CGA-Canada has long chafed at the domination of Canadian standard setting by the Canadian Institute of Chartered Accountants, and it has a go at the CICA: “Canada is the only nation in the industrialized world where a single, private accounting organization, which excludes about half the profession, has been delegated quasi-legislative authority to set standards” (p. 12).

The article makes many interesting points relevant to the current world struggle for standard-setting supremacy. Both English and French versions appear in the booklet. CGA-Canada’s website is: www.cga-canada.org.

S.A.Z.


For anyone interested in the compliance by companies and their auditors with International Accounting Standards (IASs), this is the book. But, as can seen above, it comes at a fairly high price.

Cairns reports on a survey of 125 companies and their auditors drawn from a population of companies whose financial statements published in 1998 or later refer to compliance with IASs. Two of the three heaviest country-users of IASs, Switzerland and Germany, are represented by 27 and 13 companies, respectively, but the third country, China, is not represented at all in the sample, apparently for reasons of language. The sample is heavily European, with non-European countries contributing only 30 companies.

Cairns graded the companies according to one of nine categories of compliance, and he found that fully 54 companies deserved a mark of “full compliance,” the highest grade. They included 47 of the 95 European companies (including 20 of the Swiss and 10 of the German) and seven of the 30 non-European companies (including only two of the five Canadian and the lone American in the sample). None of the 14 French or the 11 Italian companies received the highest grade.

Another finding is that the external auditors of as many as 44 of the 125 companies did not express an opinion on compliance with IASs, including the auditors of all five of the Canadian companies, the American company, and most of the Italian, Japanese, South African, and Swedish companies in the sample. Rightly, Cairns said this result was “worrying” (p. 182).

Cairns discusses his survey methods and the survey findings at considerable length. In addition, he provides useful sketches of the accounting requirements of 80 countries in all regions of the world, and, in one of his chapters, he elaborates upon the technical accounting issues in IAS financial statements. The book also contains much information about the background and work of the IASC.

This is an extraordinarily useful book for anyone who wishes to keep up-to-date with developments on IASs. Interested purchasers may contact Nick Tribe, Marketing Manager, Tel.: +44-171-896-2386 (nick.tribe@informa.com).

S.A.Z.