

A study of the readiness and awareness of future accounting educators in introducing ISAE 3410 standards: a pilot study in Malaysia

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Loo Choo Hong, *Lecturer*
School of Business and Administration
Wawasan Open University
Email: chloo@wou.edu.my
Tel: 04 2289323 ext.381

Dr Tung Lai Cheng, *Lecturer*
School of Business and Administration
Wawasan Open University
Email: ltung@wou.edu.my
Tel: 04 2289323 ext.431

Abstract

On 9 February 2011, the International Federation of Accountants introduced the ISAE 3410, Assurance Engagements on Greenhouse Gas Statements which in future will ensure that the reporting of Greenhouse activities of a firm are included with Financial Statements. This represent a paradigm shift in accounting theory as the concept of implicit costs reported together with the traditional historical costs. As there is hardly any resources on the new theory in print, educators will have to rely on information concerning this new standard through e-learning via the International Federation of Accountants webpage, the local accounting body webpages and commentary from the webpages of major international accounting firms. In this study, the researchers explored the readiness and awareness of accounting educators across higher education institutions and professional bodies in Malaysia in understanding and applying the new theory into their future course development materials. A series of cross-sectional studies was conducted on Malaysian accounting educators and professional bodies through constructive questionnaires. Although majority of them are environmentally conscious, the result indicates that majority of them are not enlighten with the details of the standard. It seen that the respondents are waiting for clear direction from the accounting communities before imposing any changes to their current course materials. Implications of findings for future accounting educators and practitioners are provided.

Keywords: Industry Standard, ISAE 3410, Attitudes towards new standards, Accounting Standards, environmental policy.

Introduction and Background

Environmental degradation has been an occurring problem that governments have to address since the 1980s. Various tools have been developed to elevate the issues related to environmental degradation. Some measures are voluntary: for example taking shark-fins from the menu. Others come with the long arm of the law such as tolls when entering city limits in Singapore. Taxation is a tool that the government uses both to collect revenue but also to prevent and encourage certain behaviour. As taxation is monetary in nature, it is a good way to encourage or discourage a country's citizen to behave in a certain way as deemed appropriate by the government. One important form of environmental taxation which we are exploring throughout this paper is *emissions trading* or "cap and trade".

Emissions trading or "cap and trade" is an approach used to limit pollution by providing economic incentives for achieving reductions in the emissions of pollutants. Salnykov and Zelenyuk (2005) cited Cecil Pigou's (1932) seminal work which is the basis of the emission trading tax concept. Pigou suggested that the idea of environmental pollution is transferred to the polluter by introducing taxation equal to the marginal "external cost". In order for emission trading to work, pollution must be calculated in money terms.

A central authority in an emissions trading will set a cap on carbon emissions. Tradable credits that represent the right to emit a specific amount of carbon will be identified and enforced on businesses. Businesses are not permitted to exceed the cap set on them, thereby limiting total emissions to that level. Businesses that emit beyond their allowance must either buy credits from those who emit less than their allowance or face penalties. This represents a paradigm shift in accounting theory as the concept of implicit costs reported together with the traditional historical costs.

In February 2011, the *International Federation of Accountants* introduced the ISAE 3410, Assurance Engagements on Greenhouse Gas Statements which in future will ensure that the reporting of Greenhouse activities of a firm are included with Financial Statements. There was discussion in the accounting community since 1999 to consider developing standards specifically designed for assurance on sustainability. The Stern Report mentioned that the problem of climate change is caused by the inability of the study of finance to include the implicit costs of environmental degradation in the calculation of costs. The most important method to include the implicit costs of environmental degradation is in the form of emissions trading (HM Treasury, 2011).

As there is hardly any resources on the new theory in print, educators will have to rely on information concerning this new standard through e-learning via the International Federation of Accountants webpage, the local accounting body webpages and commentary from the webpages of major international accounting firms.

Although this standard looks at the operations of emissions trading assurance, the researchers predict that there will be a need for standards of the reporting of emissions trading in the financial statements in the near future.

Literature Review

Accounting Concepts

As this paper is both a paper on education and accounting, the researchers explore this paper with literature from both disciplines perspectives.

The concept of historical costs is most used concept in any accounting system. *Historical cost* is the original monetary value of an economic item i.e. the price of the item when it was bought. In accounting items in the accounts are stated costs or net realisable value meaning all items must be stated at the price when it is bought or else the price when the item is forcibly sold.

However, traditional accounting records only costs that can be measured in monetary form. The implicit costs to a certain good or service is ignored. Extra costs that come in due to the production or usage of a certain good

and service is ignored. To remedy this, a new form of accounting called social accounting is slowly being introduced to mainstream accounting. Brown and Law (2005) criticized the traditional concept of cost-benefit analysis which is a mainstay in Management Accounting. Political judgments are part of the choices of what and whose costs and benefits to count and how to quantify them. Brown and Law believe that many costs when viewed, in a sustainability context, involve benefits to others (e.g. future generations, non-western nations, other species) are ignored, while costs across organizations or societies (e.g. health and safety, displacement of local communities) are excluded in computing costs to vulnerable groups. In response to the weaknesses in traditional accounting, various tools and techniques have been developed to broaden the current approaches to accountancy. Cost Benefit Analysis underplays the interests of different stakeholders on social issues (e.g. views on 'fair trade'). Currently, accountants have realised that it is a mistake for corporate decision makers to ignore the viewpoints of stakeholders. The introduction of the *emissions trading* will mean that the cost of environmental degradation to society (which is a stakeholder) to any business must be calculated into product costs. Bellido-Arregui (2003) supports the use of tax and tax subsidies (in this case *emissions trading*) as means to shift and reduce the costs of pollution to society. By making the costs associated with pollution a cost for producers, tax incentives can be used to induce producers to reduce emissions, develop and implement environmentally friendly technologies. ACCA Malaysia (2011) mentions of the need for integrated reporting in financial statements. Integrated reporting is an integrated representation of a company's performance in terms of both financial and non-financial results. A company's performance would include the economic and well as the social, environmental and governance aspect.

Pearce et al (1989) looked at environmental taxation from the point of view of Marginal Costs. Luckin (1999) cited Pearce et al (1989), whereby any product that produces pollution impacting a third party, the product should have a price (P) which can be represented as

$$P=MC + MEC + MSC$$

Where P is price, MC is marginal cost, MEC is marginal external cost and MSC is marginal social costs. This equation indicates that from an economic point of view, the real cost of products and services would include the actual cost of the product, the environmental cost to the people using it and the environmental cost to the public in general.

The ISAE3410 Assurance Engagements on Greenhouse Gas Statements suggests guidelines on how limited assurance is carried out when obtaining evidence of the emission levels of greenhouse gasses by an enterprise. Limited assurance is an auditing terms whereby the conclusion the auditors gets after their audit is that the financial statements do not run fowl of any general accounting practices. It is implied from ISAE3410 that any reviewed financial reports that have complied with this standard is "true and fair" (Malaysian Institute of Accountants, 2011).

Educators' Attitudes toward Change and Adaption to the Change

No doubt that there would be a paradigm shift in accounting theory with the implementation of ISAE3410 Assurance Engagements on Greenhouse Gas Statements, however, the question here is how will future educators in the view of this new standard and their readiness of adapting this new standard is another unknown territory as there is hardly any resources on the new theory in print that are available for educators or professional bodies. In this review, the researchers look into the educationists' general perceptions and attitudes towards change to rationalise the study framework.

In 2004, the Individuals with Disabilities Education Improvement Act (IDEIA) was signed into law in the US where the U.S. Department of Education released the Regulations of implementing IDEIA throughout the educational institution in US and mandating all school personnel have to be aware of the changes and implementing the change gradually. With the mandatory compliance of the Act, this had posted problem to school personnel whereby existence of the overreliance on the compliance model that causes schools emphases

the process rather than results. Many school personnel has become so driven by the complex regulations, excess paperwork for compliance, and ever-increasing administrative demands that complying with these demands, rather than concentrating on preparation and provide training for the educators to adapt to the changes need for compliance to the regulations (Yell, Shriner, and Katsiyannis, 2006). Dogan (2010) conducted a study on the perceptions of educators to explore whether there were differences in educators' perceptions about new education program which was put into effect in 2005 and their attitudes towards the program in Turkey. The study revealed that most educators' perceived the change would brought better progress and improvement to the existing education program, however, many were also concern about the institutions where they employed such as private and public in carrying the execution and implementation of the new program. The private institutions were perceived better response to the changes than public institutions due to the fact that physical infrastructure of the private institutions for the application of the new program is much better than that of the states ones. Henninger (1998) study on the perception on Deans, head of departments or Schools felt on the introduction of new AACSB (business school accreditation standards) faculty qualification that demands more emphasis on faculty qualifications must be within the business discipline such as a DBA or MBA. The finding indicated that many dean or head of departments remained disengaged from accreditation concerns and few knew any of the new standards or even cared about them. The implication of the study suggested that widespread commitment from faculty will begin only if faculties understand the costs and benefits to the school and to them personally from being accredited.

While attitude toward change in general may vary from person to person, a more important factor is an individual's attitude toward specific changes. Attitudes toward changes more universally accepted or rejected appear to be influenced by the anticipated effects of change on either personal interests or institutional goals or combination of both (Abel, 1967). Wideen and Holborn (1984) offer another perspective that in planning for reform or introduction new program change especially in a higher education setting one must also plan for the change process that would implement such reform or new program. They wrote that "faculty members may possess great skills and knowledge in specific areas, but such skill and knowledge does not typically include the understanding of change nor the perceptions of how it occurs" (p 31). The argument is that attitude toward change cannot occur without a proper education for learning the change. It must set time for the faculties to learn the new knowledge for the change. Hammond (2006) suggested that it is important to internalised and comprehend the learning material themselves first. Perceptions to change are influence by readiness and preparedness of individual towards the particular issues. For instance, Yang (2011) study educators' perception of overseas field experience programme suggested that educators have a positively attitudes towards the programme for who has well-trained and prepared for the programme than those who did not.

Attitudes and perceptions towards new information also can be look at from the personal take on the importance and seriousness of the matter involve. For instances, "If it is not concern about me (personally), why should I care?", "Why do I need to care? I am not involve!", "Deal with it when it become, not now!" of attitudes. Seale *et al.* (2010) conducted a survey on a sample of residents from Sydney, Australia to ascertain their risk perception, attitudes towards the seriousness of the H1N1 pandemic, willingness to accept the (H1N1) 2009 influenza vaccine and issue relating to uptake and perceived safety. Of the 627 respondents, their study result found that less than 20% of the study sample perceived that they were at significantly high risk of acquiring H1N1 or in another meaning that the respondents did not believe they have a high or very high chance of contracting the disease. They finding also revealed that most of the respondents were willing to receive pandemic H1N1 2009 influenza vaccine (56%) and expressed a low anxiety of the pandemic situation. The acceptance of, and adherence to public health measures by the population depends largely on the way people perceive a threat. The study also suggested that many of the respondents have a lack of understanding about the implication of the pandemic on individual health and most believed the N1H1 vaccine would definitely protect them against acquiring "swine flu", and most importantly the attitudes of uncared of "whether I get the "swine flu" or not is out of control, deal with it when it come, why bother now" and a sense of ignorant.

While most people perceptions of change are very varies on from individual to individual, we can generalise that for any new introduction of new ideas, standards, programs or others, there must be a learning phase for the

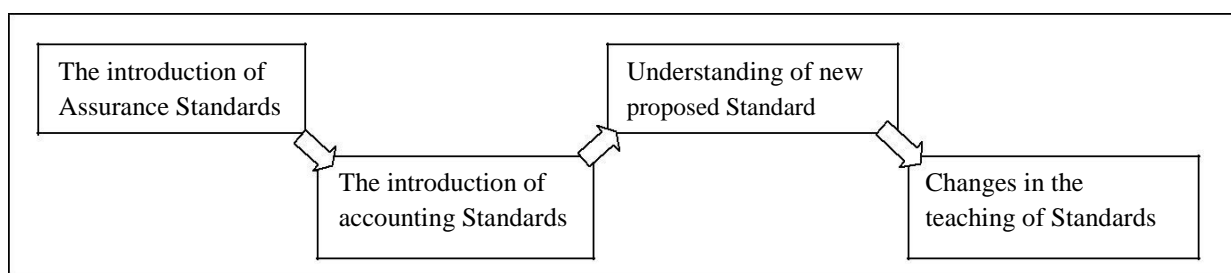
people involved to begin learn and study about the new ideas, standards, programs first before they can deliver and execute the new changes effectively.

Research Questions & Framework

In this study, the researchers will explore the readiness and awareness of *future* accounting educators in understanding and applying the new theory into their future course development material. A series of cross-sectional studies will be conducted on Malaysian accounting educators and professional bodies through constructive questionnaires. The study will provide future directions and recommendations for effectively introducing this new industry standard on the accounting education as well as in the convention higher education in the nation.

The researchers propose the following theoretical model for this research. Table 1 show the theoretical framework model of this study.

Table 1 Theoretical Model towards readiness and awareness of future accounting educators



The ISAE 3410 standards is the first assurance standard in the world to incorporate the elements of “cap and trade” cost to a business. With this standard, there is a standardized way for auditors internationally to perform assurance services on *emission trading*. Although currently there is no accounting standard on how emission trading will be dealt with as a cost (or revenue when any excess credits are sold to another company) in the Statement of Comprehensive Income or any accrued credits are dealt in the Statement of Financial Position, the researchers believe that in the future the accounting bodies will have to deal with this issue.

Like the introduction of any new accounting standards, the preparers and the users of any financial statement must get used to the new requirements and disclosures which are needed by the standards. The accounting educators too, must understand and get used to the new standards so that they can present the new material well to their students. With this premise, the researchers pondered on the following research questions to be answered in the research when designing the study:

1. Is the educator aware of the changes to accounting theory as a result of the introduction of the accounting standard?
2. Is the educator ready to realign the syllabus due to the changes in the standard?
3. Is the educator is aware of the motives of introducing the new accounting standard?
4. Does the educator agree that the protection of the environment is good for society in the long run?

Methodology

In the date between July 15th and August 8th 2011, the researchers conducted a cross-sectional intercept survey in Malaysia higher education institutions (both privates and publics) as well as professional bodies to explore their perceptions and attitudes towards the new proposed standard. A personal email invitation with the link to the website of the survey

(<http://kwiksurveys.com/?u=SurveyOnEnvironmentalAccountingStandards>) were sent to various accounting school heads in various public and private higher education institutions in Malaysia and to the CPA Australia's and Institute of Chartered Accountants of England and Wales representatives in Kuala Lumpur. The survey was posted as well on the Doctorate Support Group Facebook page (<http://www.facebook.com/home.php#!/groups/doctsupp/>). This page is a closed discussion group among 2255 doctoral students from public and private universities in Malaysia. The survey questionnaire has two parts. The first part composed of 16 items that targeting on educators present state of awareness, readiness and perceptions towards this new standard. The questionnaire was uses 5 point Likert-type scales ranging from 1 (Strongly Disagree or Very Low) to 5 (Strongly Agree or Very High) of the statements or questions been asked. The second part of the questionnaire is about socio-demographics profile of the participants.

Both auditing and accounting must come hand in hand in the real practice of book keeping. Accounting record and presents financial information while audit and assurance looks at the reliability of the financial information. ISAE 3410 is an assurance standard. The researchers' suspect that it would not be long that the accounting community and professional bodies involves will come up with accounting standards that are directly deal with the environmental issues. In this regards, laws require preparers of accounts to incorporate the latest accounting standards in their work. The preparers of the account must *first* understand the new accounting standards. The accounting educators are people who prepare *future* accounting students for the workforce. It is imperative that accounting educators or related professionals must *first* to understand the new developments in audit and assurance so that they can communicate well to their students. The questions were designed to cover the following research questions

1. Is the educator aware of the changes to accounting theory as a result of the introduction of the accounting standard? (Q1)

Item 1: Do you agree that changes in accounting and auditing standards, tax laws and economic instruments may help improve the quality of the environmental?

Item 2: Do you agree with charging the cost of environment degradation to the financial results of a company?

Item 3: Do you agree with that there must be a common way of calculating the cost of environment degradation in accounting?

Any changes in accounting and assurance standards will change in accounting theory. Any introduction of environmentalism into accounting and auditing standards would mean that "social cost" will included into the cost structure of a company apart from the traditional "historical cost" of items in the financial statements. This is a major change in accounting theory which until now focuses on "historical costs". We gauge whether the educator is aware of this new circumstance.

2. Is the educator ready to realign the syllabus due to the changes in the standard? (Q2)

Item 4: A change in accounting theory will mean a change in course delivery. Rate your readiness for the change.

Item 5: A change in accounting theory will mean a change in course delivery. Rate your willingness for courses to learning this standard.

Item 6: As the standard is still in development, rate the ease for you to follow the changes (i.e. from updates from the accounting bodies)

As the accounting educator acts as a communicator of new accounting knowledge to future accounting practitioners, this set of questions looks at the readiness and willingness for the educator to change the syllabus. How easy is it for the educator to learn up the new theory? How easy is it for the educator to present the new material to the students? Any changes in the syllabus would mean the need for new textbooks and teaching aids.

3. Is the educator is aware of the motives of introducing the new accounting standard? (Q3)

Item 7: Rate your current state of understanding the pros and cons of changing accounting theory to include environmental costs?

Item 8: Rate your current state of awareness on the existence of the ISAE 3410 standard?

Item 9: Rate your current state of awareness regarding the rationale behind to include for environmental protection in the field of auditing and accounting?

4. Does the educator agree that the protection of the environment is good for society in the long run? (Q4)

Item 10: Currently the reporting of green projects is mandatory in listed companies. Do you agree that the government must force this on all companies?

Item 11: Do you believe that as a shareholder of a company, we all should bear the cost of environment degradation if this law impose upon us?

Item 12: Do you belief that as a consumer, we all should bear cost of environment degradation if this law impose upon us?

Item 13: Rate your current state of awareness of the environmental problems in your neighbourhood?

Item 14: Rate your current state of awareness regarding the environmental laws locally and internationally.

Item 15: Rate your current state of awareness regarding greenhouse effect and global warming.

Research questions 3 and 4 are closely connected. Hammond (2006) is her study found out that students comprehend the material better if they have internalised the material themselves. The same logic should apply to educators. If they comprehend the rationale behind including social costs to traditional accounting theory when addressing the issues of environmentalism in accounting, the educators should be able to present the material better to the students as they have internalised the material. If the educators themselves are involved with the issues concerning environmental degradation, then they have a personal connection to the issue therefore they can present this issue to their students with conviction.

Results and Discussion

Demographic Data

During the three weeks of data collection on the survey, a total of 15 responses were recorded from the invited accounting professionals and the related groups. Although the response rate was relatively low, partly due to the fact that this is a piloted study and the time frame for the data collection was short. The demographic result of the 15 participants for this pilot study was discussed and presented in Table 2.

Table 2. Educators Demographic Characteristics

Item	N = 15	% = 100
<i>Gender</i>		
Male	11	73
Female	4	27
<i>Marital Status</i>		
Single or never been married	5	33
Married	10	67
<i>Age Group</i>		
Below 25	0	0
26 to 35	5	33
36 to 45	6	40
46 to 55	4	27
56 to above	0	0

<i>Nationality</i>		
Malaysian	15	100
Non-Malaysian	0	0
<i>Highest level of Education</i>		
Bachelor's Degree	0	0
Master's Degree	12	80
Doctoral Degree	1	7
Professional Qualification	2	13
<i>Current employment</i>		
Employed for wages	4	27
Self-employed	0	0
Professional	11	73
Unemployed/retired	0	0

There more male participants (73%) than female participants (27%) in this study. Mainly is due to the targeted sample populations are mainly educators or professionals in the field of accounting is predominantly more male in this region. All the participants were Malaysian (100%) and most of them hold at least post-graduate degree (80%), with one (7%) of them have a doctoral degree and two (13%) hold professional qualifications such as the ACCA etc. In term of age range, thirty-three percent (33%) of the participants were in the age group of 26 to 35 and forty percent (40%) of the participants were in the age group of 36 to 45. Only twenty-seven percent (27%) were age 46 or older. As can seen in Table 2, most of the participants either professionals (73%) or employed for wages (27%) categories.

Awareness of the changes to accounting theory (Q1)

The responses that were received were relatively low. Hence, the researchers followed up by calling up the potential respondents who did not respond to the survey. The feedback that the researcher got was that the potential respondents *were not aware* of the contents of the ISAE 3410 and there were in no position to comment on it even though they are involved in the teaching of accounting and auditing at their educational institution. They were willing to forward the survey to other colleagues in their institution. This shows in general, a majority of the accounting educators in Malaysia were ignorant to the changes in the assurance environment. It was perceived that as the ISAE 3410 is currently being reviewed by selected members of the accounting profession, it was not the right time for the educators to be involved.

From those who responded,

- 80% of the respondents agreed that only with changes in accounting and auditing standards, tax laws and economic instruments can the current environmental quality be improved. The same number agreed that there must be a common way of calculating the cost of environment degradation in accounting.
- 53% of the respondents agree with charging the cost of environment degradation to the financial results of a company.

Based on our research question 1, we can conclude those who are aware of the new assurance agree that in the near future there would be certainly be a change in accounting theory from the traditional historical cost approach to one that takes to account social costs. However for the majority of the instructors, they would start to learn about the changes after the accounting practitioners have used the new approach.

Readiness in the change in course delivery (Q2)

Any change to the world view of the way accounting theory is approached will certainly affect the syllabi of the accounting program. Sixty-six percent of the respondents agreed that change in accounting theory will mean a

change in course delivery. Nearly 70% of those who answered agreed their willingness to change their syllabus. This result can be argued as inconclusive as there were 4,000 more potential respondents who declined to answer due to the lack of awareness of the standard.

In terms of the ease of following the evolution of the standard was not that easy for those who responded. Only 20% mentioned it was easy. If we add the results with those who declined due to the lack of awareness of the contents of the ISAE 3410, it shows there is a great difficulty for the educators in general to follow the development of the standards. We can infer that the educators will amend their course material once the textbooks have included the changes to their material and not before that.

Rationale behind introducing new accounting standards (Q3)

In terms of educators' realisation of the motives behind introducing the new accounting standard, forty-four (44%) percent of the respondents rated that they are well aware of the rationale behind environmental protection in the field of auditing and accounting. Only a small fraction of the respondents (17%) do not know about motives for introducing the new standards. On the contrast, most of the respondents reported the neutral (more than 50%) when asked to rate their current understanding on the pro and con associated with the new standards. Similarly, when asked about their current statement of awareness on the existence of the ISAE 3410 Standard, more than 69% responded as either low or very low awareness towards the ISAE standard.

This result of such was not a surprise as the details on the standards have yet to be announced. Furthermore, the available information was very limited and the information that is available can only be found on accounting bodies or accounting association webpages. Based on the finding, the educators seem not well aware of the new standards, and for those who realise the reasoning for such new standards maybe due to the realisation of the global warming and green initiative for environmental consciousness among Malaysian society.

Attitudes towards the protection of the environment is good for society in the long run (Q4)

We posted questions that reporting of green projects is mandatory for listed companies, nearly 65% of the respondents agreed upon such mandatory must be enforced. On the other angle, when we asked them on the cost of environment degradation should be responsible for all of us, if they were a shareholder of the company, the result was surprising as nearly 50% of them agreed and only 15% disagreed. However, when we asked them the same-type of question, the question now if they were a consumer instead of a shareholder, would they be agreed upon the statement? Forty-three of them agreed and 38% of them disagreed. The attitude towards the environment for a shareholder is different from a consumer. The shareholder is interested in getting profit before embarking on a project for or against the environment while the consumer is interested in the usage of the products per se. Both the shareholder and the consumer are interested in pursuing a project or product for the betterment of the environment so long it benefits their main objectives of profit and product satisfaction respectively.

The last three questions, we are targeting to gauge the respondents' personal awareness of the environmental impact on their daily personal life as to understanding the relationship between the new standards might have some relation to their personal beliefs. Below is the description of the result.

- 60% of the respondents rated high awareness of the environmental problems in their neighbourhood. The result of this finding was somehow expected from the researchers' point of view as the whole nation (Malaysia) has successfully promoted green and healthy living as such most shoppers are expected to bring their own recycle bags for any items that they purchase from the grocery stores nationwide.

- The following question, we surveyed the respondents current state of awareness in term of their regarding the environmental laws locally and internationally. It was surprising to observe at least 50% of them rated low in this regards and 25% of them rated either do not care and no opinions.
- In term of respondent's awareness on greenhouse effect and global warming, 60% of them rated either high or very high on this topic.

Based on this result, we can make a rationale conclusion on the attitudes and response towards the protection of environmental is relatively good. This perhaps can be explain from the point that most of the respondents hold post-graduate degree and are in professional fields which indirect imply there are well educated to learn and know about the environmental implication of our society. They are fairly aware of the current international and local authorities in promoting the green and healthy living.

In term of open ended question on their general feedback regarding this new standard, the following are the general feedback from among the respondents.

"Companies are made to bear of cost of environmental changes which cannot be fully be accounted for. Tax laws and cost of doing business in Malaysia will be affected."

"We must develop a system to measure, report and audit the effects of environmental costs. Accounting policy for green reporting is needed."

"It is very crucial that we pay serious attention towards the environment and its cost of degradation in order for us to account for it accurately, thus, providing a true view of the situation. Such steps will lead us to better decision making and better management of the environment that we live in."

"Every delivery of courses must be participated with the changes in the standard and procedures."

They are fairly well aware and most of them who responded see this as a measure for balance and control for the sake of our environment.

Conclusion and Recommendation

The results are suggestive on the premises where most of the respondents who are aware of the new assurance agree that in the near future there would be certainly be a change in accounting theory from the traditional historical cost approach, however, majority of them are still in the stage of "limbo" of the new standard and what it is they needs to learn about the changes and the requirement. The changes in accounting theory will definitely affect the syllabi of teaching the accounting for most of the educators, the result showed that most of the respondents agreed this meant changes to their teaching materials and willing to adapting to the change. It was not surprising to discover that most respondents are not well aware on the existence of the ISAE 3410 Standard and the rationale behind of introducing the new standards. It is even more surprising that educators who are supposed to the front-line of accounting research were not aware at all on this matter.

We could imply that there is a clear disconnect between educators and accounting practitioners. Any changes to standards were channelled to practitioners but to the practitioners any work-in-progress seems to be in the domain of accounting researchers. To the researchers any discourse concerning daily accounting routines is not "academic" enough and therefore it should be in the domain of the practitioner.

As noticed in the result, the new standards are fairly new which was released to the international accounting body on February of this year, most countries has yet to received the new changes or requirements, for countries who are not a members of the international accounting body the new standards may not even come to their awareness. As Malaysia is consider a well educated nation and high in advanced technological progress, the people are well aware and conscious on the environmental impact on their daily life and see it as good things to introduce environmental protection or measures that help to prevent the degradation of the environmental. As

seen from the open ended question on the respondents' general feedback, it seems that the respondents comprehend the rational behind the new assurance standards.

It is worth emphasising that the findings reported herein and hence the generalisability of our conclusions, are limited to the small sample size, and especially only to Malaysia. It would be interesting to research in comparative public opinion to the rest of the world. It is perhaps likely, that a similar pattern of findings would emerge in comparably developing democracies like India, Thailand or China. The recommendations for future full scale of study can be conducted to reach all educationists in the Malaysia with longer data collection time period. The questionnaires can be designed in such a way than target most of the educationist and more direct applicable to them. Perhaps when the new and detailed standards have been released with details instructions and the same study can then be apply towards more targeted sample for better results.

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