Welcoming from the Chairman

Dear all

I thank the members of the Auditing Special Interest Group (SIG) for giving me the opportunity to serve as Chair of the Group. It is truly an honour to hold this office, following in the footsteps of two exemplary individuals, Iain Gray and Joanna Stevenson. Managing the Auditing SIG is a team effort and each year we build on the successes of previous years.

We all owe a debt of gratitude to Joanna Stevenson (University of Stirling), the outgoing Chairperson, for her leadership during the past year. Joanna has remained on the Executive Committee and her experience will provide invaluable and much-needed guidance and assistance. Other continuing members are Iain Gray, who moves from member to Honorary Member, Emer Curtis (National University of Ireland, Galway) who continues as Secretary, Ian Fraser (University of Stirling) who continues as Treasurer, and David Hatherly (University of Edinburgh). At the annual general meeting of the Auditing Group, which took place during the 16th National Auditing conference in Manchester, two new members agreed to come on board and serve as members of the Executive Committee. I welcome David Gwilliam (University of Wales, Aberystwyth), and Jayne Smith (University of Staffordshire).

Before discussing past and future activities of the Group, I would like to take this opportunity to urge you to increase your attendance at the 17th National Auditing Conference on March 23-24, 2007 in Dublin, Ireland.

(continued on page 3)
Welcome to the first edition of the Newsletter for the Auditing Special Interest Group (ASIG) of the British Accounting Association (BAA).

The Newsletter will provide a focus for supplying and receiving information on research and teaching in the Auditing area, in the hope that new networks involving active contact and collaboration will arise. The aim at the moment is to publish the Newsletter twice a year. The Newsletter will be produced in hard copy and will also be available on the ASIG’s website: http://www.abs.aston.ac.uk/newweb/AcademicGroups/FAL/ASIG/FirtsPage.html

The Newsletter will rely heavily on members and non-members of the Auditing SIG to contribute views, ideas and any other relevant information. In the ‘Research’ section, information about relevant research being funded or in progress, working papers, articles ready for publication, etc, etc are of particular interest which we would love to include in the Newsletter. Also, if you have read a journal published article which you think it is of high quality and of particular interest to others, please let us know, as there will also be a dedicated section in the Newsletter on already published research.

Also, we are very interested in contributions to our ‘Features’ section in the Newsletter. This section includes short articles or commentaries of maximum 1,500 words. Examples of such submissions include critical reviews of literature, proposals for auditing innovations, case studies involving audit firms, or essays on professional or regulatory developments. The nature of articles likely to be included in this Newsletter would more closely resemble the types of audit-focused pieces one might find in periodicals such as Accountancy or other similar practice outlets. Articles will be much shorter and unlikely to contain statistical analyses.

There is a dedicated ‘Teaching’ section in the Newsletter. This section also relies on your contributions, such as news of activities and developments related to teaching of auditing, teaching materials, case studies, etc. Also, vignettes or anecdotal accounts of challenging teaching-related incidents and how they were dealt with would be of high interest to our members.

The first edition of the Newsletter includes information on research funding opportunities currently being offered by the Institutes, so make sure that you peruse this important information carefully. In addition, please start collecting any items of news, teaching or research initiatives and events. Then send us these pieces which would be most appreciated, I can assure you!

Please send your letters and email messages to ilias G Basioudis, Aston Business School, Aston University, Birmingham, B4 7ET, UK. Email: i.g.basioudis@aston.ac.uk

I look forward to hearing from you in due course. Let’s develop the Newsletter of Auditing SIG into a worthwhile medium for news and information relating to our discipline.

Best wishes

Joanna Stevenson
Editor of Auditing SIG Newsletter
University of Stirling

Leonardo da Vinci Staff Mobility Grant

Its aim is to increase mobility and innovation across Europe. To participate in the bid you must be undertaking the visit to exchange best practice.

However, this does not mean simply attending a conference or undertaking research.

Your visit should either:
- affect the curriculum (e.g. to improve/innovate it)
- benefit the students (e.g. modernise lectures/up-to-date information/create access to new facilities via partners)
- improve the teaching and learning within the institution (e.g. new assessment software, innovative practices).

The above are just examples and are not exhaustive, but give an idea of what the funding is to be used for.

Further details:
http://www.leonardo.org.uk/mobility
Welcome from the Chairman
(continued from page 1)

academic conferences, despite the difficulty in finding the time and the funding to do so! While the research communication function remains important, there is also a growing awareness that these conferences are vital vehicles for faculty to improve their teaching, and also interact with colleagues at other universities, auditing professionals and regulators. We always try to include an auditing education paper in the conference programme and, thus, I encourage you to pursue research in auditing education and disseminate the results appropriately. The insights from attending the National Auditing Conference can be very useful for your research and teaching, as I have found. These insights may come from auditing professionals and regulators serving as invited speakers or panelists at conferences, and from interaction with colleagues at other universities and discussing their experiences.

An example of a successful conference is the 16th National Auditing Conference in Manchester. We could not have had a more exciting 2006 National Auditing Conference, which was held March 31 & April 1, 2006 at the Chancellors Hotel & Conference Centre in Manchester, UK. The papers accepted for presentation were organised in plenary session. This way an excellent opportunity provided for members to interact and dialogue about important issues related to the audit profession.

We were fortunate to open our conference with Ian Percy who was heavily involved in standards-setting in the UK, but he has also been a practitioner, a regulator and a non-executive director. Ian gave an excellent overview of the changes in the UK auditing profession in the last fifteen years and looked at the issues and challenges going forward. Ian provided a great kickoff for our conference. There were four research papers presented during the first day of the conference, including one accounting education paper. These papers addressed a broad array of topics and research methods. The first day finished with the plenary panel session which considered the topic of audit quality. Claire Stone (Deloitte, London), David Gwilliam (University of Wales, Aberyystwyth), and Stella Fearmley (University of Portsmouth Business School) presented their views on audit quality. Stuart Turley (University of Manchester) was the moderator of the panel session. The panel concluded with a Q&A session, and very interesting questions were raised and equally motivating answers were given. The lively discussion ended because of ASIG’s annual general meeting and the evening dinner were on hold.

The second day began with our second keynote speaker, Ms Deborah Chaplin (ICAEW). Her speech on audit quality was very informative. Four research papers were then presented on various auditing areas. All papers presented in the conference were particularly informative in providing information to help improve our teaching and research.

Stuart Turley - our 2006 Conference Coordinator – deserves our thanks for the conference’s success. Stuart together with the members of the ASIG’s Executive Committee coordinated the conference agenda that featured eight plenary sessions, two invited keynote speakers, and one panel session. Thanks to ASIG’s Executive Committee members who served as moderators, or reviewers. And, we are indebted to Ms Sarah Crook for her incredible administrative assistance. It really takes a great team effort to pull this conference off – well done!

The Auditing Special Interest Group is especially grateful to The Association of Chartered Certified Accountants, The Institute of Chartered Accountants in England and Wales, and The Institute of Chartered Accountants of Scotland for providing the much-needed support (financial and other). Thankfully, we were able to publicly express our appreciation to Caroline Oades from ACCA, Deborah Chaplin and Louise Maslen from ICAEW, and Christine Helliar from ICAS, who were among the delegates of the conference. Their continuous support enables the Auditing SIG to organise successful conferences and provide valuable benefits for our members.

In closing, I extend a warm invitation to attend the 17th National Auditing Conference, next March 23-24 in Dublin, Ireland. The deadline for submitting papers or abstracts is November 1, 2006. I would like to thank Emer Curtis who has agreed to take the conference to Ireland and serves as our 2007 Conference Coordinator. Emer and the Executive Committee are working on the conference agenda and the programme, which promises to be outstanding.

Thank you again for giving me the opportunity to serve as Chairman of ASIG. Please feel free to contact me or other Auditing SIG Committee members if you have comments or questions regarding Auditing SIG activities. Our contact information is on the Auditing SIG’s website (http://www.abs.aston.ac.uk/newweb/AcademicGroups/FAL/ASIG/FirstPage.html) and at the end of this Newsletter.

Ilias G Basiodis.
Chairman
BAA’s Auditing SIG
Aston Business School
**NEWS**

**ASIG CONFERENCE 17th NATIONAL AUDITING CONFERENCE**

For further information, see page 5 on this Newsletter. Also, on our website: [http://www.abs.aston.ac.uk/newweb/AcademicGroups/FAL/ASIG/FirtsPage.html](http://www.abs.aston.ac.uk/newweb/AcademicGroups/FAL/ASIG/FirtsPage.html)

**BAA CONFERENCE**
The annual conference of the British Accounting Association will be held on April 3-5, 2007 at the Royal Holloway, University of London. Further details to follow.

**International Symposium on Audit Research (ISAR) 2006**
**Sydney, 22 and 23 June 2006**
The Symposium venue is the Crowne Plaza Hotel, Coogee Beach, Sydney, Australia. The host of ISAR 2006 is the Centre for Accounting and Assurance Services Research at the School of Accounting at the University of New South Wales. The Program for ISAR 2006 and other info can be found on the website [http://www.isarhq.org](http://www.isarhq.org)

The ISAR was formed in 1995 from a merger of two previous audit research symposia: the USC Audit Judgment Symposium and the Maastricht Audit Research Symposium. ISAR is now co-sponsored by four universities: University of Southern California (USA), Universiteit Maastricht (Netherlands), Nanyang Technological University (Singapore), and the University of New South Wales (Australia). The Symposium is held annually and is organised by each University in turn. The 2007 ISAR will be hosted by Shanghai Jiao Tong University in Shanghai from June 22 – 24.

**American Accounting Association, Auditing Section 13th Annual Midyear Conference**
**Charleston, South Carolina, 11 and 13 January 2007**

Call for Submissions

The conference will be held at the Francis Marion Hotel in Charleston, South Carolina, USA. Submissions must be received by September 1, 2006, to be considered for the programme. Early submission is highly encouraged.

CPE sessions will be held on the afternoon of January 11. The remainder of the conference will consist of keynote, plenary, and concurrent sessions dealing with a wide variety of contemporary topics related to audit, attestation and assurance practices, education, and research. You are encouraged to contribute to the programme through submissions of auditing/attestation/assurance research and education papers (including instructional cases), and special session proposals.

Further information: [http://www.aaahq.org](http://www.aaahq.org)

**Accounting and Finance Association of Australia and New Zealand (AFAANZ) 2006 Conference**
**2-4 July 2006 Wellington, New Zealand**

The conference is very broad in its scope and includes concurrent sessions in finance, financial reporting, international accounting, auditing and governance, management accounting, public sector accounting, environmental reporting, accounting information systems, tax and accounting education. Further information: [http://www.afanz.org](http://www.afanz.org)

**EAA conference**
The annual conference of the European Accounting Association will be held on April 25-27, 2007 in Lisbon, Portugal. Further details to follow.

**OTHER NEWS**

Gareth G. Morgan (Sheffield Hallam University) is undertaking an ongoing policy research with the Association of Charity Independent Examiners on scrutiny of accounts in smaller charities - including a recent study on the relative merits of accruals accounting versus receipts and payments for financial reporting in very small charities.

Gareth G. Morgan (Sheffield Hallam University) has advised Lord Hodgson on tabling amendments to the Company Law Reform Bill with regard to updating the reporting accountant regime for smaller charitable companies and involvement with the working party of the Charity Law Association looking at the same issues.

Sheila Ellwood (Warwick Business School) will join Bristol University as Professor of Financial Reporting in September 2006.

Special thanks to Roy Chandler (Cardiff University Business School), Gareth Morgan (Sheffield Hallam University), Karen Van Peursen (University of Waikato Management School), Ursula Lucas (Bristol Business School University of the West of England), and Margaret Laurence (University of East London Business School) for their supporting emails regarding the launch of the Newsletter.

Thanks to Kathryn Hewitt (BAA), Nicola Perry (AlA), Gilliam Knight (ICAEW), Michelle Crickett (iCAS), and Ruth Harkin (British Accounting Review) for providing the information on pp. 10-11.

Thanks also to Dr. Gholamhossein Davani (manager of Tax & Management services of “Dayarayan Auditing & Financial Services Firm”, Iran) for forwarding useful information about current practices in Iran.
CONFERENCE ANNOUNCEMENT AND CALL FOR PAPERS

17th National Auditing Conference
23 & 24 March 2007, Dublin, Ireland

The 17th National Auditing Conference, organised by the Auditing Special Interest Group (ASIG) of the British Accounting Association (BAA), will be held in Dublin, Ireland on Friday 23 and Saturday 24 March 2007.

The conference aims to provide a forum which: i) allows faculty from higher education establishments to meet and exchange ideas and experiences, ii) encourages the discussion of educational objectives and teaching methodologies within auditing courses, and iii) promotes the dissemination of current research and professional practice.

This conference has been successfully held at venues around the UK for the past 16 years and attracts a mix of academic and professional speakers from the UK and abroad. An important feature of the conference is that it is held in plenary session with papers presented serially rather than in parallel. Approximately 45 minutes is allowed for the delivery of each paper including an allowance of 10-15 minutes for discussion and questions. The conference organising committee invites papers in any area of auditing.

E-mail or post submissions to ilias G Basioudis (please see the back of this Newsletter for contact details). Submissions (abstracts or full papers) must be received by November 1, 2006 to be considered for the programme. Full paper submissions will be given priority. Submissions are not eligible for consideration if they will have been published or accepted for publication by November 1, 2006. Final version of accepted papers will be required for binding into the conference proceedings by 1 February 2007.

Early submission is highly encouraged. Any questions should be addressed to the conference organiser Emer Curtis or the ASIG’s Chairman ilias Basioudis at the e-mail addresses listed at the end of this Newsletter.

RESEARCH


“Have You Read This?”


5 June 2006 Newsletter AUDITING Special Interest Group
“Charities and Self-Regulation: Theory and Practice in the Role of Independent Examiners under s43(3) of the Charities Act 1993” by G. G. Morgan (2005), Charity Law and Practice Review, vol 8, No 3, pp. 31-54


Please let us have any interesting papers you have read and would like others to read them too.

Working Papers

These working papers were presented in the ASIG’s 16th National Auditing Conference, March 31 & April 1, 2006:

“Auditor Liability without Compulsory Audit Requirement” by T. Bush (Hermes UK Focus Funds, London), S. Fearnley (Portsmouth Business School), and S. Sunder (Yale School of Management).

This paper analyses the recent changes, and proposals for future changes in audit liability, on the basis of research results available on the market for audit services.

“Audit Quality and Audit Liability – a Musical Vignette” by D. Gwilliam (University of Wales, Aberystwyth).

This study using a case study – Sir Elton John against PwC – highlights the issue of audit quality and associated liability.

“A Practitioner’s Perspective on Current Choices in Respect of Rules - or Principles-based Auditing Standards” by C. Stone (Deloitte, London).

This paper discusses the varying definitions of principles-based and rules-based regulation, and considers the impact these have on the current debate about the development of auditing standards.


This research examines the skills that practitioners, academics and students think are important for trainee auditors to have to engage upon a successful auditing career, and also it investigates the teaching methods that are used at universities and how auditing can be taught to develop these skills and meet the criteria that are essential to future auditors.


This paper offers (1) a conceptual framework of the determining factors of audit evidence’s probative value and (2) a systematic review of the relevant auditing literature.

“The Determinants of Auditor Changes in the Voluntary Sector: Evidence from UK Charities” by V. Beattie (University of Glasgow), A. Goodacre (University of Stirling), W. Masocha (University of Stirling).

This study examines auditor changes in the charity sector in the UK. The results indicate similar determinants of auditor change for this sector to the ones developed in the private sector models.

“Strategic Viability and Going-Concern Audit Opinions” by L. Bruynseels, M. Willekens (both from Katholieke Universiteit Leuven, Belgium).

This paper examines the association between client strategic viability and the likelihood of auditor issuing a going-concern opinion. The evidence suggests that auditors perceive the engagement in cooperative agreements as a mitigating factor, and the presence of
cost reduction and marketing strategies as additional going-concern risk factors.

“Evidence from the UK: Audit Fees, Non-audit Fees, and Auditor Reporting on Stressed Companies” by I. G. Basioudis, V. Papakonstantinou (both from Aston Business School, UK), and M. Geiger (University of Richmond, USA).

This study empirically examines the assertion that auditors may act more favourably toward those clients from whom they receive higher non-audit fees. The study confirms this notion in that financially stressed companies with high non-audit fees are less likely to receive a going-concern modified audit opinion.

**Other Working Papers:**

“Business Risk Assessment, Risk Management and External Auditing” by I. Fraser (University of Stirling), and W. M. Henry (Glasgow Caledonian University).

“Auditor independence or interdependence?” by I. Fraser (University of Stirling), and W. M. Henry (Glasgow Caledonian University).

“Business Risk Auditing: Fundamental or Incremental Change?” by I. Fraser (University of Stirling), and D. Hatherly (University of Edinburgh).

“Auditor Industry Specialisation, City Specialisation, Client Bargaining Power and Audit Pricing in the U.K.” by I. G. Basioudis and J. Xia (both from Aston Business School).

“An assessment of the learning benefits of using a web-based learning environment when teaching accounting” by I. G. Basioudis (Aston Business School, UK) and P. DeLange (RMIT, Australia).

“The Role of Financial Institutions in the Corporate Governance of Listed Chinese Companies” by R. Yuan, N. Milonas and J. Z. Xiao (Cardiff University)

“Accounting Regulation in the UK: One Nation, Two Sectors” by R. Hodges & H. Mellett (Cardiff University)

“Institutions in Transition: Legitimation and Cognition in the Educational Field” by M. Ezzamel, K. Robson and P. Edwards (Cardiff University)


**PhD (Doctoral) Candidates**

“Purchase of non-audit services in the UK: a study of the effectiveness of the post-Enron regulatory initiatives” by Javed Siddiqui (University of Manchester), Supervisor: Stuart Turley

“Regulating auditor legal liabilities: analysis, model and test” by Yingfa Lu (University of Edinburgh), Supervisor: Chris Pong

“Governance and internal control in the UK” by Laura Kerrigan (University of Manchester), Supervisor: Stuart Turley

“Evaluation of corporate governance in Nigeria” by Preye Angaye (University of Wales, Aberystwyth), Supervisor: David Gwilliam

Scrutiny, Examination, Review or Audit: Alternative Models for Reporting on the Accounts of Smaller Charities” by G. G. Morgan (Sheffield Hallam University)

Have you got any work-in-progress papers that you would like our members to know about? Send us your contributions to i.g.basioudis@aston.ac.uk
Research Grants

New projects funded by the ICAEW's charitable trusts in 2005 and 2006
1. ‘The changing role of accountants in the new corporate tax compliance process’, by Penelope Tuck (Southampton University) and Lynne Oats (Warwick Business School)

2. ‘Developing a reflective capacity: the role of work-based learning within pre-professional education’, by Ursula Lucas and Phaik Leng Tan (Bristol Business School, UWE)

AIA Seed Corn Grant Project
‘Constitute participation in the IASB standard setting process’, by Dr George Georgiou (Birmingham University)

FEATURES

This section includes short articles or commentaries of maximum 1,500 words. Examples of such submissions include critical reviews of literature, proposals for auditing innovations, case studies involving audit firms, or essays on professional or regulatory developments. The nature of articles likely to be included in this section of the Newsletter would more closely resemble the types of audit-focused pieces one might find in periodicals such as Accountancy or other similar practice outlets. Articles will be much shorter and unlikely to contain statistical analyses.

Also, this section incorporates vignettes or anecdotal accounts of challenging teaching-related incidents and how they were dealt with.

Finally, this section may include short profiles of members of Auditing SIG.

Please send your letters or email messages to ilias G Basioudis, Aston Business School, Aston University, Birmingham, B4 7ET, UK. Email: i.g.basioudis@aston.ac.uk

[The teaching material below is supplied by Ursula Lucas (Bristol Business School)]

The ACCA website
This is an excellent website. It will give you access to previous exam questions and answers. Below the exam paper access, it also gives you access to articles from Student Accountant. These are great for providing an overview of a topic area. http://www.accaglobal.com/students/professionalscheme/

ProAudit
This is the link to the ProAudit website. The site describes ProAudit as follows:
“PROaudit is an innovative computerised audit automation tool. It represents a major leap forward and takes automated audit control into the year 2000 and beyond. It provides the solution for audits of all sizes and can also be used on pure accounts preparation assignments.”
There are brief demonstrations on this site of how ProAudit works.
http://www.proacc.co.uk/proaudit.htm

APB Publications on Auditing
You can access Auditing Standards (ISAs), Ethical Standards (ES) and other publications via this link. http://www.frc.org.uk/apb/publications/index.cfm

Accounting Education website
This site has become a major resource for the global academic and professional accounting community. Key features of the site include:
- Double Entries - the Oldest Online Accounting Newswire - a free weekly news feed to keep you right up to date with international developments and those more local to you - wherever you may be. Register now to join - only your name and email address are required.

(continued on page 10)
The **British Accounting Association**, which was established in 1947, is a UK organisation which brings together those interested in teaching and research in accounting and finance and is an associate organisation of the American Accounting Association. The Association currently has about 780 members, many of whom are employed in UK Higher Educational institutions. Other members include representatives from leading firms of accountants as well as a significant number of private individuals and people based outside the UK. The membership subscription rates are £25 for standing order payments or £30 if you pay by cheque or credit card (please note reduced subscription rates are available for unsalaried PhD/MPhil students). The benefits of membership include:

- free subscription to the quarterly refereed journal *The British Accounting Review*;
- a free copy (in the year of publication) of the biennial *The British Accounting Review Register* - the authoritative reference work on UK accounting and finance departments and the lecturing/research interests and publications of 1,500 academic staff members across over 100 UK institutions;
- eligibility to attend the annual and regional conferences, seminars, research workshops, doctoral colloquium and summer schools organised by the BAA;
- eligibility to join the Special Interest Groups of the BAA (which includes Auditing, Corporate Governance, Education, Interdisciplinary Perspectives, International and Public Services);
- reduced personal subscription rates for other journals, including *Critical Perspectives on Accounting* and *Accounting Education*.

During 2006 the Association’s Officers and Representatives are:

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<th>Role</th>
<th>Name</th>
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<tr>
<td>Chairperson</td>
<td>John Holland, University of Glasgow</td>
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<tr>
<td>Vice Chairperson</td>
<td>Mike Page, University of Portsmouth</td>
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<td>General Secretary</td>
<td>Keith Maunders</td>
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<td>Treasurer</td>
<td>Alan Murray, University of Sheffield</td>
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<td>Editors, <em>British Accounting Review</em></td>
<td>Vivien Beattie and Clive Emmanuel, University of Glasgow</td>
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<td>Editors, <em>British Accounting Review Research Register</em></td>
<td>Christine Helliar and Lissa Monk, University of Dundee</td>
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<td>Chair, CPAF</td>
<td>Richard Laughlin, King’s College London</td>
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<td>Chair, CHA</td>
<td>Elaine Harris, DeMontfort University</td>
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**Regional Groups:**
- Scottish: David Power, University of Dundee
- Northern: David Oldroyd, University of Newcastle upon Tyne
- South Eastern: Mick Broadbent, University of Hertfordshire
- South Western: Neil Marriott, University of Glamorgan

**Special Interest Groups:**
- Auditing: Ilias basioudis, Aston University
- Corporate Governance: Jill Solomon, Cardiff University
- Education: Neil Marriott, University of Glamorgan
- Financial Accounting Reporting: Mike Jones, Cardiff University
- Interdisciplinary Perspectives: Jim Haslam, Dundee University
- International Accounting/Finance: Peter Walton, Open University Business School
- Public Services: Andrew Goddard, University of Southampton

If you would like to join the Association, or if you require further information, please contact:

The Administrator, British Accounting Association c/o Management School
The University of Sheffield, 9 Mappin Street, Sheffield S1 4DT, UK.
Tel: 0114 222 3462 Email: baa@shef.ac.uk Web: [www.shef.ac.uk/~baa](http://www.shef.ac.uk/~baa)
Registered Charity Number 299527
As a professional accountancy body, the Association of International Accountants (AIA) is committed to the development of education in accounting and finance; as well as encouraging and supporting research in accounting and finance; and contributing to the development and maintenance of high quality, globally recognised standards of accounting practice. The AIA achieves this through supporting academic accounting associations and sponsoring research conferences. The AIA is a member of the British Accounting Association (BAA), the European Accounting Association (EAA) and the International Association for Accounting Education and Research (IAAER) and shares their common aims and objectives.

The AIA has launched a special category of membership for academics, designed to give them access to the network and resources of an international accountancy body at a reduced subscription rate. Specialist resources include a Research E-newsletter.

Since 2002, the AIA has offered a Seed Corn Grant for members of the European Accounting Association (EAA) and British Accounting Association (BAA) for applications on any topic relating to accounting.

The ICAEW recognises the importance of effective dialogue between business, the accountancy profession and academe and is a leading supporter of independent accounting research. The ICAEW’s charitable trusts are currently funding approximately 25 on-going research projects. Funding is available for any relevant world-class research project from UK researchers. We also encourage collaboration between UK and overseas universities where research topics are of relevance to a global market. Funding to a maximum value of approximately £30,000 per project is currently available. Applicants do not need to be ICAEW members.

We welcome proposals for new projects that are either focussed on specific current policy issues or address more widely the underlying factors that are associated with the rapidly changing reporting, management, market and regulatory environment that faces the accounting profession.

At the recent BAA National Auditing Conference, Deborah Chaplin, Head of the Audit and Assurance Faculty at the ICAEW gave a presentation on the work of the Audit Quality Forum, highlighting the importance of constructive dialogue and the value of research. The study, conducted by Oxera, which looks at competition and choice in the audit market.

The Forum’s current agenda examines the relationship between shareholders, boards, auditors, regulators and other stakeholders in the audit.

Further information on the work of the Audit Quality Forum, downloadable copies of its reports and details of how to obtain hard copies are available at www.icae.co.uk/auditquality.

Comments on the work of the Forum and (cont. on next page)
The Research Committee of The Institute of Chartered Accountants of Scotland (ICAS) is pleased to announce the publication of its new Research Strategy Brochure 2006-2008. Research is funded by The Scottish Accountancy Trust for Education and Research (SATER), which focuses on research that is relevant to the public interest and the accountancy profession or business. To this end, research proposals are invited on issues of broad relevance to the accountancy profession, both within and outside public practice. Funding applications for research projects are particularly encouraged under the following themes:

- Ethics
- Risk and Control
- Development of the Profession
- Improving Regulation
- Small and Medium Sized Entities
- Not-for-profit Sector

Research proposals within the auditing field may fall within a number of these themes. And applications for grants are welcome from researchers and institutions anywhere in the world. Informal feedback can be provided on projects prior to a formal application being submitted.

An indication of the significance of the *British Accounting Review* is given by RAE 2001 data, which shows that it was the fourth most frequently nominated journal to the Accounting and Finance and Business and Management panels. *The British Accounting Review* is also increasingly being targeted by non-UK academics (just over 50% of all submissions during 2005). During 2005, the time to first decision letter has been less than 8 weeks for 40% of papers; and the editors seek to offer a relatively short publication delay upon acceptance of a manuscript.

Potential contributors should consult the journal’s website at [http://www.sciencedirect.com/science/journal/08908389](http://www.sciencedirect.com/science/journal/08908389). Submissions should be made to the Editorial Office at [BAR@gla.ac.uk](mailto:BAR@gla.ac.uk).

There are three levels of project funding normally available:

- Project (£2,000 - £25,000) - Most applications fall into this category and a research monograph is expected to be published.
- Small project (under £2,000) - A simplified, but thorough, process applies to small grants of this type. A summary of the project will be required at completion and an Occasional Paper may be published.
- Seedcorn (up to £750) - This is aimed at helping new academics start their research. A short article is required at completion.

For further information on the ICAS Research Strategy, application process or ICAS publications please contact the ICAS Research Centre on 0131-347 0237 or [research@icas.org.uk](mailto:research@icas.org.uk) or visit the ICAS website at [www.icas.org.uk/research](http://www.icas.org.uk/research).
“Dancing the Zorba at The 15th National Auditing Conference”
March 2005
Aston Business School, Birmingham

To be honest, when I volunteered to represent BDO at The National Auditing Conference, it didn’t occur to me that I’d be giving up my Saturday morning for the privilege!

Now in its 15th year, the conference adopted a Greek flavour (despite the less-than-exotic surroundings of Aston Business School) in the form of flamboyant host Ilias Basioudis and the after-dinner festivities.

Shortly after the Deloitte sponsored bar timed out, I voiced an intention to write an article for my BDO colleagues. The delegates, almost exclusively drawn from the world of academia, were intrigued to discover a ‘real auditor’ in their midst and expressed ‘interest’ in my feedback. Even more alarmingly, several delegates asked me if BDO was ‘quite large’. It would appear that Accountancy Age’s reigning ‘Employer of the Year’ winner is not that famous in our Universities.

Sessions were delivered on a diverse range of topics, many of which were underpinned by extensive research papers. For the first time, the conference organisers managed to attract guest speakers from Ernst and Young, Deloitte, KPMG and even the Audit Commission of Wales. The result was a melting pot of theoretical and commercial perspectives that fuelled some lively debates.

Jonathan Hayward (former PWC partner and author of ‘Thinking not Ticking’) set the tone of the conference with a blistering attack on the plethora of regulations facing (Jonathan might say strangling) the profession. In a sense, this was a hard act to follow and the controversial issues raised by Jonathan resonated throughout the conference.

It was interesting to hear the views of academics and practitioners in respect of current hot topics such as Sarbanes-Oxley, Corporate Governance, Life after Enron etc. I noticed that the research material for most papers was taken from the Big ‘6/5/4’ (*depending on when the research commenced) and wondered if there might be a gap in the market for data obtained from mid tier firms.

The conference will be fondly remembered for the after-dinner ceilidh, interspersed with displays of Greek Dancing (resulting in no loss of plates for Aston Business School) that livened up the proceedings. The dancers even taught us how to stumble through that famous Greek dance; the Zorba. My Line Dancing know-how did not come to my aid for the first number but it was the ultimate ice breaker!

I took away far more than a Deloitte emblazoned rucksack full of goodies and would recommend it to anybody interested in a fresh ‘take’ on auditing.

As is the case with the Olympics, the National Auditing Conference has yet to be staged in Manchester so this might be a possibility for next year’s conference!

Leonora Smedley
BDO
Manchester

Newsletter Poem – ‘An Accountant’s Salute to Walt Whitman’ by Keith Warnock

At the National Auditing Conference held in Manchester last March/April we organised a poetry reading session which appeared to go down well. The committee has asked me to select a poem for each issue of the Newsletter, and I have decided to start with a poem by Keith Warnock. This poem appeared originally in Critical Perspectives on Accounting (1999, 5, p 614) and has also been included in Poetic Accounts, An Anthology of Accounting and Business Poetry, edited by Wan Ying Hill, Ken McPhail and Tony Tinker, and published by Certified Accountants’ Educational Trust in 2005. Keith clearly thinks that we should concern ourselves with wider issues than the endless detail of our work, whether it be astronomy, accounting, auditing or perhaps too the work of academics – Iain Gray

Astronomers, accountants, auditors, And limits us with its precision. But
We all may disappear beneath the waves We may yet triumph if we use the night,
Of endless detail in our work. The rows If hiding from the clamour of the sums,
Of numbers mock and harry us throughout We look in perfect silence at the stars.
The day. Each chart and diagram demeans

To close, I cannot resist giving you a two-line poem by Rab Wilson, an Ayrshire poet, a former mining engineer and Wigtown Bard in 2004:

Paranoia Confirmed
Who’s there? –
Knock, knock.
The National Auditing Conference

The Previous Years:

The first National Auditing Conference took place in March 1991 and since then conferences have been arranged on an annual basis. Past conferences have been supported by the following institutions:

- 1991 Sheffield Hallam University, Sheffield
- 1992 University of the West of England
- 1993 University of Staffordshire
- 1994 University of Central Lancashire
- 1995 Sheffield Hallam University, Sheffield
- 1996 University of the West of England
- 1997 Cranfield School of Management
- 1998 Glasgow Caledonian University
- 1999 University of Essex
- 2000 University of Edinburgh
- 2001 De Montfort University, Leicester
- 2002 University of Stirling
- 2003 Oxford Brookes University
- 2004 University of Southampton
- 2005 Aston Business School
- 2006 University of Manchester

The programme and papers presented in all previous National Auditing Conferences can be found in our website:

http://www.abs.aston.ac.uk/newweb/AcademicGroups/FAL/ASIG/FirtsPage.html

AUDITING SIG

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