical Default'*.

September

Mr Marcus Milne, University of Otago, *'Investor Reactions to Corporate Environmental Saints and Sinners: An Experimental Analysis'*.

Ms Michelle Goyen, University of Southern Queensland, *'Putting Your Money Where Your Mouth Is: A Profile of Ethical Investors'*.

October

Professor David Allen, Edith Cowan University, *'A Test of the Persistence in Performance of UK Mutual Funds'*.

Professor Stephen Taylor, The University of Sydney, *'Do Takeover Premiums Reflect Accounting Fundamentals'*.

Associate Professor Colin Ferguson, The University of Queensland, *'Audit Education and Training: The Effect of Formal Studies and Work Experience'*.

GRANTS

Jane Culvenor and **Professor Jayne Godfrey** were awarded a Small ARC Grant for 1999 (\$10,000) entitled "*Vuong Tests in the Context of Positive Accounting Theory*".

Professor Jayne Godfrey together with **Professor R.J. Braithwaite** were awarded DEETYA funding of \$89,672 for a project, entitled "*Promoting Access-Increasing Opportunities for University Education*".

Professor Jayne Godfrey and **Ping Sheng Koh** were awarded a Small ARC Grant for 1999 (\$12,000) entitled '*Determinants of Short-Term Earnings Management*'.

Professor Jayne Godfrey and **Professor Stewart Leech** were Lead Principal Investigators (with Professor P. Liesch, Professor D. Chalmers and Dr. C. Keen) for a University of Tasmania Research Infrastructure Grant (\$62,000) for a project entitled, "*Electronic Research Database Collection*".

Professor Stewart Leech together with **Professors Vicky Arnold, Steve Sutton and Mr Philip Collier** were awarded a Large ARC Grant for 1999-2000 (\$53,000), entitled "*The Impact of Intelligence Decision Aids on Human Decision Making*".

PUBLICATIONS

Books

English, J.W., *How to Organise and Operate a Small Business in Australia*, 7th edn, Allen & Unwin, Sydney, 1998.

Contribution to Books

English, J.W., Chapter 1 'Financial Planning'; Chapter 2 'Cash Management'; Chapter 9 'Investment Fundamentals'; Chapter 10 'Stockmarket Investment' in *Personal Financial Management*, Allen & Unwin, Sydney, (forthcoming 1999).

Godfrey, J.M. & Ikin, C.C., 'World Accounting - Australia' in *World Accounting*, Orsini, L.L. & McAllister, J.P. (eds), Mathew Bender, 1998.

Hicks, B.J., Chapter 3 'Borrowing Fundamentals'; Chapter 4 'Consumer Credit'; Chapter 5 'Finance for Cars and Homes'; Chapter 6 'Insurance Fundamentals'; Chapter 7 'Property and Liability Insurance'; Chapter 8 'Life, Disability and Health Insurance' in *Personal Financial Management*, Allen & Unwin, Sydney, (forthcoming 1999).

Hrasky, S.L., Chapter 14 'Essentials of Superannuation'; Chapter 15 'Superannuation Planning'; Chapter 16 'Entering Retirement' in *Personal Financial Management*, Allen & Unwin, Sydney, (forthcoming 1999).

Livermore, J., Chapter 5, 'Carriage by Land and Air' in *International Trade: Law, Policy and Ethics*, Moens, G and Gillies, P (eds), Cavendish Publishing Pty Ltd, Sydney, 1998.

Livermore, J., Chapter 1 'Carriage by Road'; Chapter 2 'Carriage by Rail'; Chapter 3 'Carriage by Sea' in, *Laws of Australia, Vol. 34 Transport*, Law Book Company, Sydney, 1997 (correction).

Rundle, C.M., Chapter 11 'Real Estate Investment'; Chapter 12 'Taxation Fundamentals'; Chapter 13 'Taxation Planning' in *Personal Financial Management*, Allen & Unwin, Sydney, (forthcoming 1999).

Contributions to Journals

Collett, P.H., 'Codes of Conduct: a Framework for Ethics', *Australian Accountant*, February 1998.

Collett, P.H., Godfrey, J.M., & Hrasky, S.L., 'Standard Setting in Australia: Implications of Recent Radical Reform Proposals', *Australian Accounting Review*, Vol 16 No 2 November 1998.

Gibson, K.M., & Ranero, F., 'Bribery of Foreign Public Officials: an Accountant's Perspective', *Australian CPA*, (forthcoming, 1999).

Godfrey, J.M., Byrne, G., & Culvenor, J., 'Modelling Total Accruals in an International Environment: The Impact of Alternative Measures of PPE', *Journal of International Accounting Auditing & Taxation*, Vol 8 No 2 1999 (forthcoming).

Godfrey, J.M., & Godfrey, P.J., 'Benchmarking Quality Management: An Alumni Perspective', *Benchmarking: An International Journal*, (forthcoming 1999).

Leech, S.A., Collier, P.A., & Clark, N., 'Modeling Expertise: A Case Study using Multiple Insolvency Experts', *Advances in Accounting Information Systems*, Vol 6 1998.

PUBLICATIONS

Collier, P.A., Leech, S.A., & Clark, N., 'A Validated Expert System for Decision Making in Corporate Recovery', *International Journal of Intelligent Systems in Accounting Finance and Management* (forthcoming 1999).

Leech, S.A., Collier, P.A., & Clark, N., 'A Generalized Model of Decision-Making Processes for Companies in Financial Distress', *Accounting Forum* (forthcoming 1999).

Livermore, J., & Euarjai, K., 'Electronic Bills of Lading and Functional Equivalence', *Journal of Information Law and Technology*, 1998 http://elj.warwick.ac.uk/jilt/ecomm/98_2liv/default.htm

Mansfield, P.J., & Felmingham, B., 'Modelling Forward Foreign Currency Market Volatility in Small Countries: the Australian Case', *Economic & Financial Modelling*, Vol 5 No 1 Spring 1998.

Other Publications

Ikin, C.C, CAMS International, Graduate Diploma of Business Management, Course Materials, Unit Title – Financial Reporting and Analysis, Topic 4 Corporate Accounting and Reporting, Deakin University, Geelong, 1998.

Gibson, K.M., 'Towards a National Environment Protection Measure for the Assessment of Contaminated Sites', *APCEA News Journal*, September 1998.

Gibson, K.M., 'Environmental Accounting for Utility Companies', *Accounting for the Environment*, River Basin Management Society, Proceedings of Autumn Conference, Melbourne, June 1998.

Reports of Restricted Access

Gibson, K.M., 'Investment Trends and Likely Changes Following the Uruguay Round of GATT', Mineral Policy Institute of Australia, March 1998 (Component of WWF International presentation to OECD Conference on Investment & Environment, January 1998).

Gibson, K.M., 'Accrual Accounting in Schools', Survey Development for Department of Education, Victoria, July 1998.

Gibson, K.M., 'Towards a National Environment Protection Measure for the Assessment of Contaminated Sites', Response to NEPC Service Corporation, August 1998.

Gibson, K.M., 'Environmental Accounting and Reporting', Report for Department of Treasury and Finance, Victoria, December 1998.

Conference Papers

Arnold, V., Collier, P.A., Leech, S.A., & Sutton, S.G., 'The Impact of Intelligent Decision Aids on Non-Expert Users: A Partial Test of the Theory of Technology Dominance', *Fifth Annual AIS Research Symposium*, February 1998, Phoenix, Arizona.

Arnold, V., Collier, P.A., Leech, S.A., & Sutton, S.G., 'The Impact of Intelligent Decision Aids on Experienced and Novice Decision Makers', *Sixth Annual AIS Research Symposium*, (forthcoming February 1999), Phoenix, Arizona.

PUBLICATIONS

Arnold, V., Collier, P.A., Leech, S.A., & Sutton, S.G., 'The Effect of Experience on Order and Recency Bias in Decision Making by Professional Accountants', *Accounting Association of Australia and New Zealand Annual Conference*, July 1998, Adelaide.

Arnold, V., Collier, P.A., Leech, S.A., & Sutton, S.G., 'The Impact of Intelligent Decision Aids on Experienced and Novice Decision Makers', *American Accounting Association Auditing Section Midyear Conference*, (forthcoming January 1999), Atlanta, Georgia.

Chew, T.G., 'The Effect of Extensive Audit Experience on Internal Control Evaluation', *21st Annual Congress of the European Accounting Association*, April 1998, Antwerp, Belgium.

Chew, T.G., 'The Effect of Extensive Audit Experience on Internal Control Evaluation', *Accounting Association of Australia and New Zealand Annual Conference*, July 1998, Adelaide.

Gibson, K.M., 'Environmental Accounting for Utility Companies', *River Basin Management Society Autumn Conference*, June 1998, Melbourne.

Gibson, K.M., 'Tasmania's Environmental Account', *Australian Water & Wastewater Association Conference*, August 1998, Hobart.

Gibson, K.M., Hanson, D., & Kile, R., 'Mining in PNG – Inevitable Ecological Disaster?' *7th International Conference of the Greening of Industry Network*, November 1988, Rome.

Godfrey, J.M., Byrne, G., & Culvenor, J., 'Modelling Total Accruals in an International Environment: The Impact of Alternative Measures of PPE', *British Accounting Association Annual Conference*, April 1998, Manchester, UK.

Godfrey, J.M., Culvenor, J., & Ng, K.T., 'An Analysis of Earnings Management in an Income Smoothing Context', *British Accounting Association Annual Conference*, April 1998, Manchester, UK.

Godfrey, J.M., & Koh, P.S., 'Determinants of Short Term Earnings Management: Influences of Once-Off and Enduring Attributes', *British Accounting Association Annual Conference*, April 1998, Manchester, UK.

Godfrey, J.M., & Koh, P.S., 'The Explanatory Power of Alternative Total Accruals Models', *British Accounting Association Annual Conference*, April 1998, Manchester, UK.

Godfrey, J.M., & Koh, P.S., 'Determinants of Short Term Earnings Management: Influences of Once-Off and Enduring Attributes', *21st Annual Congress of the European Accounting Association*, April 1998, Antwerp, Belgium.

Godfrey, J.M., Byrne, G., & Culvenor, J., 'Modelling Total Accruals in an International Environment: The Impact of Alternative Measures of PPE', *21st Annual Congress of the European Accounting Association*, April 1998, Antwerp, Belgium.

Godfrey, J.M., Byrne, G., & Culvenor, J., 'Modelling Total Accruals in an International Environment: The Impact of Alternative Measures of PPE', *Accounting Association of Australia and New Zealand Annual Conference*, July 1998, Adelaide.

Godfrey, J.M., Culvenor, J., & Ng, K.T., 'An Analysis of Income Smoothing', *Accounting Association of Australia and New Zealand Annual Conference*, July 1998, Adelaide.

PUBLICATIONS

Godfrey, J.M., & Koh, P.S., 'The Explanatory Power of Alternative Total Accruals Models', *Accounting Association of Australia and New Zealand Annual Conference*, July 1998, Adelaide.

Godfrey, J.M., Byrne, G., & Culvenor, J., 'Modelling Total Accruals in an International Environment: The Impact of Alternative Measures of PPE', *American Accounting Association Annual Meeting*, August 1998, New Orleans, USA.

Godfrey, J.M., & Godfrey, P.J., 'Benchmarking Quality Management: How Does It Apply to the Development/Alumni Office?', *Alumni and Development Professionals in Education Biennial Conference*, September 1998, Adelaide.

Grabski, S.V. & S.A. Leech, 'Advantages of Semantically Modeled Information Systems', *Semantic Modeling of Accounting Phenomena (SMAP-98)*, August 1998, New Orleans, Louisiana.

Hrasky, S.L., 'The Impact of Role Ambiguity and Human Resource Management Strategies on Job Satisfaction and Tension in a Public Sector Agency', *Symposium on Issues of Accountability and Performance*, February 1998, Griffith University.

Livermore, J., 'Antarctic Transport: Treaties, Policies and Issues', *Sovereignty at Sea: From Westphalia to Madrid Conference*, October 1998, Hobart.

Livermore, J., 'Multimodal Transport: Carrier Liability and Issues related to Bills of Lading', *15th International Congress of Comparative Law*, August 1998, Bristol.

Mansfield, P.J., 'GARCH in Question ... and as a Benchmark', *Proceedings of the Econometric Society of Australasia*, 1998, Canberra.

Mansfield, P.J., & Brown, B., 'Hitting Times, Brownian Motion, and the Stable Indices of Financial Returns', *Quantitative Methods in Finance*, December 1998, Sydney.

Papers presented at Seminars at Universities

Arnold, V., Collier, P.A., Leech, S.A., & Sutton, S.G., 'The Impact of Intelligent Decision Aids on Experienced and Novice Decision Makers' Judgments', Research Seminar Program, *The University of Melbourne, Department of Accounting and Finance*, Melbourne, September 1998.

Arnold, V., Collier, P.A., Leech, S.A., & Sutton, S.G., 'The Impact of Intelligent Decision Aids on Expert and Novice Decision Makers' Judgment Processes', Research Seminar Program, *University of Tasmania, School of Accounting and Finance*, Hobart, April 1998.

Chew, T.G., 'The Effect of Extensive Audit Experience on Internal Control, Evaluation', Research Seminar Program, *Edith Cowan University, School of Accounting*, May 1998.

Chew, T.G., 'The Effect of Extensive Audit Experience on Internal Control, Evaluation', Research Seminar Program, *La Trobe University, School of Business*, July 1998.

Chew, T.G., 'The Effect of Extensive Audit Experience on Internal Control, Evaluation', Research Seminar Program, *University of Southern Queensland, Faculty of Commerce*, August 1998.

PUBLICATIONS

Chew, T.G., 'The Effect of Extensive Audit Experience on Internal Control, Evaluation', Research Seminar Program, *University of Western Australia, Department of Accounting and Finance*, September 1998.

Gibson, K.M., & Godfrey, J.M., 'International Harmonisation - What Do Lobbyists Really Want?', *Victoria University of Technology, Department of Accounting and Finance*, Footscray, March 1998.

Godfrey, J.M., & Godfrey, P.J., 'Evaluation and Measurement: A University Alumni Association Perspective on Benchmarking', Symposium on Issues of Accountability and Performance, *Research Seminar Program, Griffith University*, February 1998.

Godfrey, J.M., & Koh, P.S., 'The Explanatory Power of Alternative Total Accruals Models', Research Seminar Program, *University of Tasmania, School of Accounting and Finance*, Hobart, May 1998.

Ikin, C.C., 'The Demand for Non-audit Services – Research Progress to Date', Masters and PhD Forum, *University of Melbourne, Department of Accounting and Finance*, Melbourne, July 1998.

Mansfield, P.J., 'GARCH in Question and as a Benchmark', Research Seminar Program, *University of Tasmania, School of Accounting and Finance*, Hobart, April 1998.

Mansfield, P.J., & Brown, B., 'Hitting Times, Brownian Motion, and the Stable Indices of Financial Returns' Research Seminar Program, *University of Western Australia, Department of Accounting and Finance*, September, 1998.

Mansfield, P.J., & Brown, B., 'Hitting Times, Brownian Motion, and the Stable Indices of Financial Returns', Research Seminar Program, *AGSM, University of New South Wales*, September, 1998.

RESEARCH LECTURE

The Australian Society of CPAs (Tasmanian Division) Annual Research Lecture, held in conjunction with the School of Accounting and Finance, took place in Hobart on 31 August 1998 and in Launceston on 1 September 1998.

The 1998 Research Lecture was delivered by Professor Philip Brown. The title was, '*Politics and Processes: The Future of Australian Accounting Standards*'.

The Research Lecture is for academics, teachers, students, accountants and the business and government community. It has been held each year since 1990.



[From Left: Denis Pratt, Director, Australian Society of CPAs (Tasmanian Division); Professor Peter Dowling, Dean, Faculty of Commerce and Law; Professor Philip Brown; Professor Jayne Godfrey; David Baulch, President, Australian Society of CPAs (Tasmanian Division); Professor Stewart Leech].

PROFESSIONAL DEVELOPMENT ACTIVITIES

During 1998 several members of staff of the School conducted courses and seminars for the accounting profession and the business and government community. A number of these courses were initiated and organised by the School of Accounting and Finance while others were at the request of the professional organisations, firms or government departments.

The following are some of the professional courses and seminars with which members of staff were involved in 1998.

Courses offered by the School and the Australian Institute of Company Directors

The *'Company Directors' Course* is conducted in Hobart by the School for the Australian Institute of Company Directors. The Course was first offered in Tasmania in 1989. The School provided the organisation and arranged the tutors for five Courses in 1998. The number of participants in the course ranged from 14 to 19. The Course was offered in two modes of delivery: fortnightly seminars of three hours each over twenty weeks, and one week intensive Courses. Barry Hicks was the Course Co-ordinator. He was also a tutor and presented modules on *'Practice of Directorship'*; *'Directors' Duties and Responsibilities'*, *'Intellectual Property Issues for Directors'* and *'Environment Issues for Directors'*. Kathy Gibson was a tutor and presented modules on *'Introduction to Financial Statements'* and *'Assessing Company Performance'*. John Livermore was a tutor and presented a module on *'Contract Issues for Directors'*.

The Course covers a range of topics of importance to company directors and the modules in the Course comprise: *'Practice of Directorship'*; *'Directors' Duties and Responsibilities'*; *'Introduction to Financial Statements'*; *'Assessing Company Performance'*; *'Contract and Intellectual Property Issues for Directors'*; *'Trade Practices Issues for Directors'*; *'Contemporary Workplace Issues for Directors'*; *'Risk Assessment and Environment Issues for Directors'*; *'Strategic Direction'*; and *'Improving Board Effectiveness'*.

The School and the Institute also offered a one day seminar titled *'Understanding Financial Statements'* which was conducted by Kathy Gibson. It is intended that the Seminar will be offered on a regular basis in the future.

[From left to right Eldon Petersen, Director, Tasmanian Division, AICD; Professor Stewart Leech; Richard Watson, President, Tasmanian Division, AICD; Barry Hicks.]



Other Seminars and Courses presented in 1998

Kathy Gibson presented the 'Resource Management' module of the *Public Sector Management Course* conducted in Hobart and Devonport. She also presented seminars on Financial Management for the *Master of Public Administration* course at the University of Tasmania, and, as in previous years, she conducted a course in *'Finance for Non-financial Managers'* on behalf of the Australian Society of CPAs (Tasmanian Division).

Barry Hicks presented a seminar for the Southern Tasmanian Division of General Practice on *'Directors Duties and Responsibilities'*.

John Pugh conducted professional development courses in finance for security force personnel in Fiji and Papua New Guinea under the Australian Military Aid Program.

PROFESSIONAL ACTIVITIES

A number of staff members served in a variety of professional capacities throughout 1998.

Peter Collett continued to serve as technical consultant to the Australian Society of CPAs' Ethics Centre of Excellence which was launched in Hobart in 1992.

Kathy Gibson continued to serve as a Tasmanian Divisional Councillor of the Australian Society of CPAs, and has been appointed Deputy President. She is also Chair of the Ethics Centre of Excellence of the ASCPA, and has contributed materials on environmental accounting for the CPA Program.. She also continued her membership of the judging panel of both the Institute of Public Administration Annual Report Awards and the ASCPA Awards for Accrual Accounting Reports. Kathy's research interests in environmental accounting were also reflected in her continuing Directorship of the University's Strategic Research Centre for Environmental Accountability, and her position as auditor for the Environmental Defender's Office, Hobart. She also continues to be an International Associate of the Centre for Social and Environmental Accounting Research at the University of Dundee, Scotland.

Professor Jayne Godfrey continued to serve as a Member of the Australian Accounting Standards Board (1995-1998). She also continued as a member of the Editorial Boards of the *Australian Accounting Review*, the *Arab Journal of Accounting*, and the *Journal of International Accounting, Auditing and Taxation*. Professor Godfrey was a referee for ARC grant applications and a referee for research papers for numerous Australian and non-Australian accounting and economics journals. She was a Member of the Advisory Board of the University's Strategic Research Centre for Environmental Accountability; a Fellow of Christ College, University of Tasmania; a member of numerous committees within the University of Tasmania; Spokesperson: Education, Australian Society of CPAs, Tasmania; and, Spokesperson: Accounting Standards, Australian Society of CPAs, Tasmania. In addition, Professor Godfrey was a member of the National Examination Policy Advisory Committee of the ASCPA.

Chris Ikin served as a member of the Membership Services Committee, Institute of Chartered Accountants in Australia (Tasmanian Branch).

Professor Stewart Leech was elected Chairperson of the Information Systems Section of the American Accounting Association. He was also reappointed as the Asia/Pacific Region Committee representative of the Artificial Intelligence/Emerging Technologies Section of the American Accounting Association. He serves on the board of directors of the Centre for Educational Technology in Accounting (CETA), University of North Texas. Professor Leech continued to serve as a State Councillor of the Institute of Chartered Accountants in Australia and was elected as Vice Chairman of the Tasmanian Branch for 1998-99. He serves as Chair of the Continuing Education Committee (CPE), and as a member of the Education Panel, and Careers Marketing Committee of the Tasmanian Branch. Nationally, he is a member of the CPE Committee and the Disciplinary Committee of the Institute. He continued to serve as an associate editor of *Advances in Accounting Information Systems* and the *Journal of Financial Information Systems*, and on the editorial boards of the *Journal of Information Systems*, the *New Review of Applied Expert Systems*, and *Accounting Forum*.

John Livermore served as the Immediate Past Chairman of the Chartered Institute of Transport (Tasmanian Branch), and was a member of the Executive Council of the Australian Marketing Institute (Tasmanian Branch).